

# VST Tillers Tractors Ltd

**Market Cap.**
**Rs.4,574 Cr.**
**52 Week H/L**
**Rs.5,410 / 2,875**
**CMP**
**Rs.5,292**
**Target Price**
**Rs.6,048**

## AUTO

### STOCK DATA

#### BUY

Reuters Code **VST.BO**  
 Bloomberg Code **VSTT IN**

BSE Code **531266**  
 NSE Symbol **VSTTILLERS**

Face Value **Rs. 10**

Shares Outstanding **0.86 Cr.**

Avg. Daily Volume (6m) **19,594 Shares**

#### Price Performance (%)

1M	3M	6M
15	38	34

**200 days EMA Rs. 4,104**

### SHARE HOLDING (%)

Promoters	<b>52.7</b>
FII	<b>1.4</b>
FI / MF	<b>18.1</b>
Bodies Corporate	<b>1.5</b>
Public & Others	<b>26.2</b>

VST Tillers Ltd. recently announced its performance for the quarter ended June 30, 2025. Following are the key highlights.

Particulars (Rs.in cr)	Q1 FY26	Q1 FY25	YoY	Q4 FY25	QoQ
Net Sales	282.5	190.6	48.0%	301.4	(6.3%)
EBITDA	37.5	13.4	180.3%	40.4	(7.1%)
<b>EBITDA Margin</b>	<b>13.3%</b>	<b>7.0%</b>	<b>630 bps</b>	<b>13.4%</b>	<b>(10 bps)</b>
Profit before Tax	32.5	27.6	17.8%	32.1	1.2%
Profit after Tax	20.4	22.5	(9.1%)	24.4	(16.3%)
<b>PAT Margin</b>	<b>7.2%</b>	<b>11.8%</b>	<b>(460 bps)</b>	<b>8.1%</b>	<b>(90 bps)</b>
AEPS	23.6	25.9	(9.1%)	28.3	(16.5%)

### Highlights from the Quarter (Q1 FY26)

Consolidated sales were at Rs.283 cr, recording a strong 48% yoy growth, with 92% yoy volume growth in the tillers and 63% yoy volume growth in the weeders. Favorable monsoon conditions and improved retail financing has led to the improvement in the demand for tillers. Retail financing has increased from 0% to 10% in the last 2 years, with many NBFC and nationalized banks started financing. VST indicated that July month have reported good sales growth, which should continue for August month as well, with thrust on geographical and product expansion in the future.

On the domestic tractors front, it reported flat numbers for Q1FY26 and 20% dip on the exports. We expect a pick up in the growth, as the company has launched new 'FENTM' series tractor (18-29 HP), where in the torque and fuel efficiency is higher as compared to the previous version of tractors. Apart from this, VST will be relaunching high HP tractor, Zetor, with modifications by Diwali this year and expect good volumes in this fiscal. VST plans to launch 20 new products in the next couple of years including the electric version of tillers and the tractors. For European market, demand for the VST products remains stable, however it is taking longer time to reach Europe and therefore it is setting a base by the fiscal end to address this issue.

### OUTLOOK AND VALUATION

With a strong presence in Indian power tiller market segment, VST plans to further strengthen its presence through the launch of innovative products in this segment. Its strategy to expand geographically with high horsepower tractors should yield healthy margins. Apart from this, the net debt-free company has been reporting stable return ratios, strong cash generation & has been paying dividends consistently for years. Going forward, we expect the company to deliver an EPS of Rs.151 in FY27; assigning a target multiple of 40x, we arrive at a target price of Rs.6,048 showcasing an upside potential of 14% from current levels with an investment horizon of 18-24 months.

Particulars	Revenue (Rs. Cr)	PAT (Rs. Cr)	NPM (%)	EPS (Rs.)	P/E (X)	ROE (%)
FY24	968.0	121.1	12.5%	140.0	37.6	13.1
FY25	994.6	93.0	9.3%	107.4	49.0	9.3
<b>FY26E</b>	<b>1,196.4</b>	<b>120.3</b>	<b>10.1%</b>	<b>133.6</b>	<b>39.4</b>	<b>11.2</b>
<b>FY27E</b>	<b>1,317.7</b>	<b>136.1</b>	<b>10.3%</b>	<b>151.2</b>	<b>34.8</b>	<b>11.7</b>

#### RESEARCH ANALYST

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### Earlier Recommendation

Date	Report Type	Reco	Price (Rs.)	Target (Rs.)
11- Dec-24	Initiating Coverage	Buy	5,035	6,172

**PROFIT & LOSS STATEMENT**

(Rs. Cr)

Particulars	FY24	FY25	FY26E	FY27E
<b>Revenue</b>	<b>968</b>	<b>995</b>	<b>1,196</b>	<b>1,318</b>
Cost of Raw Materials	658	683	817	903
Employee Cost	86	101	120	125
Other Expenses	100	99	120	132
<b>EBITDA</b>	<b>124</b>	<b>111</b>	<b>140</b>	<b>157</b>
Depreciation	27	25	31	34
Interest Cost	2	2	2	2
Other Income	61	38	48	53
<b>PBT</b>	<b>155</b>	<b>120</b>	<b>156</b>	<b>177</b>
Tax	34	28	36	41
<b>APAT</b>	<b>121</b>	<b>93</b>	<b>120</b>	<b>136</b>

**BALANCE SHEET STATEMENT**

(Rs. Cr)

Particulars	FY24	FY25	FY26E	FY27E
Net block	227	222	224	227
Other Non-Current assets	78	75	97	104
Inventories	118	101	138	153
Trade Receivables	155	206	187	206
Cash and bank	47	75	56	57
Others	542	588	640	706
<b>Total Assets</b>	<b>1,167</b>	<b>1,265</b>	<b>1,342</b>	<b>1,452</b>
Equity Share Capital	9	9	9	9
Reserves	915	993	1,067	1,156
<b>Net worth</b>	<b>924</b>	<b>1,002</b>	<b>1,075</b>	<b>1,165</b>
Trade Payables	99	99	118	131
Other Current Liabilities	88	104	92	99
<b>Total Liabilities</b>	<b>1,167</b>	<b>1,265</b>	<b>1,342</b>	<b>1,452</b>

Source: Company, Sushil Finance Research

**CASH FLOW STATEMENT**

(Rs. Cr)

Particulars	FY24	FY25	FY26E	FY27E
PBT	155	120	156	177
Depreciation	27	25	31	34
Finance Cost	2	2	2	2
Provision for Taxes	(34)	(28)	(36)	(41)
Changes in Working capital	(101)	(69)	(61)	(78)
<b>Cash Flow from Operating</b>	<b>49</b>	<b>77</b>	<b>89</b>	<b>93</b>
Changes in PP&E	(11)	(20)	(33)	(37)
Changes In Others	15	(7)	(45)	(29)
<b>Cash Flow from Investing</b>	<b>9</b>	<b>(29)</b>	<b>(78)</b>	<b>(67)</b>
Changes in Debt	(0)	(0)	1	0
Others	(30)	(25)	(24)	(26)
<b>Cash Flow from Financing</b>	<b>(24)</b>	<b>(21)</b>	<b>(27)</b>	<b>(25)</b>
Cash at the Start of the Year	11	44	71	56
Changes in cash flow	33	28	(16)	1
<b>Total Cash &amp; Cash Equivalents</b>	<b>44</b>	<b>71</b>	<b>56</b>	<b>57</b>

**FINANCIAL RATIO STATEMENT**

Particulars	FY24	FY25	FY26E	FY27E
<b><u>Growth (%)</u></b>				
Revenue	-3.8%	2.7%	20.3%	10.1%
EBITDA	-2.4%	-10.5%	26.4%	12.1%
Net Profit	31.1%	-23.2%	29.4%	13.1%
<b><u>Profitability (%)</u></b>				
EBITDA Margin	12.8%	11.2%	11.7%	11.9%
Net Profit Margin	12.5%	9.3%	10.1%	10.3%
ROCE	9.9%	8.1%	9.7%	10.1%
ROE	13.1%	9.3%	11.2%	11.7%
<b><u>Per Share Data (Rs.)</u></b>				
EPS	140	107	134	151
BVPS	1,026	1,113	1,195	1,294
<b><u>Valuation (x)</u></b>				
P/E	37.6	49.0	39.4	34.8
P/BV	5.1	4.7	4.4	4.1
P/SALES	4.9	4.8	4.0	3.6
EV/EBITDA	37.8	42.0	33.4	29.8
<b><u>Turnover</u></b>				
Debtor days	59	75	57	57
Inventory days	65	54	62	62
Creditor days	55	53	53	53

Source: Company, Sushil Finance Research

#### Rating Scale :

This is a guide to the rating system used by our Institutional Research Team. Our rating system comprises of three rating categories.

Total Expected Return Matrix (Rating and Return)	BUY : Over 12%	HOLD : -12% to 12%	SELL : Below -12%
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Stock Recommended to Clients	Yes
Remuneration/Benefits received from company in 12 months	No
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Sushil Financial Services Pvt. Ltd and Group Directors Holding	Yes
Broking Relationship with the company covered	No