2 November 2026
2QFY27 Results Update | Sector: Automobiles

Escorts Kubota

Estimate changes	↓
TP change	↓
Rating change	↔

Bloomberg	ESCORTS IN
Equity Shares (m)	112
M.Cap.(INRb)/(USDb)	271.1 / 2.9
52-Week Range (INR)	3979 / 2411
1, 6, 12 Rel. Per (%)	-14/-23/-27
12M Avg Val (INR M)	428

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	115.4	123.2	126.9
EBITDA	15.0	12.1	14.6
EBITDA Margin (%)	13.0	9.8	11.5
Adj. PAT	13.5	12.4	14.3
EPS (INR)	120.5	111.0	127.9
EPS Gr. (%)	19.8	-7.9	15.2
BV/Sh. (INR)	1,106	1,182	1,265
Ratios			
RoE (%)	11.9	9.7	10.5
RoCE (%)	15.9	13.0	13.9
Payout (%)	27.0	31.5	35.2
Valuations			
P/E (x)	20.1	21.8	18.9
P/BV (x)	2.2	2.0	1.9
EV/EBITDA (x)	18.0	22.4	18.5
Div. Yield (%)	1.4	1.4	1.9
FCF yield (%)	3.9	0.6	2.7

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	68.0	68.0	68.0
DII	10.0	10.7	11.8
FII	8.7	8.0	6.9
Others	13.2	13.3	13.2

FII includes depository receipts

CMP: INR2,423 **TP: INR2,200 (-9%)** **Neutral**

Double-digit volume decline expected in 2H

Margin headwinds to persist till 4QFY27

- Escorts Kubota's (EKL) 2QFY27 PAT at INR2.6b missed our estimate of INR3.1b due to lower-than-expected margins and other income. While construction equipment margins surprised positively, tractor margins disappointed.
- Management has cut its tractor volume guidance to a marginal single-digit decline (from mid-single growth earlier) in FY27, implying a double-digit decline in 2HFY27 for the industry. Further, margins are expected to remain under pressure in 3Q and then gradually normalize as input costs cool off in 4Q and the latest price hikes are fully reflected. Hence, due to near-term headwinds for the tractor industry, which could potentially stretch into the next fiscal, we have cut our earnings estimates by 8%/3% for FY27E/FY28E. We estimate EKL to post a CAGR of 5%/-1%/3% in revenue/EBITDA/PAT over FY26-28E. While synergies between Escorts and Kubota are significant, they will likely materialize over the medium to long term. The stock appears fairly valued at ~21.8x/18.9x FY27E/28E EPS. We reiterate our Neutral rating on the stock with a TP of INR2,200, based on ~17x FY28E EPS.

PAT miss due to lower other income resulting in a weak quarter

- 2Q standalone revenue came in line with our estimate at INR32.3b, up ~16% YoY (+1.7% QoQ). Growth was driven primarily by 10.1% YoY improvement in net realizations to INR791k per unit, whereas volumes were flat YoY at 34k units.
- Gross margins declined ~370bp YoY to 27% (-20bp QoQ), primarily due to RM cost inflation.
- As a result, EBITDA margins fell 400bp YoY to 9.1%, below our estimate of 10%. EBITDA declined 19.5% YoY to INR2.9b (below est. of INR3.1b).
- Tractor margins contracted ~505bp YoY to 7.8% (below est. of 9.8%). Construction equipment margin expanded 410bp YoY to 7.9% (above our est. of 5.5%), supported by higher volumes, operating leverage and calibrated price increases.
- Other income was much lower than expected at INR1.2b (est. INR1.8b).
- As a result, PAT missed our estimates, down ~21% YoY to INR2.6b.
- In 1HFY27, CFO stood at INR46m, while free cash outflow was INR1.2b.

Highlights from the management commentary

- Following strong 1QFY27 growth, demand has moderated, with management revising FY27 industry guidance to low-single-digit decline, implying double-digit contraction in 2HFY27 amid El Niño-related rainfall concerns, lower reservoir levels and reduced subsidies.
- EKL is well positioned to benefit from stable infrastructure activity. CE industry growth is expected to moderate to 15-16% in 2HFY27 from ~20% in 1H. However, improving operating leverage and pricing discipline should support margin sustainability.

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Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- Commodity inflation is a key margin headwind, with input cost inflation rising to 8-9% by 2Q end and a further 2-3% impact expected in 3Q, alongside high manpower and conversion costs. Margin pressure could ease after 4QFY27.
- EKL has cumulatively raised tractor prices by ~3.5% in FY27 so far and announced a further 3-3.5% increase effective mid-Nov'26, taking cumulative hikes to 6-7%. The full benefit of the latest hike should reflect in 4QFY27, supporting margin recovery.
- EKL plans normal capex of INR3.5b in FY27 and INR3b in FY28, alongside INR4-4.5b for land acquisition and a phased greenfield investment of ~INR20b over 3-4 years to expand tractor, construction equipment and parts warehousing capacity.

Valuation and view

Management has cut its tractor volume growth guidance to a marginal single-digit decline (from mid-single growth earlier) in FY27, implying a double-digit decline in 2HFY27 for the industry. Further, margins are likely to remain under pressure at least in 3Q and then gradually normalize as input costs cool off in 4Q and the latest price hikes are fully reflected. Hence, due to near-term headwinds for the tractor industry, which could potentially stretch into the next fiscal, we have cut our earnings estimates by 8%/3% for FY27E/FY28E. We estimate EKL to post a CAGR of 5%/-1%/3% in revenue/EBITDA/PAT over FY26-28E. While synergies between Escorts and Kubota are significant, they will likely materialize over the medium to long term. The stock appears fairly valued at ~21.8x/18.9x FY27E/28E EPS. We reiterate our Neutral rating on the stock with a TP of INR2,200, based on ~17x FY28E EPS.

Standalone Quarterly Performance **(INR M)**

Y/E March	FY26				FY27E				FY26	FY27E		Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**24,834**	**27,774**	**32,614**	**29,507**	**31,789**	**32,314**	**31,975**	**27,072**	**115,403**	**123,150**	**31,107**	**3.9**
YoY Change (%)	-2.9	22.6	11.1	21.4	28.0	16.3	-2.0	-8.3	13.3	6.7	12.0	
Total Expenditure	21,584	24,142	28,226	25,647	28,235	29,389	29,034	24,423	100,439	111,081	27,996	**5.0**
EBITDA	**3,250**	**3,632**	**4,387**	**3,860**	**3,554**	**2,924**	**2,942**	**2,649**	**14,964**	**12,069**	**3,111**	**-6.0**
Margins (%)	13.1	13.1	13.5	13.1	11.2	9.1	9.2	9.8	13.0	9.8	10.0	
YoY Change (%)	2.6	56.0	30.9	31.8	9.4	-19.5	-33.0	-31.4	27.0	-19.3	-14.4	
Depreciation	591	615	637	685	644	675	720	758	2,551	2,797	690	
Interest	36	42	60	50	46	38	45	46	204	175	40	
Other Income	1,556	1,336	1,537	1,214	2,074	1,229	1,900	2,147	5,664	7,350	1,800	**-31.7**
PBT	**4,939**	**4,311**	**4,702**	**4,338**	**4,938**	**3,440**	**4,077**	**3,991**	**17,637**	**16,447**	4,181	**-17.7**
Rate (%)	24.5	25.5	22.9	25.1	21.6	25.9	25.9	25.6	25.2	24.5	25.0	
Adj. PAT	**3,153**	**3,212**	**4,019**	**3,248**	**3,873**	**2,550**	**3,022**	**2,971**	**13,842**	**12,417**	**3,136**	**-18.7**
YoY Change (%)	18.5	6.1	38.4	19.9	22.8	-20.6	-24.8	-8.5	20.7	-10.3	-2.4	
Margins (%)	12.7	11.6	12.3	11.0	12.2	7.9	9.5	11.0	12.0	10.1	10.1	

E: MOSL Estimates

Key Performance Indicators

	FY26				FY27E				FY26	FY27E		
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Volumes ('000 units)	30,581	33,877	36,955	32,257	36,862	34,017	33,260	26,591	133,670	130,729	34,017	**0.0**
Change (%)	0.7	30.3	13.5	21.1	20.5	0.4	-10.0	-17.6	15.7	-2.2	0.4	
Net Realn (INR '000/unit)	713.3	718.2	749.4	742.7	750.5	790.8	783.2	768.9	736.2	773.0	750.5	**5.4**
Change (%)	-0.2	-0.9	1.0	0.2	5.2	10.1	4.5	3.5	0.0	5.0	4.5	
Cost Break-up												
RM Cost (% of sales)	69.1	69.3	71.0	69.0	72.8	73.0	72.8	71.2	69.6	72.5	72.5	
Staff Cost (% of sales)	7.4	7.3	6.4	7.0	6.4	7.1	7.4	8.5	7.2	7.3	7.5	
Other Cost (% of sales)	10.4	10.4	9.1	10.9	9.6	10.8	10.6	10.5	10.3	10.4	10.0	
Gross Margins (%)	30.9	30.7	29.0	31.0	27.2	27.0	27.2	28.8	30.4	27.5	27.5	
EBITDA Margins (%)	13.1	13.1	13.5	13.1	11.2	9.1	9.2	9.8	13.0	9.8	10.0	
EBIT Margins (%)	10.7	10.9	11.5	10.8	9.2	7.0	6.9	7.0	10.8	7.5	7.8	
Segmental PBIT Margin (%)												
Agri Machinery	12.6	12.8	13.5	11.3	10.8	7.8	8.0	9.0	12.5	8.9	9.8	
Construction Equipment	5.8	3.8	6.6	12.7	5.4	7.9	8.0	8.1	7.9	7.5	5.5	

E: MOFSL Estimates



Highlights from the management commentary

Outlook/Guidance:

- Management has revised its FY27 domestic tractor industry outlook to marginal single-digit decline, compared with the earlier expectation of mid-single-digit growth. Following 8% growth in 1HFY27, the industry is expected to witness double-digit degrowth in 2HFY27.
- The moderation in tractor demand is attributable to a high base following GST-led demand in the previous year, El Niño-related rainfall deficiency, lower reservoir levels and reduced subsidy support in certain markets.
- Regional demand trends remain divergent, with the West witnessing a sharp 21% industry decline in 2QFY27, while the South and Madhya Pradesh also reported marginal decline. North and East recorded modest growth. Management expects northern markets to remain broadly flat or witness marginal degrowth in 2H, with most of the industry decline concentrated in western and southern markets.
- Commodity inflation has increased from ~5% in 1QFY27 to 8-9% by the end of 2QFY27, with a further 2-3% incremental impact expected in 3Q, particularly from steel and rubber. In addition to commodities, higher manpower and conversion costs are adding to the pressure.
- The company has implemented cumulative tractor price increases of ~3.5% through 2QFY27 and announced another 3-3.5% increase effective from mid-Nov'26. The cumulative price increases are expected to reach ~6-7%, with the full benefit of the latest hike expected to reflect in 4QFY27.
- Tractor margins are expected to remain under pressure in 3QFY27, with a gradual recovery anticipated from 4QFY27 as the latest price increases are fully reflected. Management also indicated that commodity cost pressures could begin to soften after 4Q.
- Normal capex is expected at approximately INR3.5b in FY27 and INR3b in FY28. The company has already incurred INR4-4.5b towards greenfield land acquisition, while the overall greenfield project is estimated to cost approximately INR20b over 3-4 years, to be implemented in phases, starting with the tractor plant, followed by the construction equipment plant and parts warehouse.

Tractor segment update:

- Domestic tractor industry volumes declined 3% YoY to ~266k units in 2QFY27, against a high base in the previous year, while EKL's domestic volumes grew marginally by 0.9% YoY to 32,628 units, resulting in a 48bp improvement in market share.
- Market share gains were driven by the refreshed product portfolio, recent launches, stronger regional traction and continued focus on channel effectiveness and retail execution.
- The 4WD tractor segment is growing faster than the overall industry and currently accounts for an estimated 17-18% of the market. Escorts Kubota's 4WD volumes have grown nearly 3x over the past 6-12 months, supported by new product introductions across Farmtrac, Powertrac and Kubota.

- Non-tractor businesses, comprising agri solutions, engines, spare parts, service and farm equipment, contributed 22% of Agri Machinery segment revenue in 2QFY27, compared with 17% in 2QFY26 and 19% in 1QFY27.
- The sub-25HP tractor category remains relatively small, accounting for less than 2% of the company's portfolio. Recent emission-norm changes resulted in a cost/price increase of less than 4%, with no meaningful demand impact. The segment continues to gain traction across northern markets, particularly in regions with sugarcane and horticulture cultivation.

Product pipeline/launches:

- Recent launches, including the Shaurya series under Powertrac, Promaxx under Farmtrac, expansion of the Digitrac range and NeoStar series under Kubota, have received encouraging customer responses and supported market share gains.
- Promaxx has enabled Farmtrac to expand its presence beyond its traditional markets through a pan-India 4WD product range. Promaxx and Digitrac together currently contribute approximately 20-23% of the respective Farmtrac and Powertrac brand sales.
- New 4WD product introductions have driven nearly 3x growth in the company's 4WD tractor volumes over the past 6-12 months. However, certain product gaps remain in the Powertrac and Kubota portfolios, which are expected to be addressed through upcoming launches in the next 6-8 months.
- An entirely new Powertrac product range targeting existing gaps in the 4WD segment is scheduled for launch in Jan’27.
- The two new Kubota tractor series launched during the year are helping improve contribution margins and expand the brand's presence in northern and central India. The company will focus on scaling up these launches, with further interesting product introductions planned for FY28.
- Localization initiatives across tractors and non-tractor farm machinery remain on track, with launches planned over the coming quarters. These include the use of localized Escorts engines in Kubota tractors and localization of products such as rice transplanters.

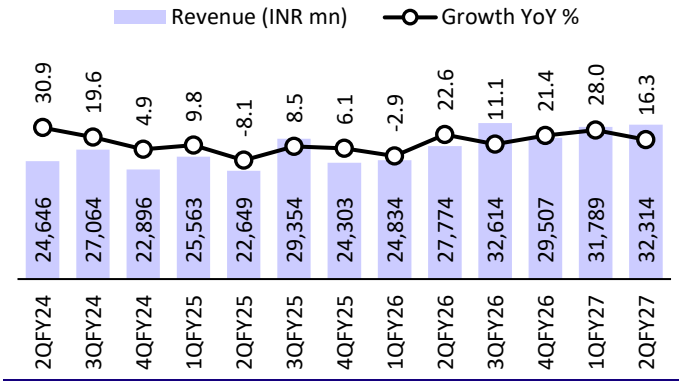
Update on exports

- Export industry volumes grew 16% YoY to ~29.6k units in 2QFY27, whereas EKL’s export volumes declined 10.3% YoY to 1,389 units. The company's export performance was impacted by a higher industry contribution from the high-HP segment, where its presence remains limited, along with market corrections in key export destinations.
- European markets continue to witness channel inventory correction, while demand for compact tractors remains under pressure.
- 1HFY27 export volumes declined ~14-15% YoY. While Oct’26 witnessed an improvement, monthly exports remain at around 500 units, with the existing order book providing limited visibility for a meaningful recovery over the next six months.
- Management expects FY27 exports to remain broadly flat, with a potential recovery emerging only from FY28 onwards.

Update on Construction Equipment segment

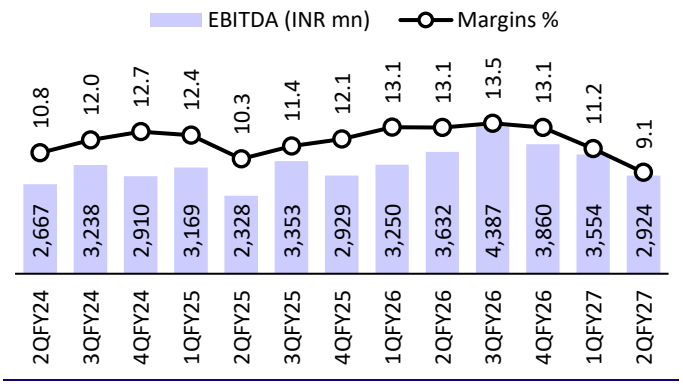
- The construction equipment industry, comprising cranes, backhoe loaders, mini excavators and compactors, grew ~20% YoY in 2QFY27, supported by infrastructure development and continued project execution. EKL's construction equipment volumes increased 54% YoY to 1,764 units.
- The company showcased the new BLX75K backhoe loader, powered by a Kubota engine and jointly developed by Kubota Corporation, Japan and Escorts Kubota, along with the 25-ton F25 Fighter and 16-ton Hydra 16+ pick-and-carry cranes.
- Management expects industry growth to moderate in 2HFY27, with the full-year growth projected at ~15-16%, following the ~20% growth in 1HFY27. The industry is expected to remain supported by infrastructure investments and improved project availability.
- The company has undertaken four price increases in CY26, including an additional hike in Oct'26, and has passed on ~90% of the inflationary cost increase during 1HFY27. Further pricing actions will depend on the extent of commodity inflation and market response.
- Management expects the current level of CE margins to be broadly sustainable, supported by healthy demand momentum, operating leverage and continued pricing discipline.

Exhibit 1: Revenue and revenue growth trends



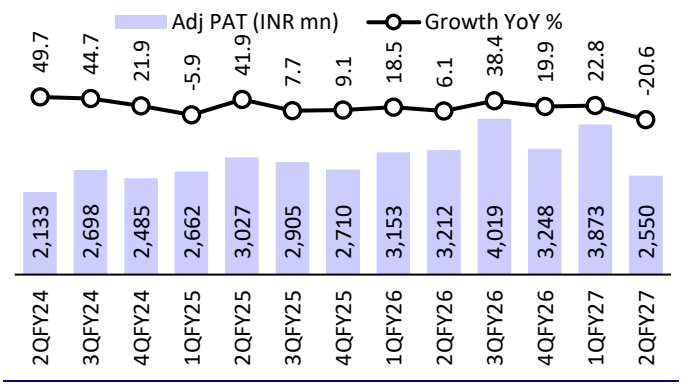
Source: MOFSL, Company

Exhibit 2: EBITDA and EBITDA margin trends



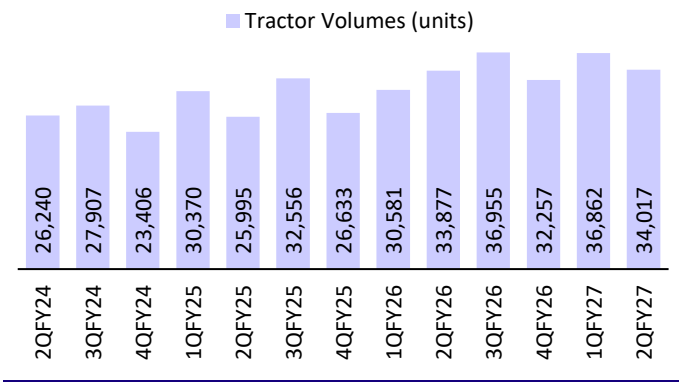
Source: MOFSL, Company

Exhibit 3: Adjusted PAT and growth trends



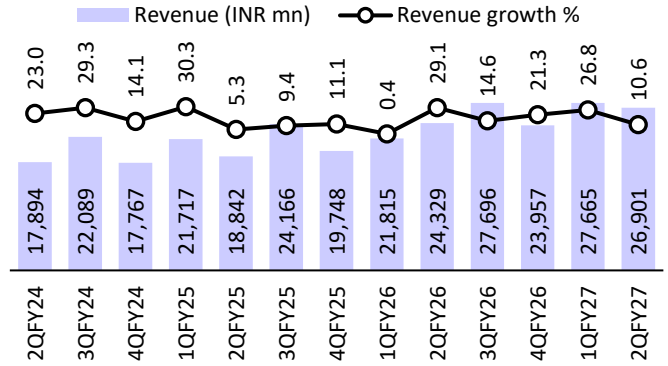
Source: MOFSL, Company

Exhibit 4: Trend in Tractor volumes



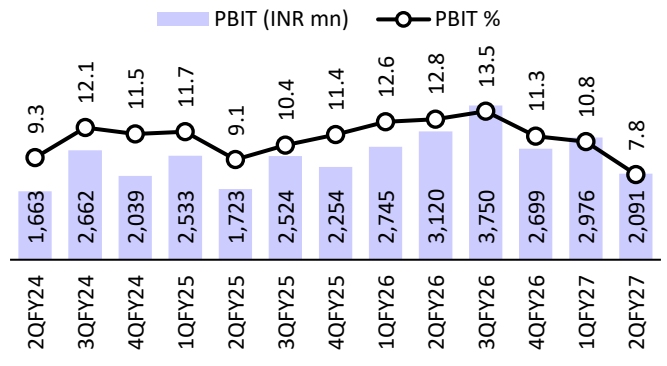
Source: MOFSL, Company

Exhibit 5: Revenue and growth in the Tractor segment



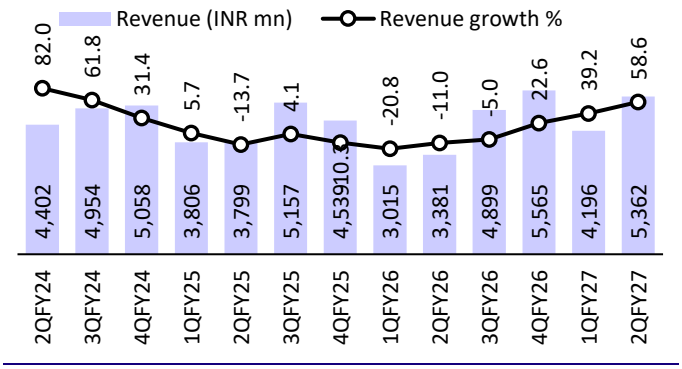
Source: MOFSL, Company

Exhibit 6: PBIT trend in the Tractor segment



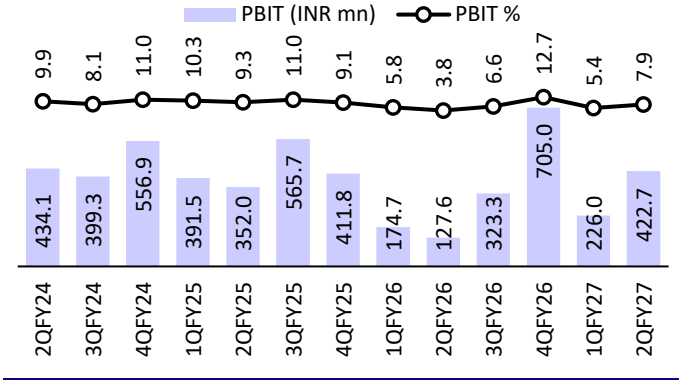
Source: MOFSL, Company

Exhibit 7: Revenue and growth in Construction Equipment



Source: MOFSL, Company

Exhibit 8: PBIT trend in Construction Equipment



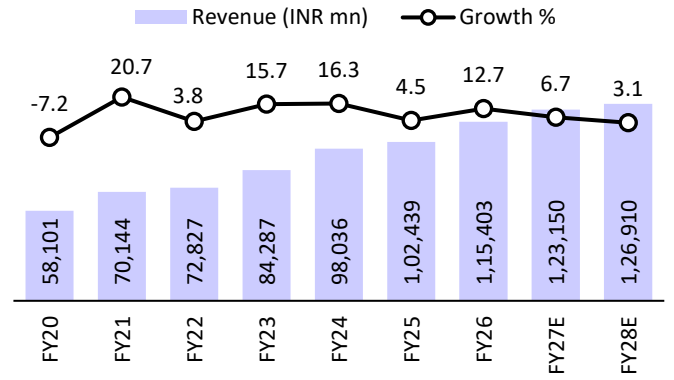
Source: MOFSL, Company

Valuation and view

- **Tractor industry growth headwinds over a high base year:** The tractor outlook has been positive since the beginning of FY26, led by positive rural sentiment, favorable crop prices, and government support. The outlook has further improved after the GST rate cuts, which have made tractors affordable for small/marginal farmers as well. On the back of these factors, the domestic tractor industry has posted a robust 23% YoY growth in FY26. Following strong growth in 1QFY27, volume momentum moderated in 2QFY27, with the outlook turning increasingly cautious for 2HFY27. Management has revised its FY27 volume guidance from mid-single-digit growth to low-single-digit decline, implying a double-digit decline in 2HFY27, which is likely to flow through into 1HFY28. Given the headwinds from El Niño, lower reservoir levels and reduced subsidy allocations in certain markets, we now expect EKL to report a 2% volume decline in FY27 and no growth in FY28.
- **Kubota parentage can unleash many synergies:** Kubota's parentage is expected to help EKL improve its competitive positioning in: 1) small tractors (less than 30HP), 2) export markets (by leveraging Kubota's distribution network), 3) agri implements business, 4) component sourcing, and 5) Construction Equipment business (Kubota is a global leader in small excavators). Through this partnership, EKL gains access to: a) global product know-how (in tractors and implements), b) a global distribution network, and c) a global supply chain (by leveraging its India cost base). While exports have started to show visible improvement, the real pick-up is likely to be visible once the new greenfield comes on stream, likely from FY28-29 onward.
- **Stock appears fairly valued:** As highlighted above, management has cut its tractor volume growth guidance to a marginal single-digit decline (from mid-single growth earlier) for FY27E, implying a double-digit decline in 2HFY27 for the industry. Further, margins are expected to remain under pressure in 3Q and then gradually normalize as input costs cool off in 4Q and the latest price hikes are fully reflected. Hence, due to near-term headwinds for the tractor industry, which could potentially stretch into the next fiscal, we have cut our earnings estimates by 8%/3% for FY27E/FY28E. We estimate EKL to post a CAGR of 5%/-1%/3% in revenue/EBITDA/PAT over FY26-28E. While synergies between Escorts and Kubota are significant, they will likely materialize over the medium to long term. The stock appears fairly valued at ~21.8x/18.9x FY27E/28E EPS. We reiterate our Neutral rating on the stock with a TP of INR2,200, based on ~17x FY28E EPS.

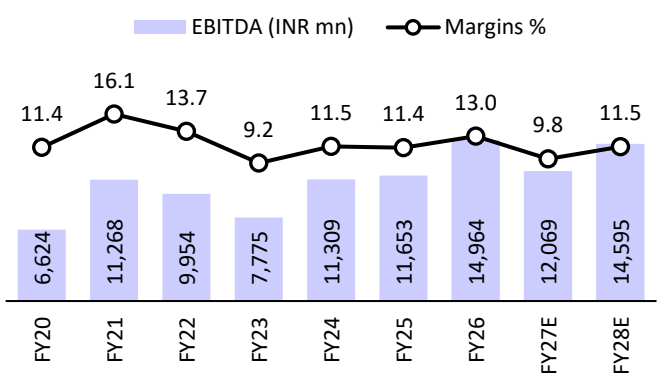
Story in charts

Exhibit 9: Revenue and revenue growth trends



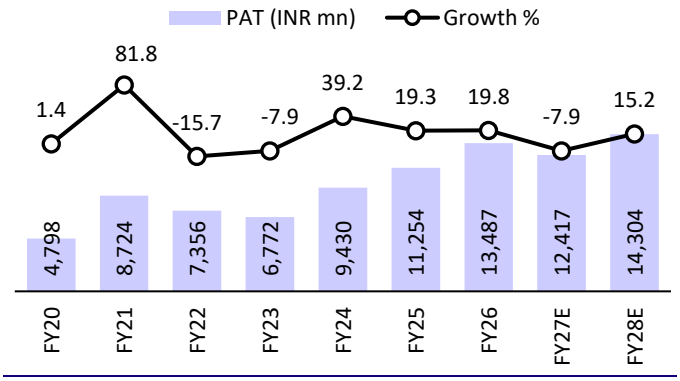
Source: MOFSL, Company

Exhibit 10: EBITDA and EBITDA margin trajectories



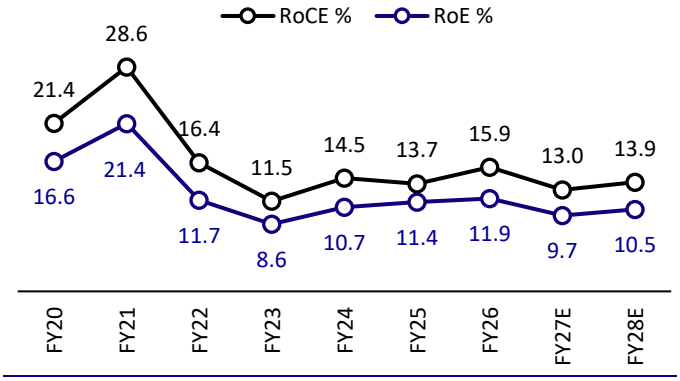
Source: MOFSL, Company

Exhibit 11: PAT and PAT growth trends



Source: MOFSL, Company

Exhibit 12: RoE and RoCE trends



Source: MOFSL, Company

Financials and valuations

Consolidated - Income Statement								(INR m)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Total Income from Operations	**70,144**	**72,827**	**84,287**	**98,036**	**102,439**	**115,403**	**123,150**	**126,910**
Change (%)	20.7	3.8	15.7	16.3	4.5	12.7	6.7	3.1
EBITDA	**11,268**	**9,954**	**7,775**	**11,309**	**11,653**	**14,964**	**12,069**	**14,595**
Margin (%)	16.1	13.7	9.2	11.5	11.4	13.0	9.8	11.5
Change (%)	70.1	-11.7	-21.9	45.4	3.0	28.4	-19.3	20.9
Depreciation	1,183	1,321	1,501	2,241	2,437	2,551	2,797	3,194
EBIT	**10,085**	**8,634**	**6,275**	**9,068**	**9,217**	**12,413**	**9,272**	**11,401**
Int. and Finance Charges	133	150	133	417	292	204	175	155
Other Income	1,604	1,738	2,809	3,918	4,613	5,664	7,350	7,700
PBT bef. EO Exp.	**11,555**	**10,222**	**8,951**	**12,569**	**13,538**	**17,872**	**16,447**	**18,946**
EO Items	0	0	-531	0	-17	235	0	0
PBT after EO Exp.	**11,555**	**10,222**	**8,421**	**12,569**	**13,521**	**18,108**	**16,447**	**18,946**
Current Tax	2,832	2,572	1,979	3,134	2,270	4,443	4,029	4,642
Deferred Tax	0	0	0	0	0	0	0	0
Tax Rate (%)	24.5	25.2	23.5	24.9	16.8	24.5	24.5	24.5
Less: Minority Interest	0	294	75	5	11	0	0	0
Reported PAT	**8,724**	**7,356**	**6,367**	**9,430**	**11,241**	**13,664**	**12,417**	**14,304**
Adjusted PAT	**8,724**	**7,356**	**6,772**	**9,430**	**11,254**	**13,487**	**12,417**	**14,304**
Change (%)	81.8	-15.7	-7.9	39.2	19.3	19.8	-7.9	15.2

Consolidated - Balance Sheet								(INR m)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Equity Share Capital	1,348	1,319	1,319	1,105	1,119	1,119	1,119	1,119
Total Reserves	48,913	74,680	80,548	92,780	102,549	122,610	131,111	140,380
Net Worth	**50,261**	**75,999**	**81,867**	**93,885**	**103,668**	**123,728**	**132,230**	**141,499**
Minority Interest	-9	-38	-39	-39	-39	-39	-39	-39
Deferred Liabilities	233	373	646	985	576	1,179	1,179	1,179
Total Loans	17	0	0	3,676	23	362	362	362
Capital Employed	**50,502**	**76,334**	**82,475**	**98,506**	**104,227**	**125,230**	**133,731**	**143,001**
Gross Block	29,350	30,799	31,726	38,159	37,519	39,523	47,889	56,824
Less: Accum. Deprn.	11,388	12,389	13,613	16,506	16,987	18,068	20,865	24,059
Net Fixed Assets	**17,962**	**18,411**	**18,114**	**21,653**	**20,532**	**21,455**	**27,024**	**32,765**
Capital WIP	647	878	1,137	1,614	1,525	1,996	2,130	2,195
Total Investments	**19,380**	**48,358**	**48,465**	**60,064**	**69,877**	**89,603**	**88,103**	**90,103**
Curr. Assets, Loans&Adv.	**30,792**	**23,431**	**33,137**	**40,687**	**39,051**	**44,940**	**48,404**	**50,842**
Inventory	7,182	8,466	12,177	17,162	13,990	14,723	15,952	16,099
Account Receivables	6,576	7,926	11,797	14,279	13,318	12,026	13,523	13,936
Cash and Bank Balance	13,218	2,718	4,719	2,365	3,427	1,781	877	950
Loans and Advances	3,817	4,320	4,445	6,881	8,316	16,411	18,052	19,857
Curr. Liability & Prov.	**18,279**	**14,743**	**18,378**	**25,511**	**26,758**	**32,764**	**31,929**	**32,904**
Account Payables	16,771	13,341	16,912	23,459	24,684	30,370	29,375	30,272
Provisions	1,508	1,402	1,466	2,052	2,074	2,394	2,554	2,632
Net Current Assets	**12,513**	**8,687**	**14,760**	**15,176**	**12,293**	**12,176**	**16,475**	**17,938**
Deferred Tax assets	0	0	0	0	0	0	0	0
Appl. of Funds	**50,502**	**76,334**	**82,475**	**98,506**	**104,227**	**125,230**	**133,731**	**143,001**

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)								
EPS (ex treasury)	**86.3**	**66.6**	**51.3**	**85.3**	**100.6**	**120.5**	**111.0**	**127.9**
BV/Share	497.0	687.8	620.5	849.6	926.6	1,105.9	1,181.9	1,264.7
DPS	7.5	7.0	7.0	18.0	28.0	33.0	35.0	45.0
Payout (%)	8.7	10.5	14.5	21.1	27.9	27.0	31.5	35.2
Valuation (x)								
P/E	28.1	36.4	47.2	28.4	24.1	20.1	21.8	18.9
P/BV	4.9	3.5	3.9	2.9	2.6	2.2	2.0	1.9
EV/Sales	3.7	3.7	3.2	2.8	2.6	2.3	2.2	2.1
EV/EBITDA	15.6	21.7	34.3	24.1	23.0	18.0	22.4	18.5
Dividend Yield (%)	0.3	0.3	0.3	0.7	1.2	1.4	1.4	1.9
FCF per share	75.3	-10.7	2.5	47.1	67.7	95.5	15.1	64.9
Return Ratios (%)								
RoE	21.4	11.7	8.6	10.7	11.4	11.9	9.7	10.5
RoCE	28.6	16.4	11.5	14.5	13.7	15.9	13.0	13.9
RoIC	41.5	31.0	18.3	21.7	24.0	30.6	18.8	18.6
Working Capital Ratios								
Asset Turnover (x)	1.4	1.0	1.0	1.0	1.0	0.9	0.9	0.9
Inventory (Days)	56	62	73	90	70	67	65	65
Debtor (Days)	34	40	51	53	47	38	40	40
Creditor (Days)	87	67	73	87	88	96	87	87
Leverage Ratio (x)								
Net Debt/Equity	-0.6	-0.6	-0.6	-0.3	-0.3	-0.6	-0.5	-0.5

Consolidated - Cash Flow Statement **(INR m)**

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	11,548	9,928	8,346	14,352	15,397	30,138	16,447	18,946
Depreciation	1,183	1,321	1,501	2,332	2,437	2,551	2,797	3,194
Interest & Finance Charges	0	-906	-1,620	-2,226	-2,100	-3,560	175	155
Direct Taxes Paid	-2,527	-2,547	-1,864	-2,409	-3,585	-5,654	-4,029	-4,642
(Inc)/Dec in WC	2,748	-6,526	-4,102	-3,393	-432	3,741	-5,202	-1,390
CF from Operations	**12,952**	**1,270**	**2,260**	**8,656**	**11,718**	**27,217**	**10,187**	**16,263**
Others	-1,639	-948	-21	-770	-1,686	-13,405	0	0
CF from Operating incl EO	**11,313**	**323**	**2,239**	**7,886**	**10,032**	**13,812**	**10,187**	**16,263**
(inc)/dec in FA	-1,157	-1,732	-1,904	-2,680	-2,462	-3,126	-8,500	-9,000
Free Cash Flow	**10,155**	**-1,409**	**336**	**5,206**	**7,570**	**10,686**	**1,687**	**7,263**
(Pur)/Sale of Investments	-20,778	-17,898	1,167	-7,708	-608	-9,566	1,500	-2,000
Others	0	1,066	116	213	1,131	1,410	0	0
CF from Investments	**-21,936**	**-18,564**	**-621**	**-10,175**	**-1,940**	**-11,282**	**-7,000**	**-11,000**
Issue of Shares	10,576	19,021	206	135	247	34	0	0
Inc/(Dec) in Debt	-221	-87	0	1,238	-3,958	-113	0	0
Interest Paid	-76	-98	-91	-366	-253	-157	-175	-155
Dividend Paid	-245	-737	-757	-758	-3,055	-3,961	-3,916	-5,035
CF from Fin. Activity	**9,991**	**17,805**	**-712**	**248**	**-7,019**	**-4,196**	**-4,091**	**-5,190**
Inc/Dec of Cash	**-632**	**-436**	**906**	**-2,041**	**1,074**	**-1,666**	**-904**	**73**
Opening Balance	1,689	1,057	622	4,406	2,353	3,448	1,781	877
Closing Balance	**1,057**	**622**	**1,528**	**2,365**	**3,427**	**1,781**	**877**	**951**

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SELL	< - 10%
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