BUY

Samvardhana Motherson International

Multiple growth engines; disciplined capital allocation

Auto & Auto Ancillaries ▸ Management Meet Update ▸ **September 10, 2026** | **CMP (Rs): 163 | TP (Rs): 190**

We met the management of SAMIL to understand the growth trajectory ahead. Its FY27 outlook is centered on diversifying across multiple fronts, with the 3CX10 strategy targeting no single country/customer/component contributing >10% to revenue. Growth rests on its core design, engineering, manufacturing, assembly, and logistics capabilities through 3 pillars: 1) organic wallet-share gains; 2) inorganic M&A; and 3) non-auto expansion, mainly into consumer electronics (CE) and aerospace. Management reiterated its focus on each pillar, with calibrated China exposure, scaling non-auto businesses, and disciplined capital allocation. China exposure is being managed deliberately (~10% of total revenue including from JVs, avoiding low-margin terms); tariffs and localization rules are reshaping supply chains, with Chinese OEMs expected to manufacture in Europe, which could create opportunities for SAMIL. CE and aerospace are scaling into meaningful growth engines and Honda-ecosystem acquisitions are widening the auto franchise, while India's revenue share continues to rise (~22% of total revenue including from JVs vs 19-20% 2 years ago; ~26% of total order book), all within a disciplined capital structure. New businesses (particularly CE) and renewed India focus (all new plants are in India/emerging markets) are expected to drive the next leg of growth (refer to Vision 2030: Consumer electronics a major lever for growth). We retain our FY26-29E revenue/EBITDA/EPS CAGR of ~15%/20%/28%. We reiterate BUY and raise TP by ~6% to Rs190 (from Rs180), at 23x Sep-28E PER (rolled forward).

Non-auto growth engines moving from emerging to material

CE, fully India-based and backed by a Rs75bn capex plan (1/3rd spent; balance to be deployed over next 2-3Y), delivered 7.5x revenue growth and turned EBITDA-positive in its first full year. Plant 3 of CE is ramping up and is expected to be commissioned by 3QFY27 (40mnpa units), taking total capacity to 56mnpa units. Aerospace (<2% of revenue) grew ~40% yoy in FY26 and now carries a $1.9bn order book, with management favoring M&A over slow organic growth to broaden the platform.

Calibrated China exposure amid a shifting trade landscape

SAMIL's Chinese OEM exposure has grown from near-zero 5-6 years ago to ~10% of total revenue, including from JVs across 40+ plants, while it is deliberately avoiding low-margin, cash-punishing contract terms common among local players. Potential EU tariffs and 70% localization rules are expected to push Chinese OEMs toward European manufacturing on terms comparable to those of an EU company, an opportunity which management welcomes.

Funding discipline behind the diversification

CE capex remains self-funded, while M&A will be financed through debt, consistent with FY26 discipline, where net debt/EBITDA hit an all-time low of 0.8x despite record capex and acquisitions, well below the stated 2.5x ceiling (internal target ~1.5x). Ten of the 13 greenfields are expected to come online in FY27, while SAMIL aims to make some of the new businesses independently funded. This funding separation, alongside India's rising revenue share (22%, up from 19–20% two years ago) and continued M&A, allows SAMIL to pursue all 3 pillars simultaneously without balance-sheet strain.

Samvardhana Motherson International: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	1,136,626	1,261,034	1,465,013	1,667,988	1,936,593
EBITDA	105,519	119,026	137,394	167,916	207,602
Adj. PAT	35,747	39,669	57,920	75,441	93,535
Adj. EPS (Rs)	3.4	3.8	5.5	7.1	8.9
EBITDA margin (%)	9.3	9.4	9.4	10.1	10.7
EBITDA growth (%)	13.6	12.8	15.4	22.2	23.6
Adj. EPS growth (%)	8.6	11.0	46.0	30.2	24.0
RoE (%)	11.8	10.5	13.4	15.4	16.6
RoIC (%)	13.5	11.8	15.9	20.9	28.1
P/E (x)	45.3	40.3	29.7	22.8	18.4
EV/EBITDA (x)	17.4	15.3	13.0	10.2	7.7
P/B (x)	5.0	4.2	3.8	3.3	2.9
FCFF yield (%)	1.2	3.8	3.9	5.3	6.9

Source: Company, Emkay Research

Target Price – 12M	Sep-27
Change in TP (%)	**5.6**
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	16.6

Stock Data	**MOTHERSO IN**
52-week High (Rs)	173
52-week Low (Rs)	99
Shares outstanding (mn)	10,561.1
Market-cap (Rs bn)	1,724
Market-cap (USD mn)	18,058
Net-debt, FY27E (Rs mn)	60,748.1
ADTV-3M (mn shares)	23.2
ADTV-3M (Rs mn)	3,132.2
ADTV-3M (USD mn)	32.8
Free float (%)	35.2
Nifty-50	23,477.8
INR/USD	95.4

Shareholding,Jun-26	
Promoters (%)	48.6
FPIs/MFs (%)	12.9/20.6

Price Performance

(%)	1M	3M	12M
Absolute	(2.9)	14.8	62.2
Rel. to Nifty	1.7	13.5	72.6

1-Year share price trend (Rs)

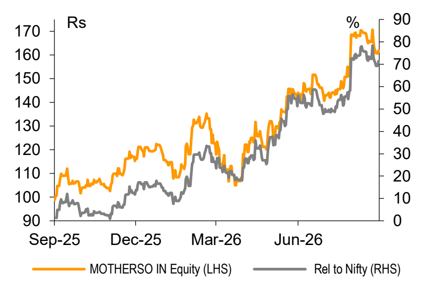

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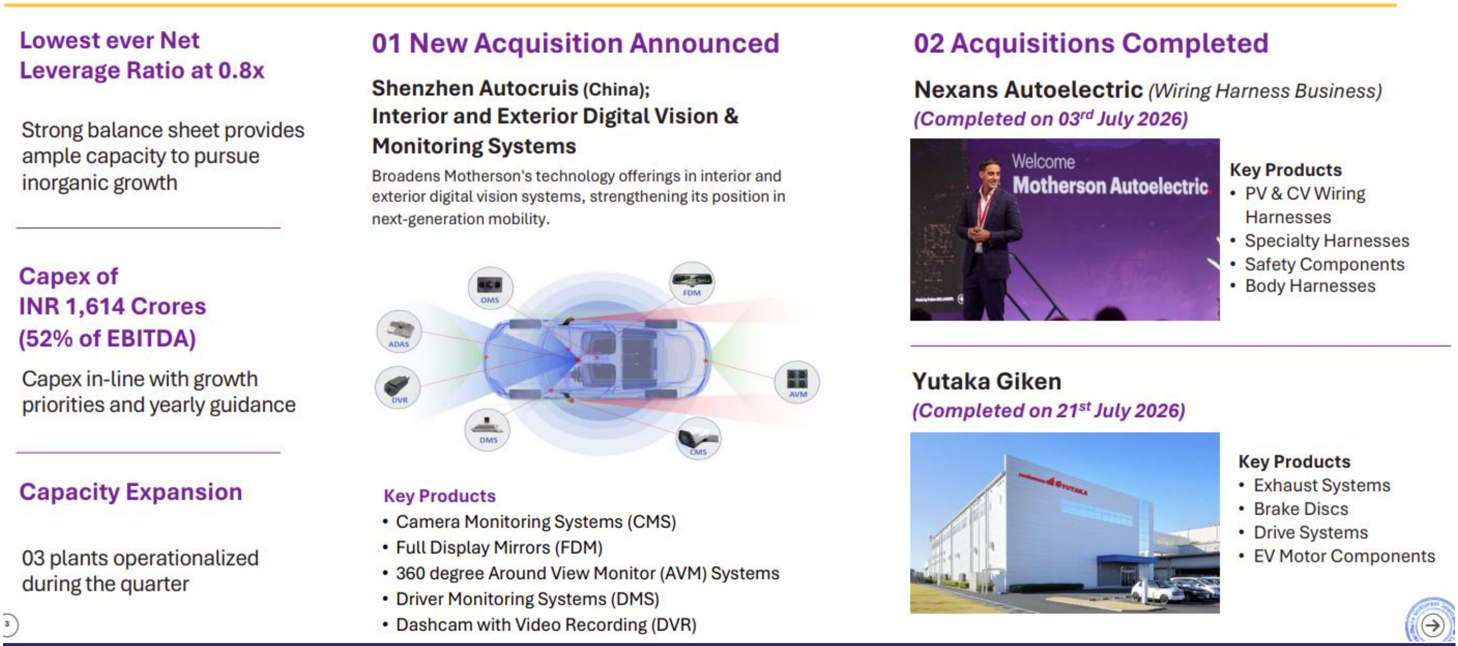
Exhibit 1: SAMIL announced new acquisitions in digital vision and monitoring system segments; it completed 2 acquisitions (Nexans Autoelectric and Yutaka Giken) in Jul-26



Source: Company, Emkay Research

Exhibit 2: A total of 13 greenfields are currently at various stages of completion, with the bulk of the expansion in emerging markets and with majority of the projects to be commissioned in 2HFY27

Business Division	No. of Ongoing Projects	Country	Product	Capability	SOP
Wiring Harness	03	India	Wires	Backward Integration	Q4FY27
		Morocco	Wiring Harness	Capacity Expansion	Q1FY28
		Poland	Wires	Backward Integration	Q4FY27
Vision System	02	Morocco	Rear-view Mirrors	Capacity Expansion	Q3FY28*
		India	ORVMs and SMT	Capacity Expansion	Q3FY28*
Modules and Polymer Products	01	UAE	Polymer Products	Capacity Expansion	Q4FY27*
Lighting and Electronics	02	India	PCBA	New Capability	Q2FY27
			Consumer Electronics	Capacity Expansion and Backward Integration	Q3FY27
Aerospace	01	India	Surface Treatment	Capacity Expansion	Q4FY27*
Elastomer	01	UAE	Rubber Components	Capacity Expansion	Q3FY27*
Logistics	02	India	Package Handling Solutions	New Capability	Q3FY27
		Hungary		New Capability	Q3FY27
Technology & Industrial Solutions	01	India	Office Campus		Q4FY27

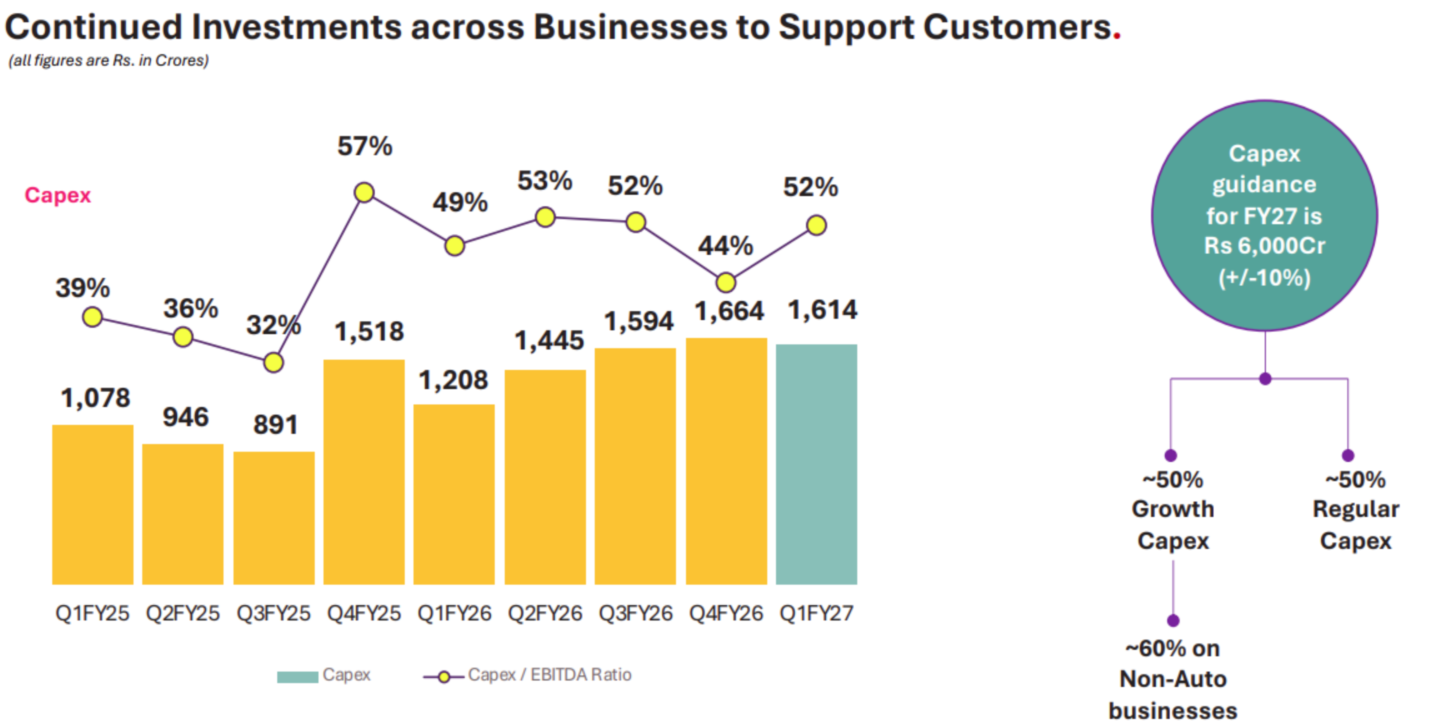
Actual photograph of an upcoming Greenfield

Emerging Markets (EMs) are the focal point of organic growth, with all expansion being done in EMs

Notes:
*SOP in alignment with delayed customer programs

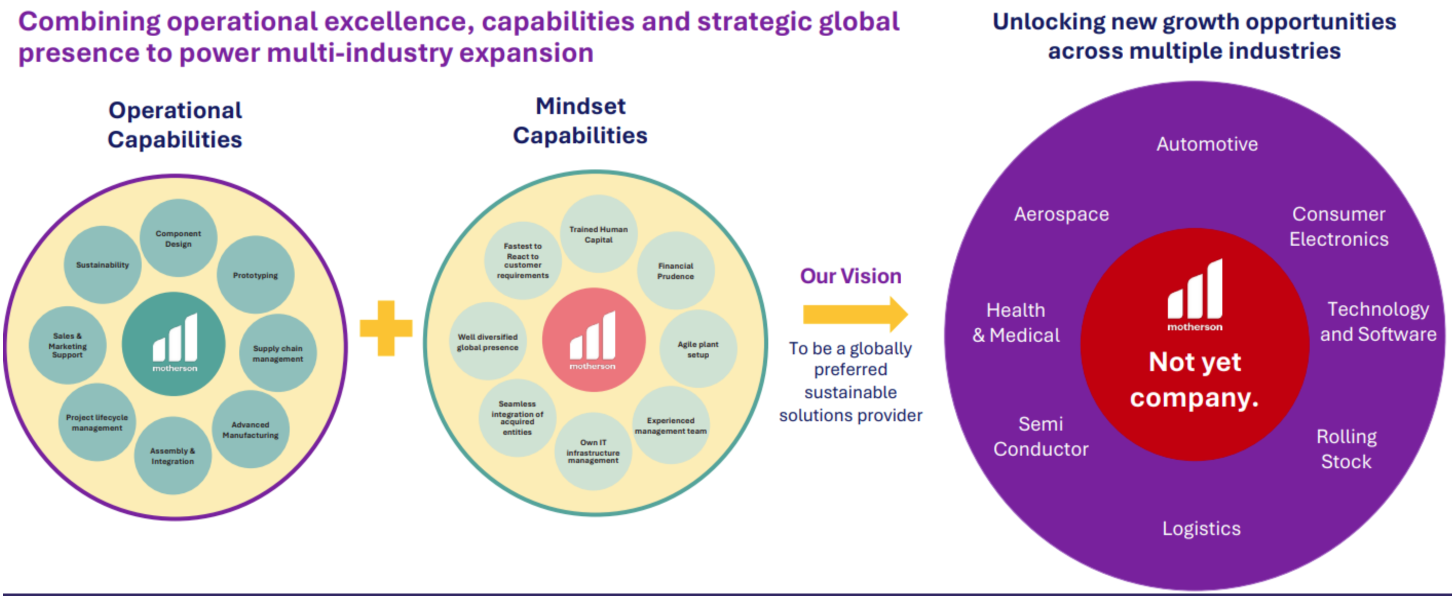
Source: Company, Emkay Research

Exhibit 3: SAMIL's FY27 capex guidance stands at Rs60bn (+/-10%)



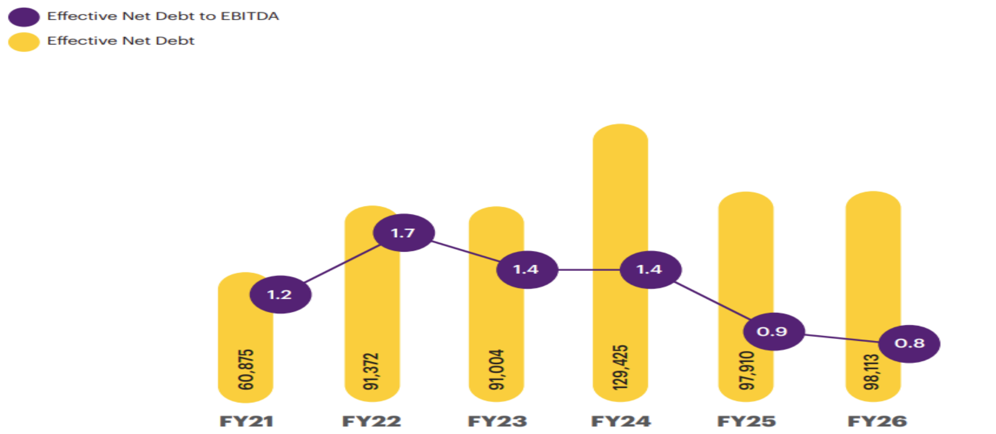
Source: Company, Emkay Research; Note: 1 crore = 10 million

Exhibit 4: SAMIL's long-term vision to be a globally preferred sustainable solution provider



Source: Company, Emkay Research; Note: 1 crore = 10 million

Exhibit 5: SAMIL's guidance of 2.5x ceiling on net debt/EBITDA sustains (internal target ~1.5x)



Source: Company, Emkay Research

Exhibit 6: Segment-wise quarterly performance

Consolidated segment revenue (Rs mn)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (%)	qoq (%)
Wiring harness	83,265	81,112	78,293	85,941	86,402	85,496	90,826	102,360	112,798	30.6	10.2
Modules and polymer products	151,928	146,404	146,136	153,593	150,083	153,738	157,753	167,370	166,947	11.2	-0.3
Vision systems	49,970	48,075	47,295	49,722	51,370	50,838	52,471	55,330	56,543	10.1	2.2
Integrated assemblies	25,227	25,277	26,603	23,985	28,190	25,801	27,587	28,770	29,496	4.6	2.5
Emerging businesses	25,913	29,051	26,934	32,284	37,017	40,013	42,182	51,500	47,953	29.5	-6.9
Total	**336,302**	**329,919**	**325,261**	**345,524**	**353,061**	**355,886**	**370,818**	**405,330**	**413,736**	**17.2**	**2.1**

Revenue mix (%)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Wiring harness	24.8	24.6	24.1	24.9	24.5	24.0	24.5	25.3	27.3
Modules and polymer products	45.2	44.4	44.9	44.5	42.5	43.2	42.5	41.3	40.4
Vision systems	14.9	14.6	14.5	14.4	14.5	14.3	14.2	13.7	13.7
Integrated assemblies	7.5	7.7	8.2	6.9	8.0	7.2	7.4	7.1	7.1
Emerging businesses	7.7	8.8	8.3	9.3	10.5	11.2	11.4	12.7	11.6

Segmental EBITDA (Rs mn)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (%)	qoq (%)
Wiring harness	9,745	9,078	9,238	10,669	9,833	8,937	8,810	11,703	12,532	27.5	7.1
Modules and polymer products	13,169	10,905	11,700	10,026	9,581	11,377	14,792	15,450	11,436	19.4	-26.0
Vision systems	4,739	4,438	4,362	5,960	4,728	4,692	4,827	6,178	5,201	10.0	-15.8
Integrated Assemblies	2,562	3,014	3,530	2,544	3,214	3,152	4,194	4,478	3,722	15.8	-16.9
Emerging businesses	3,165	3,867	3,596	3,892	3,091	3,798	3,909	7,455	4,051	31.1	-45.7
Total	**33,381**	**31,302**	**32,426**	**33,091**	**30,447**	**31,957**	**36,532**	**45,264**	**36,943**	**21.3**	**-18.4**

Segment EBITDAM (%)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (bps)	qoq (bps)
Wiring harness	11.7	11.2	11.8	12.4	11.4	10.5	9.7	11.4	11.1	-27	-32
Modules and polymer products	8.7	7.4	8.0	6.5	6.4	7.4	9.4	9.2	6.9	47	-238
Vision systems	9.5	9.2	9.2	12.0	9.2	9.2	9.2	11.2	9.2	0	-197
Integrated assemblies	10.2	11.9	13.3	10.6	11.4	12.2	15.2	15.6	12.6	122	-295
Emerging businesses	12.2	13.3	13.4	12.1	8.4	9.5	9.3	14.5	8.4	10	-603

EBITDA mix (%)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Wiring harness	29.2	29.0	28.5	32.2	32.3	28.0	24.1	25.9	33.9
Modules and polymer products	39.5	34.8	36.1	30.3	31.5	35.6	40.5	34.1	31.0
Vision systems	14.2	14.2	13.5	18.0	15.5	14.7	13.2	13.6	14.1
Integrated assemblies	7.7	9.6	10.9	7.7	10.6	9.9	11.5	9.9	10.1
Emerging businesses	9.5	12.4	11.1	11.8	10.2	11.9	10.7	16.5	11.0

Source: Company, Emkay Research

Exhibit 7: Revenue model – We build in 15%/20%/28% consolidated revenue/EBITDA/EPS CAGR over FY26-29E

Particulars (Rs mn)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E	FY26-29E CAGR
Segmental revenue									
Wiring harness	**219,698**	**265,567**	**315,137**	**328,611**	**365,084**	**470,958**	**532,183**	**601,367**	18%
Growth yoy (%)		*20.9*	*18.7*	*4.3*	*11.1*	*29.0*	*13.0*	*13.0*	
Modules and polymer products	**354,200**	**422,624**	**499,118**	**598,061**	**628,944**	**682,404**	**723,348**	**766,749**	7%
Growth yoy (%)		*19.3*	*18.1*	*19.8*	*5.2*	*8.5*	*6.0*	*6.0*	
Vision systems	**134,976**	**165,688**	**191,489**	**195,061**	**210,009**	**228,909**	**242,644**	**257,203**	7%
Growth yoy (%)		*22.8*	*15.6*	*1.9*	*7.7*	*9.0*	*6.0*	*6.0*	
Integrated assemblies	**-**	**-**	**68,238**	**101,091**	**110,347**	**119,727**	**129,903**	**140,945**	9%
Growth yoy (%)				*48.1*	*9.2*	*8.5*	*8.5*	*8.5*	
Emerging businesses	**25,668**	**68,444**	**80,900**	**114,182**	**170,711**	**218,379**	**324,964**	**508,489**	44%
Growth yoy (%)		*166.6*	*18.2*	*41.1*	*49.5*	*27.9*	*48.8*	*56.5*	
Total (before intersegmental)	**734,543**	**922,322**	**1,154,881**	**1,337,006**	**1,485,095**	**1,720,377**	**1,953,043**	**2,274,753**	**15%**
Growth yoy (%)		***25.6***	***25.2***	***15.8***	***11.1***	***15.8***	***13.5***	***16.5***	
Revenue mix (%)									
Wiring harness	*30*	*29*	*27*	*25*	*25*	*27*	*27*	*26*	
Modules and polymer products	*48*	*46*	*43*	*45*	*42*	*40*	*37*	*34*	
Vision systems	*18*	*18*	*17*	*15*	*14*	*13*	*12*	*11*	
Integrated assemblies	*-*	*-*	*6*	*8*	*7*	*7*	*7*	*6*	
Emerging businesses	*3*	*7*	*7*	*9*	*11*	*13*	*17*	*22*	
Entity-wise EBITDA and margins									
Wiring harness	**19,130**	**22,785**	**33,621**	**38,730**	**39,283**	**52,983**	**63,862**	**72,164**	22%
EBITDA margin (%)	*8.7*	*8.6*	*10.7*	*11.8*	*10.8*	*11.3*	*12.0*	*12.0*	
Modules and polymer products	**24,482**	**27,239**	**43,055**	**45,800**	**51,201**	**52,545**	**60,038**	**69,007**	10%
EBITDA margin (%)	*6.9*	*6.4*	*8.6*	*7.7*	*8.1*	*7.7*	*8.3*	*9.0*	
Vision systems	**12,889**	**17,110**	**19,783**	**19,500**	**20,425**	**21,289**	**23,294**	**25,720**	8%
EBITDA margin (%)	*9.5*	*10.3*	*10.3*	*10.0*	*9.7*	*9.3*	*9.6*	*10.0*	
Integrated assemblies	**-**	**-**	**7,932**	**11,650**	**15,039**	**15,984**	**17,537**	**19,732**	9%
EBITDA margin (%)	*-`*	*-*	*11.6*	*11.5*	*13.6*	*13.4*	*13.5*	*14.0*	
Emerging businesses	**2,306**	**7,728**	**10,962**	**14,520**	**18,253**	**21,853**	**36,500**	**62,166**	50%
EBITDA margin (%)	*9.0*	*11.3*	*13.5*	*12.7*	*10.7*	*10.0*	*11.2*	*12.2*	
Total (before intersegmental)	**58,807**	**74,862**	**115,353**	**130,200**	**144,199**	**164,653**	**201,231**	**248,790**	
Consolidated revenue	**637,740**	**787,881**	**986,917**	**1,136,626**	**1,261,034**	**1,465,013**	**1,667,988**	**1,936,593**	**15%**
Growth yoy (%)	*11.2*	*23.5*	*25.3*	*15.2*	*10.9*	*16.2*	*13.9*	*16.1*	
EBITDA	**46,994**	**62,952**	**92,866**	**105,519**	**119,026**	**137,394**	**167,916**	**207,602**	**20%**
EBITDA margin (%)	*7.4*	*8.0*	*9.4*	*9.3*	*9.4*	*9.4*	*10.1*	*10.7*	
EBIT	**17,412**	**31,593**	**54,761**	**60,585**	**67,688**	**83,283**	**110,305**	**146,787**	**29%**
EBIT margin (%)	*2.7*	*4.0*	*5.5*	*5.3*	*5.4*	*5.7*	*6.6*	*7.6*	
Interest	5,426	7,809	18,112	18,824	16,244	16,508	13,370	10,997	
Adjusted PAT	**6,672**	**17,592**	**31,200**	**36,618**	**44,944**	**57,968**	**75,509**	**93,535**	**28%**
PAT margin (%)	*1.0*	*2.2*	*3.2*	*3.2*	*3.6*	*4.0*	*4.5*	*4.8*	
EPS (Rs)	**1.0**	**1.7**	**3.1**	**3.5**	**4.3**	**5.5**	**7.2**	**8.9**	**28%**

Source: Company, Emkay Research

Exhibit 8: We build in 16%/14%/16% revenue growth with 9.4%/10.1%/10.7% EBITDAM in FY27E/FY28E/FY29E, respectively

Segmental	3M			9M			Full Year							
Revenue (Rs mn)	**FY26YTD**	**FY27YTD**	**yoy %**	**FY26 Remainder**	**FY27 Remainder**	**yoy %**	**FY26**	**yoy %**	**FY27E**	**yoy %**	**FY28E**	**yoy %**	**FY29E**	**yoy %**
Wiring harness	86,402	112,798	30.6	278,683	358,161	28.5	365,084	11.1	470,958	29.0	532,183	13.0	601,367	13.0
Modules and polymer products	150,083	166,947	11.2	478,861	515,457	7.6	628,944	5.2	682,404	8.5	723,348	6.0	766,749	6.0
Vision systems	51,370	56,543	10.1	158,639	172,367	8.7	210,009	7.7	228,909	9.0	242,644	6.0	257,203	6.0
Integrated assemblies	28,190	29,496	4.6	82,158	90,231	9.8	110,347	9.2	119,727	8.5	129,903	8.5	140,945	8.5
Emerging businesses	37,017	47,953	29.5	133,694	170,426	27.5	170,711	49.5	218,379	27.9	324,964	48.8	508,489	56.5
Reported revenue	**302,120**	**352,438**	**16.7**	**958,914**	**1,112,575**	**16.0**	**1,261,034**	**10.9**	**1,465,013**	**16.2**	**1,667,988**	**13.9**	**1,936,593**	**16.1**
EBITDA (Rs mn)	**FY26YTD**	**FY27YTD**	**yoy %**	**FY26 Remainder**	**FY27 Remainder**	**yoy %**	**FY26**	**yoy %**	**FY27E**	**yoy %**	**FY28E**	**yoy %**	**FY29E**	**yoy %**
Wiring harness	9,833	12,532	27.5	29,450	40,451	37.4	39,283	1.4	52,983	34.9	63,862	20.5	72,164	13.0
Modules and polymer products	9,581	11,436	19.4	41,620	41,109	-1.2	51,201	11.8	52,545	2.6	60,038	14.3	69,007	14.9
Vision systems	4,728	5,201	10.0	15,697	16,087	2.5	20,425	4.7	21,289	4.2	23,294	9.4	25,720	10.4
Integrated assemblies	3,214	3,722	15.8	11,824	12,261	3.7	15,039	29.1	15,984	6.3	17,537	9.7	19,732	12.5
Emerging businesses	3,091	4,051	31.1	15,162	17,802	17.4	18,253	25.7	21,853	19.7	36,500	67.0	62,166	70.3
Reported EBITDA	**24,583**	**30,961**	**25.9**	**94,446**	**106,313**	**12.6**	**119,026**	**12.8**	**137,394**	**15.4**	**167,916**	**22.2**	**207,602**	**23.6**
EBITDA margin (%)	**FY26YTD**	**FY27YTD**	**yoy %**	**FY26 Remainder**	**FY27 Remainder**	**yoy %**	**FY26**	**yoy %**	**FY27E**	**yoy %**	**FY28E**	**yoy %**	**FY29E**	**yoy %**
Wiring harness	11.4	11.1		10.6	11.3		10.8		11.3		12.0		12.0	
Modules and polymer products	6.4	6.9		8.7	8.0		8.1		7.7		8.3		9.0	
Vision systems	9.2	9.2		9.9	9.3		9.7		9.3		9.6		10.0	
Integrated assemblies	11.4	12.6		14.4	13.6		13.6		13.4		13.5		14.0	
Emerging businesses	8.4	8.4		11.3	10.4		10.7		10.0		11.2		12.2	
Reported consol EBITDAM	**8.1**	**8.8**		**9.8**	**9.6**		**9.4**		**9.4**		**10.1**		**10.7**	

Source: Company, Emkay Research

Exhibit 9: We keep our FY27/FY28/FY29 estimates unchanged

Consolidated	FY26		FY27E				FY28E				FY29E			
(Rs mn)	**Actual**	**% yoy**	**Earlier**	**Revised**	**% Change**	**% yoy**	**Earlier**	**Revised**	**% Change**	**% yoy**	**Earlier**	**Revised**	**% Change**	**% yoy**
Revenue	1,261,034	*10.9*	1,465,013	1,465,013	*0.0*	*16.2*	1,667,988	1,667,988	*0.0*	*13.9*	1,936,593	1,936,593	*0.0*	*16.1*
EBITDA	119,026	*12.8*	137,394	137,394	*0.0*	*15.4*	167,916	167,916	*0.0*	*22.2*	207,602	207,602	*0.0*	*23.6*
EBITDAM (%)	*9.4*	*16 bps*	*9.4*	*9.4*	*0 bps*	*-6 bps*	*10.1*	*10.1*	*0 bps*	*69 bps*	*10.7*	*10.7*	*0 bps*	*65 bps*
APAT	44,944	*23*	57,968	57,968	*0.0*	*29.0*	75,509	75,509	*0.0*	*30.3*	93,535	93,535	*0.0*	*24*
EPS (Rs)	**4.3**	***22.7***	**5.5**	**5.5**	***0.0***	***29.0***	**7.2**	**7.2**	***0.0***	***30.3***	**8.9**	**8.9**	***0.0***	***23.9***

Source: Company, Emkay Research

Exhibit 10: We roll forward our TP to Sep-28E PER

SOTP valuation	Basis	Equity value (Rs mn)	Equity value/ share (Rs)	Contribution (%)
Consolidated	23x Sep-28E PER	2,155,128	184	96
MSUMI stake of 33.4% (holdco discount at 20%)	30x Sep-28E PER	89,274	8	4
Total		**2,244,402**	**193**	**100**
Rounded-off			**190**	

Source: Emkay Research

Samvardhana Motherson International: Consolidated Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**1,136,626**	**1,261,034**	**1,465,013**	**1,667,988**	**1,936,593**
Revenue growth (%)	15.2	10.9	16.2	13.9	16.1
EBITDA	**105,519**	**119,026**	**137,394**	**167,916**	**207,602**
EBITDA growth (%)	13.6	12.8	15.4	22.2	23.6
Depreciation & Amortization	44,934	51,339	54,111	57,611	60,815
EBIT	**60,585**	**67,688**	**83,283**	**110,305**	**146,787**
EBIT growth (%)	10.6	11.7	23.0	32.4	33.1
Other operating income	-	-	-	-	-
Other income	3,729	2,683	3,726	5,217	7,304
Financial expense	18,824	16,244	16,508	13,370	10,997
PBT	**45,490**	**54,127**	**70,501**	**102,152**	**143,094**
Extraordinary items	2,284	3,059	24	34	0
Taxes	11,156	15,393	16,638	24,108	33,770
Minority interest	(3,427)	(2,259)	(2,451)	(9,755)	(23,693)
Income from JV/Associates	5,275	5,832	6,532	7,185	7,904
Reported PAT	**38,030**	**42,729**	**57,944**	**75,475**	**93,535**
PAT growth (%)	29.3	12.4	35.6	30.3	23.9
Adjusted PAT	**35,747**	**39,669**	**57,920**	**75,441**	**93,535**
Diluted EPS (Rs)	**3.4**	**3.8**	**5.5**	**7.1**	**8.9**
Diluted EPS growth (%)	8.6	11.0	46.0	30.2	24.0
DPS (Rs)	**0.7**	**1.1**	**1.4**	**1.8**	**0**
Dividend payout (%)	**20.7**	**26.1**	**25.6**	**25.3**	**0**
EBITDA margin (%)	9.3	9.4	9.4	10.1	10.7
EBIT margin (%)	5.3	5.4	5.7	6.6	7.6
Effective tax rate (%)	25.5	33.3	23.6	23.6	23.6
NOPLAT (pre-IndAS)	**45,147**	**45,139**	**63,600**	**84,236**	**112,145**
Shares outstanding (mn)	10,554	10,554	10,554	10,554	10,554

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	7,037	10,554	10,554	10,554	10,554
Reserves & Surplus	341,767	399,242	448,742	513,663	594,532
Net worth	**347,141**	**408,133**	**457,634**	**522,554**	**603,424**
Minority interests	22,482	26,795	29,246	39,001	62,694
Non-current liab. & prov.	(14,637)	(18,030)	(18,030)	(18,030)	(18,030)
Total debt	**172,143**	**184,655**	**171,375**	**158,909**	**156,268**
Total liabilities & equity	**528,792**	**603,217**	**641,888**	**704,097**	**806,018**
Net tangible fixed assets	258,129	310,235	316,124	313,514	307,699
Net intangible assets	47,588	47,588	47,588	47,588	47,588
Net ROU assets	-	-	-	-	-
Capital WIP	26,457	40,942	40,942	40,942	40,942
Goodwill	-	-	-	-	-
Investments [JV/Associates]	72,906	80,350	85,350	90,350	95,350
Cash & equivalents	**62,888**	**82,339**	**110,627**	**169,146**	**272,256**
Current assets (ex-cash)	416,910	495,592	575,757	657,331	763,184
Current Liab. & Prov.	375,268	473,010	553,680	633,953	740,182
NWC (ex-cash)	**41,642**	**22,582**	**22,076**	**23,377**	**23,003**
Total assets	**528,792**	**603,217**	**641,888**	**704,097**	**806,018**
Net debt	109,254	102,316	60,748	(10,237)	(115,989)
Capital employed	528,792	603,217	641,888	704,097	806,018
Invested capital	**364,876**	**397,923**	**403,307**	**401,997**	**395,808**
BVPS (Rs)	32.9	38.7	43.4	49.5	57.2
Net Debt/Equity (x)	0.3	0.3	0.1	-	(0.2)
Net Debt/EBITDA (x)	1.0	0.9	0.4	(0.1)	(0.6)
Interest coverage (x)	3.4	4.3	5.3	8.6	14.0
RoCE (%)	**12.6**	**12.1**	**13.6**	**16.8**	**20.0**

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	47,338	54,549	70,501	102,152	143,094
Others (non-cash items)	1,848	3,573	4,081	(2,570)	(15,789)
Taxes paid	(11,156)	(15,393)	(16,638)	(24,108)	(33,770)
Change in NWC	(33,840)	19,060	505	(1,301)	375
Operating cash flow	**67,949**	**129,371**	**129,068**	**145,154**	**165,721**
Capital expenditure	(45,610)	(60,536)	(60,000)	(55,000)	(55,000)
Acquisition of business	0	0	0	0	0
Interest & dividend income	-	-	-	-	-
Investing cash flow	**(47,465)**	**(67,979)**	**(65,000)**	**(60,000)**	**(60,000)**
Equity raised/(repaid)	63,762	-	0	0	0
Debt raised/(repaid)	(56,568)	1,257	(10,829)	(2,712)	21,052
Payment of lease liabilities	0	0	0	0	0
Interest paid	(18,311)	(17,209)	(16,508)	(13,370)	(10,997)
Dividend paid (incl tax)	(7,463)	(7,064)	(8,444)	(10,554)	(12,665)
Others	(8,873)	(9,733)	0	0	0
Financing cash flow	**(27,453)**	**(32,748)**	**(35,781)**	**(26,636)**	**(2,610)**
Net chg in Cash	(6,970)	28,644	28,288	58,518	103,111
OCF	67,949	129,371	129,068	145,154	165,721
Adj. OCF (w/o NWC chg.)	101,788	110,312	128,563	146,455	165,346
FCFF	22,338	68,836	69,068	90,154	110,721
FCFE	3,515	52,592	52,560	76,785	99,724
OCF/EBITDA (%)	64.4	108.7	93.9	86.4	79.8
FCFE/PAT (%)	9.2	123.1	90.7	101.7	106.6
FCFF/NOPLAT (%)	**49.5**	**152.5**	**108.6**	**107.0**	**98.7**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	45.3	40.3	29.7	22.8	18.4
P/CE(x)	21.3	18.9	15.4	12.9	11.2
P/B (x)	5.0	4.2	3.8	3.3	2.9
EV/Sales (x)	1.6	1.4	1.2	1.0	0.8
EV/EBITDA (x)	17.4	15.3	13.0	10.2	7.7
EV/EBIT(x)	30.2	27.0	21.4	15.5	10.9
EV/IC (x)	5.0	4.6	4.4	4.3	4.1
FCFF yield (%)	1.2	3.8	3.9	5.3	6.9
FCFE yield (%)	0.2	3.1	3.0	4.5	5.8
Dividend yield (%)	0.5	0.6	0.9	1.1	0
DuPont-RoE split					
Net profit margin (%)	3.1	3.1	4.0	4.5	4.8
Total asset turnover (x)	2.3	2.2	2.4	2.5	2.6
Assets/Equity (x)	1.6	1.5	1.4	1.4	1.3
RoE (%)	**11.8**	**10.5**	**13.4**	**15.4**	**16.6**
DuPont-RoIC					
NOPLAT margin (%)	4.0	3.6	4.3	5.1	5.8
IC turnover (x)	3.4	3.3	3.7	4.1	4.9
RoIC (%)	**13.5**	**11.8**	**15.9**	**20.9**	**28.1**
Operating metrics					
Core NWC days	13.4	6.5	5.5	5.1	4.3
Total NWC days	**13.4**	**6.5**	**5.5**	**5.1**	**4.3**
Fixed asset turnover	2.1	2.0	2.0	2.1	2.3
Opex-to-revenue (%)	37.0	36.8	36.5	36.1	35.7

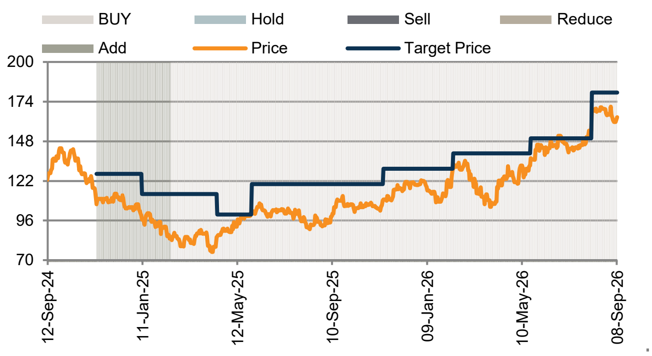
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
07-Aug-26	169	180	Buy	Chirag Jain
21-May-26	137	150	Buy	Chirag Jain
16-Apr-26	123	140	Buy	Chirag Jain
09-Mar-26	118	140	Buy	Chirag Jain
11-Feb-26	130	140	Buy	Chirag Jain
14-Nov-25	110	130	Buy	Chirag Jain
07-Sep-25	95	120	Buy	Chirag Jain
30-May-25	102	120	Buy	Chirag Jain
16-Apr-25	86	100	Buy	Chirag Jain
16-Feb-25	84	113	Buy	Chirag Jain
10-Jan-25	97	113	Add	Chirag Jain
13-Nov-24	107	127	Add	Chirag Jain

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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