

# Balkrishna Industries

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	BIL IN
Equity Shares (m)	193
M.Cap.(INRb)/(USDb)	515.3 / 6
52-Week Range (INR)	3375 / 2152
1, 6, 12 Rel. Per (%)	13/-7/-17
12M Avg Val (INR M)	812

## Financials & valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	106.5	112.5	125.8
EBITDA	26.6	27.7	32.1
Adj. PAT	18.6	17.4	21.5
EPS (Rs)	96.4	90.2	111.4
EPS Growth (%)	26.0	-6.4	23.5
BV/Share (Rs)	537.4	607.6	694.0

## Ratios

RoE (%)	19.4	15.8	17.1
RoCE (%)	15.3	13.5	14.1
Payout (%)	16.6	22.2	22.4

## Valuations

P/E (x)	27.9	29.8	24.2
P/BV (x)	5.0	4.4	3.9
Div. yield (%)	0.6	0.7	0.9
FCF yield (%)	0.6	0.4	1.2

## Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter (%)	58.3	58.3	58.3
DII (%)	24.8	23.8	22.4
FII (%)	10.5	11.5	12.6
Others (%)	6.4	6.5	6.7

FII includes depository receipts

**CMP: INR2,693**      **TP: INR2,510 (-7%)**      **Neutral**

## Demand weakness continues in global OHT market

### Favorable currency to provide some respite

- Balkrishna Industries' (BIL) 1Q earnings at INR2.9b were below our estimate of INR4.3b due to an adverse mix, the impact of US tariffs, and weak demand.
- BIL continues to face demand headwinds in its key global markets. Further, its foray into the PCR/TBR segments is likely to be closely monitored for: 1) the pace at which it gains material traction and 2) whether the margins and returns will be materially dilutive in the long run. While the stock has underperformed in the recent past and valuations at 29.8x FY26E and 24.2x FY27E are not too demanding, the future target multiple will likely depend on the company's ability to succeed in these new segments—not only by capturing market share, but by doing so without materially hurting core returns—which, in our view, remains a challenge. Reiterate Neutral with a TP of INR2,510.

### Weak 1Q due to subdued demand and adverse mix

- Volume declined 3.5% YoY to 80,664 MT (in-line), impacted by weak global demand.
- Revenue rose marginally 1% YoY at INR27.6b (in-line), despite weak volumes, aided by favorable forex movement that drove a 4.3% YoY growth in blended average ASP.
- Gross profit margin was impacted by a lower share of exports (India mix now at 35% of total volumes).
- EBITDA margin contracted 220bp YoY (-100bp QoQ) to 23.8% (below our estimate of 25%). Apart from the adverse mix, margin was impacted by: 1) the impact of tariffs on sales to the US (Americas now at 17% of the mix) and 2) lower sales volumes.
- As a result, EBITDA dipped 8% YoY to INR 6.56b (vs est. 7.05b).
- There was an MTM loss of INR 1.54b in 1QFY26 (vs a gain of INR0.06b in 1QFY25), which also hurt profitability.
- Overall, PAT declined 40% YoY to INR2.87b (vs est. INR4.3b), with PAT margins contracting to 10.4% (vs 17.4% in 1QFY25).
- The Board declared an interim dividend of INR4/share, maintaining payouts despite the decline in PAT.

### Highlights from the management commentary

- Europe volumes declined 20% YoY as the farm sentiment in Europe is currently weak.
- Input costs are likely to remain stable QoQ in Q2.
- The Euro-INR rate for 1Q stands at INR93.6, while the hedge rate for the remaining period is closer to the spot rate.

- Despite the benefit from currency depreciation, management has maintained its margin guidance of 24-25% for FY26, citing an uncertain demand environment. Accordingly, it has refrained from providing any volume growth guidance for FY26E.
- As part of its diversification into the PCR/TBR segments, the company plans to focus on niche premium segments, including radial. It aims to commence SOP for this project by Jun'26.

### Valuation and view

BIL continues to face demand headwinds in its key global markets. Further, its foray into the PCR/TBR segments is likely to be closely monitored for: 1) the pace at which it gains material traction and 2) whether the margins and returns will be materially dilutive in the long run. While the stock has underperformed in the recent past and valuations at 29.8x FY26E and 24.2x FY27E are not too demanding, the future target multiple is likely to depend on the company's ability to succeed in these new segments—not only by capturing market share, but by doing so without materially hurting core returns—which, in our view, remains a challenge. We have not changed our target multiple for BIL yet and continue to value it at 22x June'27E. However, this may warrant a reassessment going forward if BIL's returns plunge due to its foray. Reiterate Neutral with a TP of INR2,510

### Quarterly Earning Model (Standalone)

Y/E March	FY25				FY26E				FY25	FY26E	(INR m)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	VAR (%)
<b>Volumes (Ton)</b>	<b>83,570</b>	<b>73,298</b>	<b>76,343</b>	<b>82,062</b>	<b>80,664</b>	<b>79,895</b>	<b>80,160</b>	<b>84,019</b>	<b>315,273</b>	<b>324,737</b>	<b>81,063</b>	<b>-0.5</b>
YoY Change (%)	24.3	3.8	4.9	0.0	-3.5	9.0	5.0	2.4	7.7	3.0	-3.0	
<b>Realizations (INR '000/ton)</b>	<b>328.1</b>	<b>336.3</b>	<b>336.8</b>	<b>345.8</b>	<b>342.1</b>	<b>349.7</b>	<b>350.3</b>	<b>339.5</b>	<b>336.7</b>	<b>345.3</b>	<b>346.4</b>	<b>-1.3</b>
YoY Change (%)	4.2	5.6	5.8	5.2	4.3	4.0	4.0	-1.8	5.1	2.6	5.6	
<b>Net Revenues</b>	<b>27,415</b>	<b>24,648</b>	<b>25,716</b>	<b>28,376</b>	<b>27,594</b>	<b>27,941</b>	<b>28,082</b>	<b>28,521</b>	<b>106,150</b>	<b>112,138</b>	<b>28,082</b>	<b>-1.7</b>
YoY Change (%)	29.6	9.7	11.0	5.2	0.7	13.4	9.2	0.5	13.2	5.6	2.4	
<b>EBITDA</b>	<b>7,137</b>	<b>6,185</b>	<b>6,391</b>	<b>7,035</b>	<b>6,560</b>	<b>6,957</b>	<b>7,077</b>	<b>7,368</b>	<b>26,813</b>	<b>27,962</b>	<b>7,049</b>	<b>-6.9</b>
Margins (%)	26.0	25.1	24.9	24.8	23.8	24.9	25.2	25.8	25.3	24.9	25.1	<b>-130bp</b>
Depreciation	1,617	1,647	1,708	1,760	1,862	1,880	1,885	1,897	6,735	7,524	1,794	
Interest	143	404	150	490	290	260	240	224	1,252	1,014	350	
Forex loss/(gain)	-60	530	-1,120	580	1,540	0	0	0	-68	1,540	0	
Other Income	830	1,048	240	550	1,042	950	200	471	2,668	471	750	
<b>PBT before EI</b>	<b>6,267</b>	<b>4,653</b>	<b>5,894</b>	<b>4,755</b>	<b>3,910</b>	<b>5,767</b>	<b>5,152</b>	<b>5,718</b>	<b>21,562</b>	<b>20,547</b>	<b>5,655</b>	<b>-30.8</b>
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
<b>PBT</b>	<b>6,267</b>	<b>4,653</b>	<b>5,894</b>	<b>4,755</b>	<b>3,910</b>	<b>5,767</b>	<b>5,152</b>	<b>5,718</b>	<b>21,562</b>	<b>20,547</b>	<b>5,655</b>	<b>-30.8</b>
Rate (%)	23.8	24.9	25.4	23.8	26.6	26.5	26.5	26.7	24.5	24.0	24.2	<b>240bp</b>
<b>Adj PAT</b>	<b>4,773</b>	<b>3,496</b>	<b>4,398</b>	<b>3,622</b>	<b>2,869</b>	<b>4,239</b>	<b>3,786</b>	<b>4,190</b>	<b>16,283</b>	<b>15,085</b>	<b>4,286</b>	<b>-33.1</b>
YoY Change (%)	52.7	4.3	42.6	-25.8	-39.9	21.3	-13.9	15.7	12.6	-7.4	-10.2	

E: MOFSL Estimates

### Key Performance Indicators

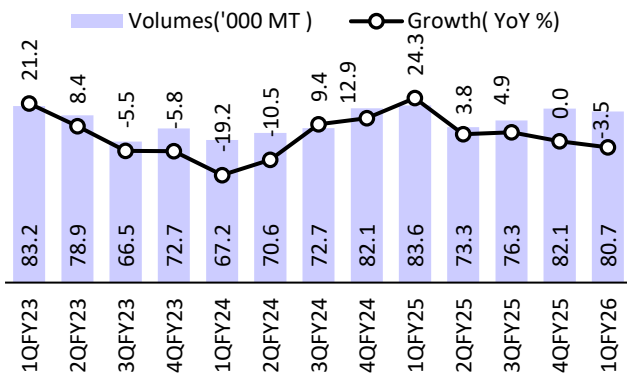
Y/E March	FY25				FY26E				FY25	FY26E	1QE
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			
<b>Volumes (Ton)</b>	<b>83,570</b>	<b>73,298</b>	<b>76,343</b>	<b>82,062</b>	<b>80,664</b>	<b>79,895</b>	<b>80,160</b>	<b>84,019</b>	<b>315,273</b>	<b>324,737</b>	<b>81,063</b>
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<b>Realizations (INR '000/ton)</b>	<b>328.1</b>	<b>336.3</b>	<b>336.8</b>	<b>345.8</b>	<b>342.1</b>	<b>349.7</b>	<b>350.3</b>	<b>339.5</b>	<b>336.7</b>	<b>345.3</b>	<b>346.4</b>
YoY Change (%)	4.2	5.6	5.8	5.2	4.3	4.0	4.0	-1.8	5.1	2.6	5.6
Gross Margins (%)	53.1	52.5	52.4	51.2	51.5	52.5	52.9	53.6	52.3	52.6	52.0
EBITDA Margins (%)	26.0	25.1	24.9	24.8	23.8	24.9	25.2	25.8	25.3	24.9	25.1
Gross Profit (INR '000/ton)	174.2	176.7	176.6	177.1	176.2	183.6	185.3	181.9	176.1	181.8	180.1
EBITDA (INR '000/ton)	85.4	84.4	83.7	85.7	81.3	87.1	88.3	87.7	85.0	86.1	87.0



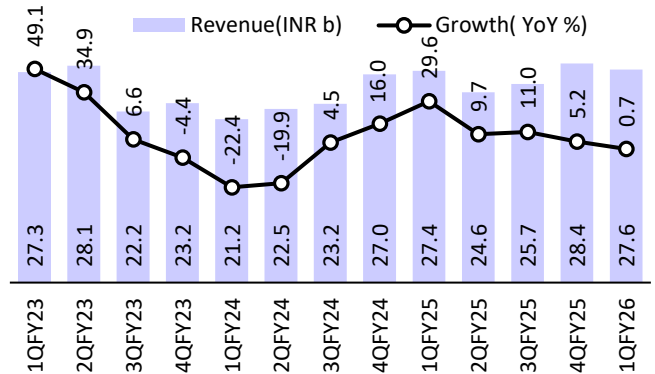
## Highlights from the management commentary

- Given the uncertain tariff environment, the overall industry experienced a volatile ordering cycle in April. Management expects the ordering cycle to normalize once the complete tariff structure between all regions is in place.
- Europe volumes declined 20% YoY as the farm sentiment in Europe currently remains weak.
- Despite the adverse macro environment, BIL posted only a 3% YoY volume decline, which highlights the resilience of its business model, according to management. The company has outperformed its end market and is likely to continue its outperformance in the coming quarters as well.
- BIL's exports to the US are currently subject to a 10% tariff. Its end customer is absorbing about 60% of this impact, while the company is absorbing the balance. Management clarified that its competitive positioning remains unchanged even after the tariff levies by the US.
- Dealer inventory remains stable between 2 and 3 months.
- Carbon Black sales to third parties contribute 9% to overall revenues.
- Input costs are likely to remain stable QoQ in Q2.
- The Euro-INR rate for 1Q stands at INR93.6, while for the balance period, the hedge rate is closer to the ongoing spot rate.
- Despite the benefit of currency depreciation, management has maintained its margin guidance at 24-25% for FY26, citing an uncertain demand environment. Accordingly, management has refrained from providing any volume growth guidance for FY26E.
- Management has indicated that its export margins are about 50-100bp higher than those of the Indian business.
- Its rubber track expansion is set to commence SOP by H2FY26.
- As part of its diversification into the PCR/TBR segments, it plans to focus on niche premium segments, including radial. It aims to commence SOP for this project by Jun'26. The company is confident that it will outperform market expectations in this venture, citing a potential operational advantage over its peers.
- The advanced Carbon Black capacity is still in the trial phase and is expected to ramp up from Q4CY25 onwards.
- BIL currently has around 76 distributors for the core business. While there could be some overlap, it aims to set up a new distribution network for the PCR and TBR segments.

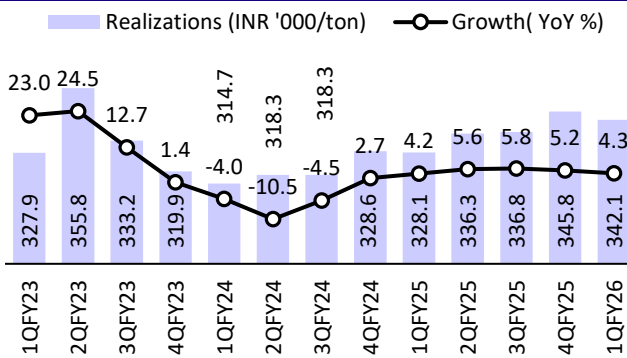
## Key exhibits

**Exhibit 1: Volume trend**


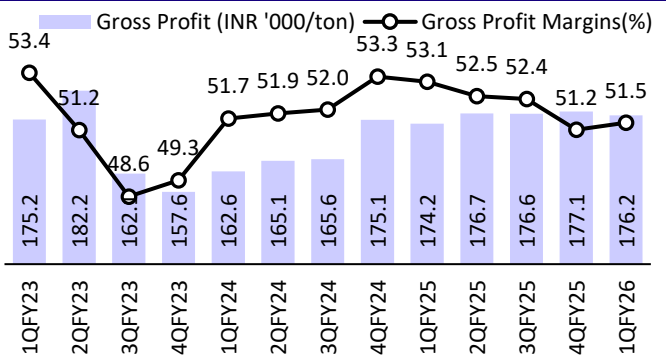
Source: MOFSL, Company

**Exhibit 2: Trend in revenue**


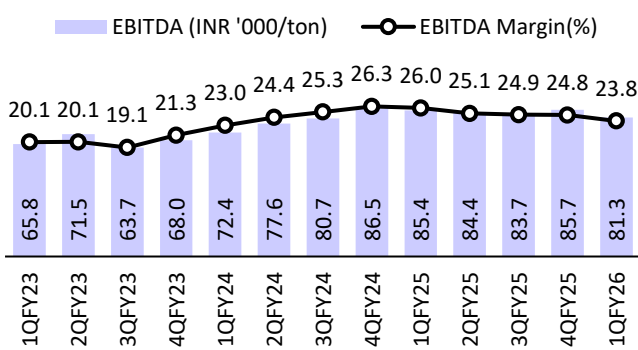
Source: MOFSL, Company

**Exhibit 3: Net realization trend**


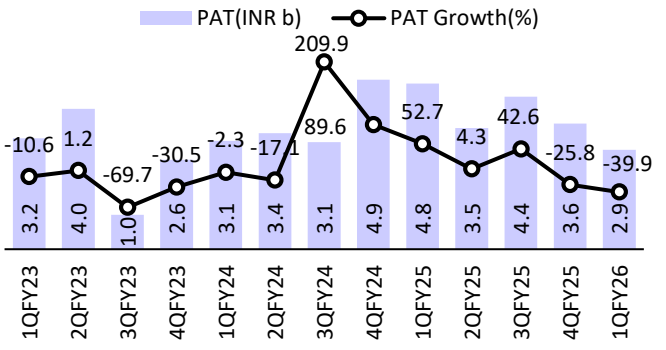
Source: MOFSL, Company

**Exhibit 4: Gross profit margin trend**


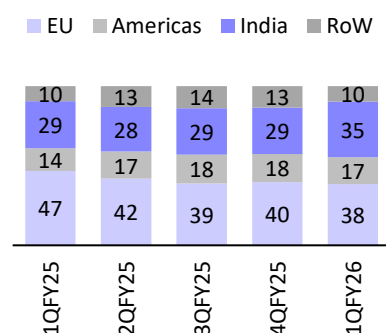
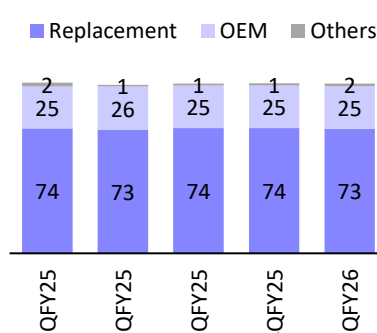
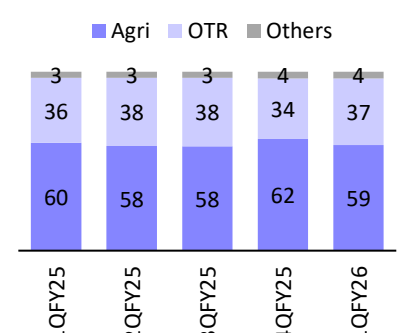
Source: MOFSL, Company

**Exhibit 5: EBITDA margin trend**


Source: MOFSL, Company

**Exhibit 6: PAT and PAT growth trends**


Source: MOFSL, Company

**Exhibit 7: Geography-wise contribution**

**Exhibit 8: Channel-wise sales**

**Exhibit 9: Segment-wise sales**


Source: Company, MOFSL

## Valuation and view

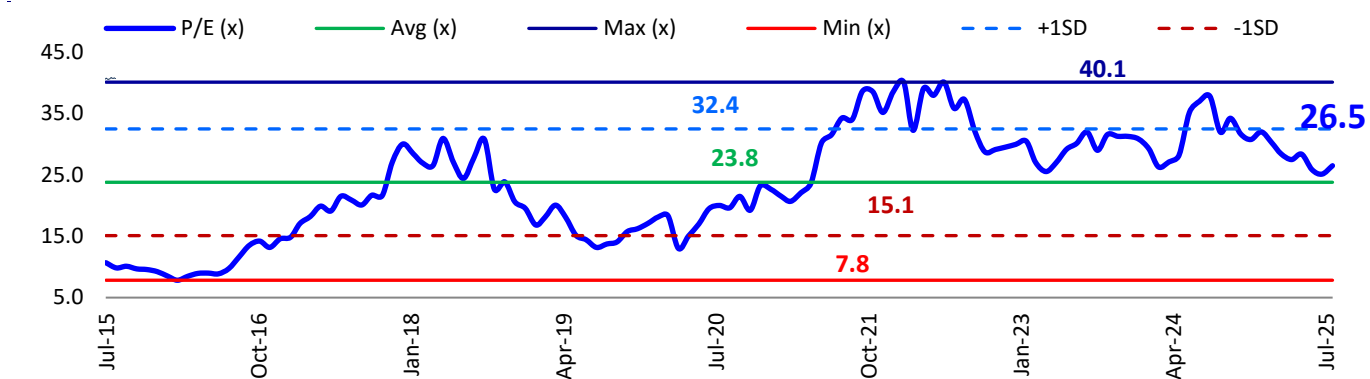
- **Profitable market share gains to continue in the core:** BIL has a well-established competitive advantage, which has enabled consistent market share gains. Its competitive advantage is driven by: a) competitive cost and pricing, b) consistent product portfolio expansion, and c) expanding reach. With the current market share of 6% in the USD15b global Specialty Tyre segment, BIL aspires to increase this to 8% over the next four to five years by: a) ramping up the OTR segment, which is much larger than Agri Tyres, b) strengthening its presence in the North American and RoW markets, and c) gaining market share with OEMs. We estimate ~5%/9% volume/revenue CAGR over FY25-27.
- **Giant strides taken for growth; unlikely to be an easy journey:** Management has earmarked significant growth plans to ramp up revenue by 2.2x over the next five years to INR230b. While its core business is likely to post about 9% revenue CAGR during this period, which appears achievable, its foray into the TBR and PCR segments has taken us by surprise. Though we do not doubt management's capabilities here, we are unsure if this move was warranted at a time when there is a large global OHT market that remains untapped (BIL holds just about 6% share here). Further, we believe BIL is likely to take much longer to establish a meaningful presence in the TBR and PCR segments in India, given that established players have invested in brand building in these segments over the past few decades. In fact, its foray into niche premium segments is likely to take even longer, in our view, as these segments would be highly brand conscious. The same is the case with the TBR segment, where fleet operators are unlikely to change into a new brand easily given they are highly cost-conscious. Even if BIL succeeds in these segments in the long run, given that both Carbon Black and TBR/PCR are lower-margin segments than its core, its margins/returns are likely to get diluted in the long run, as these segments form a larger share of the pie. Hence, we are not particularly enthused by the management's foray into these segments.
- **Earnings cut led by weak global demand:** Given the weak 1Q performance, we have lowered our earnings estimates by 3% for FY26E, while maintaining our estimates for FY27E. Despite a decline in 1Q, we still factor in BKT to post about 3% YoY volume growth in FY26 given the low base of the coming quarters. We also factor in an improved pick-up of 6% for FY27. We have also factored in a 60bp margin expansion to 25.6% over the next two years, as benefits from favorable currency are likely to be partially offset by higher spends on its new venture into PCR/TBR. Overall, we estimate revenue/EBITDA/PAT for BIL to grow at 9%/10%/8% over FY25-27.
- **Valuations and view:** BIL continues to face demand headwinds in its key global markets. Further, its foray into the PCR/TBR segments is likely to be closely monitored for: 1) the pace at which it gains material traction and 2) whether margins and returns will be materially dilutive in the long run. While the stock has underperformed in the recent past and valuations at 29.8x FY26E and 24.2x FY27E are not too demanding, its future target multiple is likely to depend on its ability to succeed in these new segments—not only capturing market share, but by doing so without materially hurting core returns—which, in our view, is likely to be a challenge. We have not changed our target multiple for BIL yet and continue to value it at 22x Jun'27E. However, this may warrant a change going forward if BIL's returns plunge due to this foray. Reiterate Neutral with a TP of INR2,510.

**Exhibit 10: Revisions to our estimates**

(INR M)	FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	1,12,477	1,14,455	-1.7	1,25,778	1,29,961	-3.2
EBITDA	27,745	29,032	-4.4	32,146	33,967	-5.4
EBITDA (%)	24.7	25.4	-70bp	25.6	26.1	-60bp
Adj. PAT	17,440	17,949	-2.8	21,539	21,538	0.0
EPS (INR)	90.2	92.9	-2.8	111.4	111.4	0.0

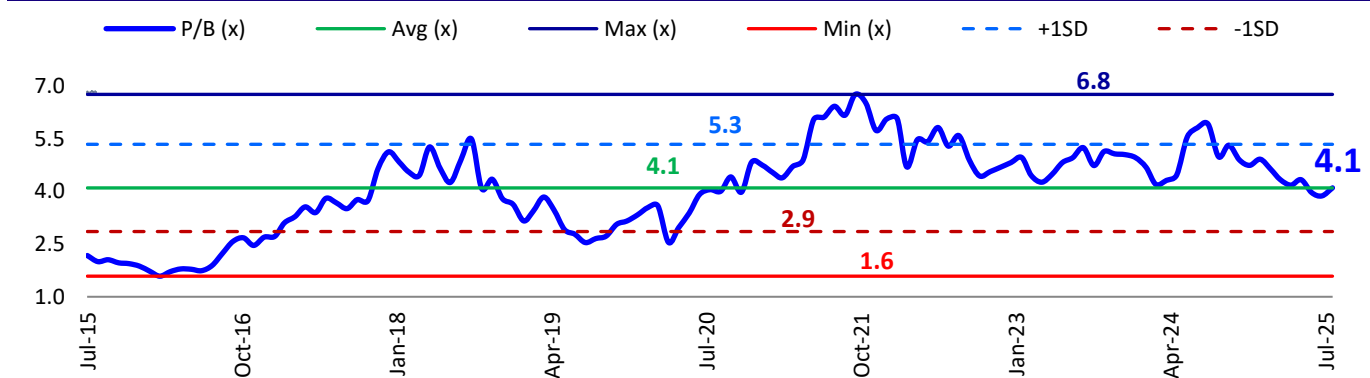
Source: MOFSL, Company

**Exhibit 11: One-year forward P/E**



Source: MOFSL, Company

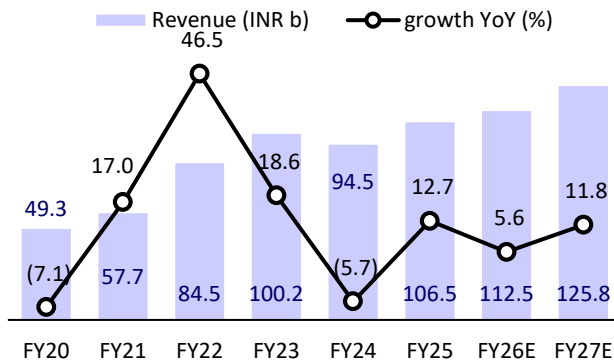
**Exhibit 12: One-year forward P/B band**



Source: MOFSL, Company

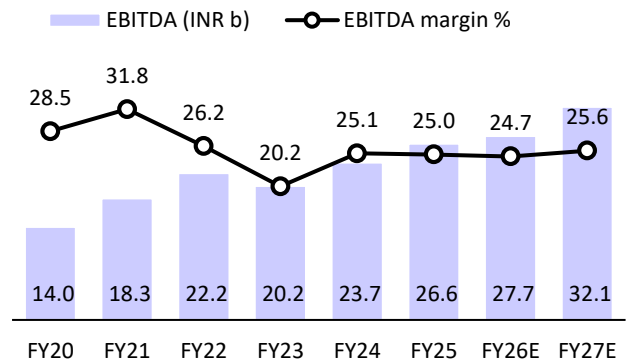
## Story in charts

**Exhibit 13: Revenue to post a ~9% CAGR over FY25-27E**



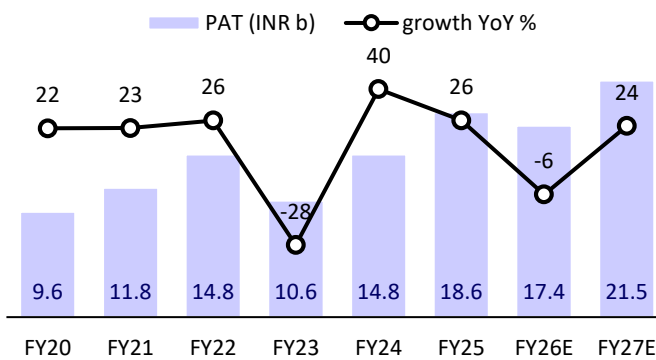
Source: Company, MOFSL

**Exhibit 14: EBITDA margin to expand over FY25-27E**



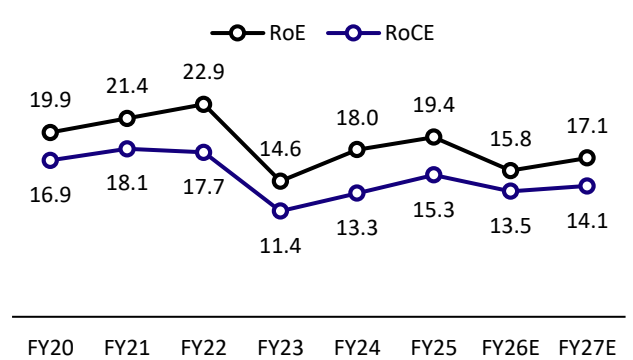
Source: Company, MOFSL

**Exhibit 15: PAT to post ~8% CAGR over FY25-27E**



Source: Company, MOFSL

**Exhibit 16: Returns to decline over our forecast period**



Source: Company, MOFSL



## Financials and valuations

Consolidated - Income Statement							(INR M)	
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
<b>Adj. Net Revenues</b>	<b>49,262</b>	<b>57,652</b>	<b>84,471</b>	<b>100,215</b>	<b>94,459</b>	<b>106,490</b>	<b>112,477</b>	<b>125,778</b>
Change (%)	-7.1	17.0	46.5	18.6	-5.7	12.7	5.6	11.8
<b>EBITDA</b>	<b>14,028</b>	<b>18,341</b>	<b>22,158</b>	<b>20,201</b>	<b>23,734</b>	<b>26,596</b>	<b>27,745</b>	<b>32,146</b>
EBITDA Margin (%)	28.5	31.8	26.2	20.2	25.1	25.0	24.7	25.6
Depreciation	3,736	4,163	4,554	5,708	6,507	6,807	7,595	8,283
<b>EBIT</b>	<b>10,292</b>	<b>14,178</b>	<b>17,604</b>	<b>14,493</b>	<b>17,227</b>	<b>19,789</b>	<b>20,150</b>	<b>23,863</b>
EBIT Margin (%)	20.9	24.6	20.8	14.5	18.2	18.6	17.9	19.0
Int. and Finance Charges	89	114	92	480	1,129	1,283	1,046	779
Fx loss/(gain)	0	-180	-390	880	-550	-68	1,540	0
Other Income	1,190	1,297	1,920	1,217	2,810	5,388	5,383	5,257
<b>PBT bef. EO Exp.</b>	<b>11,393</b>	<b>15,541</b>	<b>19,822</b>	<b>14,350</b>	<b>19,458</b>	<b>23,962</b>	<b>22,947</b>	<b>28,340</b>
EO Items	0	0	-615	-23	-98	0	0	0
<b>PBT after EO Exp.</b>	<b>11,393</b>	<b>15,541</b>	<b>19,207</b>	<b>14,327</b>	<b>19,360</b>	<b>23,962</b>	<b>22,947</b>	<b>28,340</b>
Total Tax	1,799	3,774	4,852	3,751	4,645	5,324	5,507	6,802
Eff. Tax Rate (%)	15.8	24.3	25.3	26.2	24.0	22.2	24.0	24.0
<b>Reported PAT</b>	<b>9,594</b>	<b>11,767</b>	<b>14,354</b>	<b>10,576</b>	<b>14,715</b>	<b>18,638</b>	<b>17,440</b>	<b>21,539</b>
<b>Adjusted PAT</b>	<b>9,594</b>	<b>11,767</b>	<b>14,814</b>	<b>10,593</b>	<b>14,790</b>	<b>18,638</b>	<b>17,440</b>	<b>21,539</b>
Change (%)	22.5	22.7	25.9	-28.5	39.6	26.0	-6.4	23.5

Consolidated - Balance Sheet							(INR M)	
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Equity Share Capital	387	387	387	387	387	387	387	387
Total Reserves	49,696	59,612	68,944	75,183	88,152	103,489	117,063	133,769
<b>Net Worth</b>	<b>50,083</b>	<b>59,998</b>	<b>69,330</b>	<b>75,569</b>	<b>88,538</b>	<b>103,876</b>	<b>117,450</b>	<b>134,156</b>
Total Loans	9,316	10,006	25,286	33,465	30,994	32,675	32,675	29,675
Deferred Tax Liabilities	1,783	2,035	2,509	2,419	3,490	4,563	4,563	4,563
<b>Capital Employed</b>	<b>61,182</b>	<b>72,039</b>	<b>97,125</b>	<b>111,453</b>	<b>123,023</b>	<b>141,114</b>	<b>154,687</b>	<b>168,393</b>
Gross Block	48,210	52,954	64,051	83,240	99,070	112,053	129,053	147,053
Less: Accum. Deprn.	15,992	20,115	24,651	30,108	36,538	43,255	50,849	59,133
<b>Net Fixed Assets</b>	<b>32,218</b>	<b>32,839</b>	<b>39,401</b>	<b>53,133</b>	<b>62,532</b>	<b>68,798</b>	<b>78,203</b>	<b>87,920</b>
Capital WIP	5,866	8,555	12,584	13,916	9,444	9,860	9,860	9,860
Investment property	857	864	793	708	643	612	612	612
<b>Total Investments</b>	<b>10,625</b>	<b>14,177</b>	<b>18,967</b>	<b>20,367</b>	<b>26,857</b>	<b>38,233</b>	<b>40,733</b>	<b>43,533</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>18,498</b>	<b>25,230</b>	<b>38,045</b>	<b>35,353</b>	<b>37,370</b>	<b>38,844</b>	<b>40,707</b>	<b>43,721</b>
Inventory	6,156	9,397	16,721	16,674	13,315	17,819	18,489	18,953
Account Receivables	5,899	7,536	10,962	11,153	14,454	14,945	15,408	17,230
Cash and Bank Balance	468	549	459	693	746	802	647	646
Loans and Advances	5,974	7,748	9,904	6,834	8,854	5,277	6,163	6,892
<b>Curr. Liability &amp; Prov.</b>	<b>6,882</b>	<b>9,626</b>	<b>12,665</b>	<b>12,024</b>	<b>13,823</b>	<b>15,233</b>	<b>15,428</b>	<b>17,252</b>
Account Payables	3,837	6,550	8,293	4,921	9,102	7,539	8,628	9,649
Other Current Liabilities	2,746	2,750	4,056	6,754	4,329	7,160	6,163	6,892
Provisions	299	326	316	348	392	534	636	711
<b>Net Current Assets</b>	<b>11,616</b>	<b>15,604</b>	<b>25,380</b>	<b>23,330</b>	<b>23,547</b>	<b>23,611</b>	<b>25,279</b>	<b>26,468</b>
<b>Appl. of Funds</b>	<b>61,182</b>	<b>72,039</b>	<b>97,125</b>	<b>111,453</b>	<b>123,023</b>	<b>141,114</b>	<b>154,687</b>	<b>168,393</b>

E: MOFSL Estimates



## Financials and valuations

### Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>49.6</b>	<b>60.9</b>	<b>76.6</b>	<b>54.8</b>	<b>76.5</b>	<b>96.4</b>	<b>90.2</b>	<b>111.4</b>
Cash EPS	69.0	82.4	100.2	84.3	110.2	131.6	129.5	154.3
BV/Share	259.1	310.4	358.7	390.9	458.0	537.4	607.6	694.0
DPS	22.0	17.0	28.0	16.0	16.0	16.0	20.0	25.0
Payout (%)	53.4	27.9	37.7	29.2	21.0	16.6	22.2	22.4
<b>Valuation (x)</b>								
P/E	54.2	44.2	35.1	49.1	35.2	27.9	29.8	24.2
Cash P/E	39.0	32.7	26.9	31.9	24.4	20.5	20.8	17.5
P/BV	10.4	8.7	7.5	6.9	5.9	5.0	4.4	3.9
EV/Sales	10.7	9.2	6.5	5.5	5.8	5.2	4.9	4.4
EV/EBITDA	37.7	28.9	24.6	27.4	23.2	20.8	19.9	17.1
Dividend Yield (%)	0.8	0.6	1.0	0.6	0.6	0.6	0.7	0.9
FCF per share	20.2	21.5	-35.2	-15.7	51.8	16.3	11.2	33.4
<b>Return Ratios (%)</b>								
RoE	19.9	21.4	22.9	14.6	18.0	19.4	15.8	17.1
RoCE	16.9	18.1	17.7	11.4	13.3	15.3	13.5	14.1
RoIC	20.3	23.1	23.1	15.1	16.1	17.3	15.7	16.7
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	1.0	1.1	1.3	1.2	1.0	1.0	0.9	0.9
Inventory (Days)	46	59	72	61	51	61	60	55
Debtor (Days)	44	48	47	41	56	51	50	50
Creditor (Days)	28	41	36	18	35	26	28	28
<b>Leverage Ratio (x)</b>								
Current Ratio	2.7	2.6	3.0	2.9	2.7	2.5	2.6	2.5
Interest Cover Ratio	115.6	124.6	192.4	30.2	15.3	15.4	19.3	30.6
Net Debt/Equity	0.0	-0.1	0.1	0.2	0.0	-0.1	-0.1	-0.1

### Consolidated - Cash Flow Statement

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
OP/(Loss) before Tax	11,393	15,541	19,207	14,327	19,410	23,962	22,947	28,340
Depreciation	3,736	4,163	4,554	5,708	6,507	6,807	7,595	8,283
Interest & Finance Charges	-135	-289	-324	116	661	650	-4,054	-4,181
Direct Taxes Paid	-2,884	-3,510	-4,579	-3,429	-4,235	-4,833	-5,507	-6,802
(Inc)/Dec in WC	544	-1,273	-8,289	-1,865	1,536	-4,437	-1,824	-1,190
<b>CF from Operations</b>	<b>12,653</b>	<b>14,632</b>	<b>10,569</b>	<b>14,857</b>	<b>23,879</b>	<b>22,149</b>	<b>19,156</b>	<b>24,451</b>
Others	-922	-1,242	-1,488	-378	-3,053	-4,508	0	0
<b>CF from Operating incl EO</b>	<b>11,731</b>	<b>13,390</b>	<b>9,080</b>	<b>14,480</b>	<b>20,826</b>	<b>17,641</b>	<b>19,156</b>	<b>24,451</b>
(Inc)/Dec in FA	-7,830	-9,232	-15,889	-17,523	-10,814	-14,484	-17,000	-18,000
<b>Free Cash Flow</b>	<b>3,901</b>	<b>4,159</b>	<b>-6,809</b>	<b>-3,043</b>	<b>10,013</b>	<b>3,157</b>	<b>2,156</b>	<b>6,451</b>
(Pur)/Sale of Investments	863	-2,891	-3,516	-883	-4,574	-1,760	-2,500	-2,800
Others	190	388	431	575	632	1,451	5,100	4,960
<b>CF from Investments</b>	<b>-6,778</b>	<b>-11,734</b>	<b>-18,975</b>	<b>-17,831</b>	<b>-14,755</b>	<b>-14,794</b>	<b>-14,400</b>	<b>-15,840</b>
Inc/(Dec) in Debt	279	857	15,498	7,097	-1,902	1,433	0	-3,000
Interest Paid	-88	-114	-90	-420	-1,022	-1,128	-1,046	-779
Dividend Paid	-5,126	-2,316	-5,603	-3,091	-3,095	-3,095	-3,866	-4,833
Others	-13	-3	0	-1	1	-1	0	0
<b>CF from Fin. Activity</b>	<b>-4,947</b>	<b>-1,575</b>	<b>9,804</b>	<b>3,585</b>	<b>-6,018</b>	<b>-2,791</b>	<b>-4,912</b>	<b>-8,612</b>
<b>Inc/Dec of Cash</b>	<b>7</b>	<b>81</b>	<b>-90</b>	<b>234</b>	<b>53</b>	<b>56</b>	<b>-156</b>	<b>-1</b>
Opening Balance	462	468	549	459	693	746	802	647
<b>Closing Balance</b>	<b>468</b>	<b>549</b>	<b>459</b>	<b>693</b>	<b>746</b>	<b>802</b>	<b>647</b>	<b>646</b>

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BUY	>=15%
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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