BUY

Waaree Energies

A challenging quarter, but healthy future guidance

Others ▸ Result Update ▸ **May 01, 2026**

CMP (Rs): 3,119 | TP (Rs): 4,260

Waaree reported consolidated EBITDA/APAT of Rs15.8/10.6bn in Q4FY26, an 11%/4% miss, due to a 12%/7% QoQ contraction in GPM/EBITDAM. This was impacted by the Middle East conflict affecting logistics costs and overseas revenue mix, a spike in silver and copper prices, and higher module vs cell utilization, increasing reliance on costlier external DCR cells. Module/cell utilization in Q4 was 66%/53% on a closing capacity of 25.8/5.4GW, with module production up 20% QoQ. The working capital cycle deteriorated due to a sharp increase in inventory days. While the ME crisis continues, conditions are gradually improving. The management has guided FY27 EBITDA of Rs70-77bn, implying a healthy 18-30% YoY growth, driven by 10GW of new cell capacity in H2 and transition to G12R lines. Waaree also outlined a fully integrated energy transition roadmap, targeting USD4trn TAM by 2035, vs USD1trn currently. Planned capex is Rs300bn, with the Board approving a fund raise of up to Rs100bn. We largely retain our FY27/28E EPS; retain BUY and TP of Rs4,260.

Results highlights

Waaree's Q4FY26 consol revenue rose 112%/12% YoY/QoQ to Rs84.8bn (14% beat), driven by ~104% YoY and 20% QoQ increase in module production (16% beat). Cell production, however, declined 7% QoQ to 700MW, with cell-to-module ratio moderating to 0.17x from 0.21x QoQ. Solar PV sales surged 118% YoY and 13% QoQ to Rs79.0bn, but EBIT fell 28% QoQ to Rs11.1bn, with margins contracting to 14.0% from 21.8% QoQ. EPC revenue/EBIT rose 30%/34% QoQ. Opex increased 138% YoY to Rs11.2bn (down 21% QoQ), Other income rose 31% YoY to Rs1.8bn (down 8% QoQ; 18% miss). Waaree booked Rs1.1bn of IRA 45x benefits in Q4, while ETR was lower at 20%. Orderbook stood at Rs530bn. FY26 EBITDA of Rs59bn was near the upper end of the Rs55-60bn guidance, with margins improving to 22.3% from 18.8%. FY26-end net cash declined to Rs49bn.

Management KTAs

Many of the adverse factors in Q4 are reversing, and pricing has adjusted to pass on cost increases, though the ME crisis persists. New order intake slowed in Q4 as the conflict led to delays of ~2 quarters. For H2FY27, the existing 5.4GW cell capacity is expected to operate at 90–95% utilization, while the new 10GW capacity will begin ramping up over 3–6 months. By FY28, the full 15.4GW capacity is likely to run at 80–85% utilization, with 90–95% of output serving the domestic market. Waaree's decadal EBITDA margin guidance stands at ~20%, though margins are expected to improve in the near term as a higher share of in-house cells, wafers, and ingots come online. The company supplied over 1GW of modules to the US in FY26, of which 85–90% was locally manufactured. It is insulated from US anti-dumping duties, as it relies on cells from non-affected countries.

Valuation

We value Waaree on a SOTP basis, assigning 14x FY28E EV/EBITDA to the core business and 2.5x Phase-1 equity capex (30% of Rs20.7bn) to BESS; we have also adjusted minority interest (20x target PER). Key risks: competition, technology, policy, commodity.

Target Price – 12M	Mar-27
Change in TP (%)	**-**
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	36.6

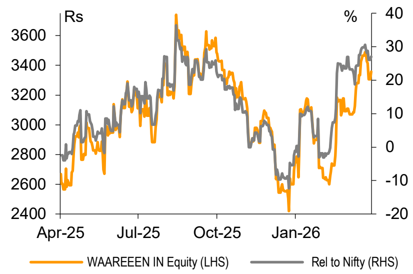
Stock Data	**WAAREEEN IN**
52-week High (Rs)	3,865
52-week Low (Rs)	2,402
Shares outstanding (mn)	287.7
Market-cap (Rs bn)	897
Market-cap (USD mn)	9,451
Net-debt, FY27E (Rs mn)	(29,673.3)
ADTV-3M (mn shares)	1.7
ADTV-3M (Rs mn)	6,620.7
ADTV-3M (USD mn)	69.8
Free float (%)	33.2
Nifty-50	23,997.6
INR/USD	94.9

Shareholding,Mar-26	
Promoters (%)	64.2
FPIs/MFs (%)	7.1/4.3

Price Performance

(%)	**1M**	**3M**	**12M**
Absolute	0.3	11.9	19.7
Rel. to Nifty	(6.7)	18.1	21.4

1-Year share price trend (Rs)



Waaree Energies: Financial Snapshot (Consolidated)

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	144,445	265,368	344,723	404,402	441,513
EBITDA	27,216	59,086	74,237	91,490	97,644
Adj. PAT	18,704	39,379	44,237	51,307	53,301
Adj. EPS (Rs)	64.6	136.1	152.9	177.3	184.2
EBITDA margin (%)	18.8	22.3	21.5	22.6	22.1
EBITDA growth (%)	72.9	117.1	25.6	23.2	6.7
Adj. EPS growth (%)	89.6	110.5	12.3	16.0	3.9
RoE (%)	27.5	31.0	26.6	24.0	20.2
RoIC (%)	201.8	99.7	65.1	47.0	38.8
P/E (x)	48.0	24.2	20.4	17.6	16.9
EV/EBITDA (x)	30.4	14.4	11.8	8.9	7.5
P/B (x)	9.5	6.3	4.8	3.8	3.1
FCFF yield (%)	(0.1)	(3.8)	(2.4)	6.8	10.6

Source: Company, Emkay Research

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Exhibit 1: Actuals vs Estimates (Q4FY26)

(Rs mn)	Actual	Estimates (Emkay)	Consensus Estimates (Bloomberg)	Variation Emkay	Variation Consensus	Comments
Total revenue	84,803	74,434	76,500	14%	11%	Higher module production and EPC revenue
Adjusted EBITDA	15,768	17,641	17,666	-11%	-11%	
EBITDA margin	*18.6%*	*23.7%*	*23.1%*	*-511bps*	*-450bps*	Higher raw material and component costs
Adjusted net profit	10,611	11,006	11,797	-4%	-10%	Lower D/A, finance cost and ETR

Source: Company, Bloomberg, Emkay Research

Exhibit 2: Waaree Energies – Quarterly financial summary

Consolidated (Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	QoQ	YoY	FY25	FY26	YoY
Solar PV sales	36,169	38,724	53,693	69,896	79,022	13%	118%	129,569	241,334	86%
EPC revenue	4,653	5,893	7,637	8,382	10,907	30%	134%	15,594	32,819	110%
Power sales	85	111	74	92	60	-35%	-29%	335	338	1%
Intersegmental revenue	-868	-469	-748	-2,720	-5,186			-1,053	-9,123	
Total revenue	**40,039**	**44,258**	**60,656**	**75,651**	**84,803**	**12%**	**112%**	**144,445**	**265,368**	**84%**
Cost of goods sold	26,093	28,164	37,248	42,229	57,796	37%	121%	101,898	165,437	62%
Gross profit	**13,946**	**16,095**	**23,408**	**33,422**	**27,007**	**-19%**	**94%**	**42,547**	**99,931**	**135%**
Gross profit margin	35%	36%	39%	44%	32%			29%	38%	
Other Manufacturing Cost	1,070	1,853	2,297	6,490	4,733	-27%	342%	3,310	15,373	364%
Employee cost	1,029	1,353	1,525	1,678	1,437	-14%	40%	3,182	5,993	88%
Other expenses	2,621	2,916	5,522	5,972	5,069	-15%	93%	8,839	19,480	120%
Total expenditure	**30,814**	**34,285**	**46,592**	**56,369**	**69,035**	**22%**	**124%**	**117,229**	**206,281**	**76%**
EBITDA	**9,226**	**9,973**	**14,064**	**19,282**	**15,768**	**-18%**	**71%**	**27,216**	**59,086**	**117%**
EBITDA margin	23%	23%	23%	25%	19%			19%	22%	
Depreciation	1,534	1,821	2,398	2,673	3,006	12%	96%	4,025	9,897	146%
Interest	567	433	961	933	479	-49%	-16%	1,521	2,805	84%
Other income	1,370	1,714	1,609	1,962	1,797	-8%	31%	4,016	7,082	76%
PBT	**8,495**	**9,434**	**12,315**	**17,638**	**14,080**	**-20%**	**66%**	**25,687**	**53,466**	**108%**
Exceptional items	-40	-	-	-2,948	-			-40	-2,948	
PBT after exceptionals	**8,455**	**9,434**	**12,315**	**14,690**	**14,080**	**-4%**	**67%**	**25,646**	**50,518**	**97%**
Tax	2,010	1,705	3,533	3,622	2,817	-22%	40%	6,365	11,676	83%
PAT	**6,445**	**7,729**	**8,782**	**11,068**	**11,263**	**2%**	**75%**	**19,281**	**38,842**	**101%**
Minority interest	256	277	357	443	652			607	1,728	
Net PAT	**6,189**	**7,452**	**8,425**	**10,625**	**10,611**	**0%**	**71%**	**18,674**	**37,113**	**99%**
APAT	**6,220**	**7,452**	**8,425**	**12,846**	**10,611**	**-17%**	**71%**	**18,705**	**39,334**	**110%**
AEPS (Rs)	**21.7**	**25.9**	**29.3**	**44.7**	**36.9**	**-17%**	**70%**	**67.5**	**136.8**	**103%**
Segment EBIT										
Solar PV	6,777	7,258	10,648	15,267	11,060	-28%	63%	20,653	44,232	114%
Margin	*19%*	*19%*	*20%*	*22%*	*14%*			*16%*	*19%*	
EPC	1,153	927	1,151	1,451	1,949	34%	69%	2,735	5,478	100%
Margin	*25%*	*16%*	*15%*	*17%*	*18%*			*17%*	*16%*	
Power	56	78	44	49	-66	NM	NM	219	105	-52%
Margin	*66%*	*70%*	*60%*	*53%*	*NM*			*64%*	*18%*	
Capacity (MW)										
Module	15,000	15,000	18,700	22,800	25,800	13%	72%	15,000	25,800	72%
Cell	5,400	5,400	5,400	5,400	5,400	0%	0%	5,400	5,400	0%
Module production (MW)	**2,060**	**2,300**	**2,640**	**3,510**	**4,200**	**20%**	**104%**	**7,130**	**12,650**	**77%**
Module utilization	56%	62%	56%	61%	66%			40%	61%	
Cell production (MW)	**100**	**250**	**600**	**750**	**700**	**-7%**	**600%**	**100**	**2,300**	**2200%**
Cell utilization	7%	18%	44%	55%	53%			0	0	
Orderbook	**470,000**	**490,000**	**470,000**	**600,000**	**530,000**	**-12%**	**13%**	**470,000**	**530,000**	**13%**
Module realization (USD/Wp)*	**0.20**	**0.20**	**0.23**	**0.22**	**0.21**	**-8%**	**2%**	**0.22**	**0.21**	**-2%**

*Source: Company, Emkay Research; * book realization based on production volume*

Key takeaways from the concall

- The dip in Waaree Energies' gross margin in Q4FY26 was due to multiple factors: 1) Middle East conflict affecting inbound and outbound shipping and leading to a spike in logistic costs; 2) commodity crisis leading to an increase in silver and copper prices; 3) a decline in overseas shipment share due to geopolitical factors (higher utility share), and 4) high module utilization, resulting in higher reliance on external DCR cells to meet commitments, with in-house cell lines being converted to G12R. The inventory days also jumped significantly, with OCF conversion being affected. Advances from customers are stable, while production has gone up and signing amounts have declined, though these are expected to normalize as order execution ramps up. Many of these factors are reversing along with pricing adjusted to pass through cost increases and absorbed by customers, although the ME crisis persists.

- Waaree's module production capacity stood at ~26 GW as on FY26-end. It has become the largest non-Chinese module maker in the world. The 5.4 GW cell capacity is fully operational. The order book stood at Rs530bn, with 65-70% being overseas long range to be executed over the next 3-4 years. New order intake slowed in Q4 as the Middle East conflict led to delays by 2 quarters. Domestically, the government has allowed the use of ALMM-I items, although ALMM-II is expected to follow; but customers have deferred decisions to the next quarter. Order pipeline is 100 GW.

- In FY26, 12.6 GW of module and 2.3 GW of cell was produced, while module sold was 12 GW. Utility/retail/overseas/EPC revenue share was 34.7%/20.8%/33.0%/11.6%, with Rs55.2bn being retail revenue, up 84%. In Q4FY26, module production/sales were 4.2/4.1 GW, while cell production was 0.7 GW. In Q4FY26, the share of utility in revenue mix was higher at 41.1% vs 25.1%/21.8% for retail/overseas. 3 GW of EPC is under execution (5 GW executed so far). Non-DCR modules for utility are priced at Rs15-16/w, while retail is higher, with DCR modules at Rs21-22.

- The company's next level initiative Waaree 2.0 encompasses fully integrated energy transition targeting a TAM of USD4trn by 2035 vs USD1trn currently. This would include adjacent segments with solar glass, T&D, smartmeters, etc, being new announcements. Planned capex is Rs300bn, with backward integration expected to yield higher margins and returns. A QIP of up to Rs100bn is planned over the next couple of months, with details/documents to be announced/uploaded soon, subject to shareholder approval. Capital allocation remains disciplined, with project approvals guided by the targeted ROE/ROCE of 20–25%, consistent with historical benchmarks. Similar return profiles are expected from newly approved projects.

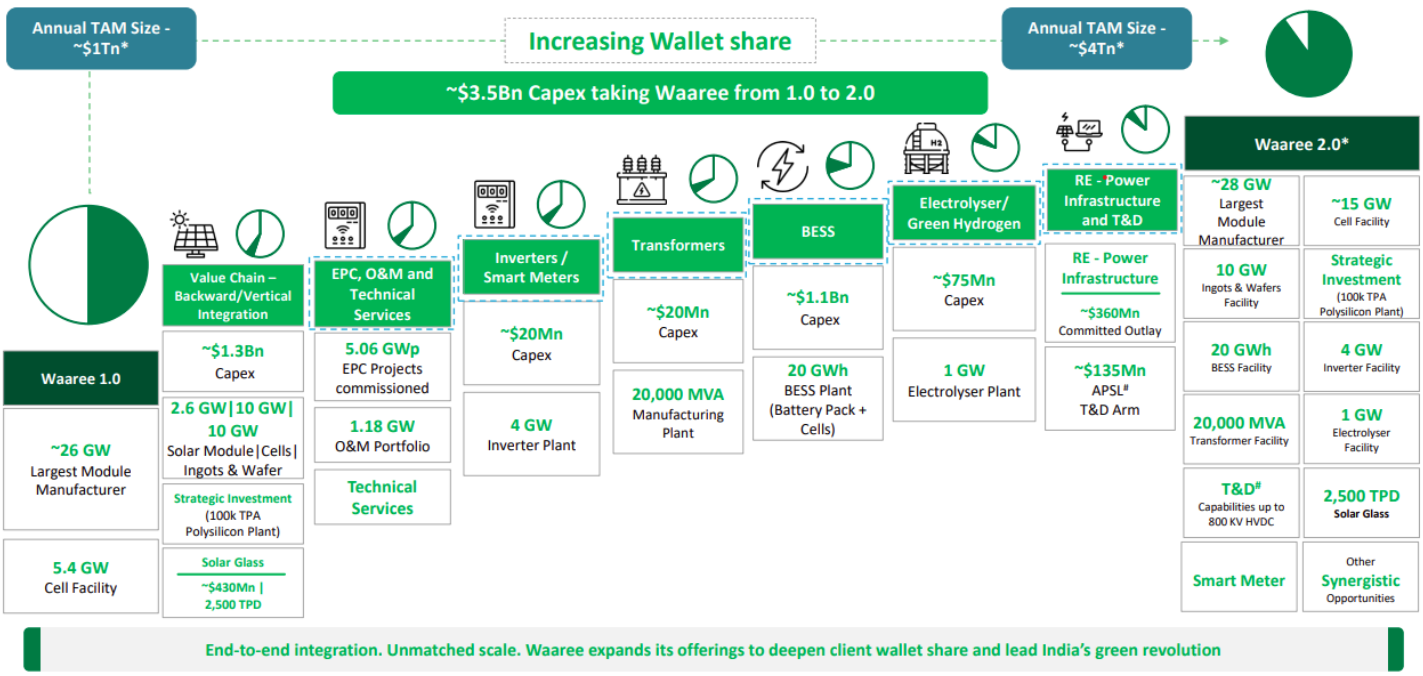
- The FY27 Rs70-77bn operating EBITDA guidance is based on cell plant normalization under G12R configuration, along with 10 GW of new cell capacity to be commissioned in H2FY27, which would boost volumes, realization, and margins. For H2FY27, the existing 5.4 GW cell capacity is expected to operate at 90–95% utilization, while the new 10 GW capacity is expected to start contributing, with a 3–6 month ramp-up period. By FY28, the full 15.4 GW capacity is likely to run at 80–85% utilization, with 90–95% of output catering to the domestic market. The cell capacity will be sufficient to fully meet domestic Indian module demand and will be DCR-compliant. Some contribution from BESS is also built in the guidance. FY28 will see commissioning of wafer-ingot facilities, and by FY29 all these are expected to stabilize with full impact.

- The decadal EBITDA margin target for Waaree is ~20%, though in the upcoming period as more in-house cells-wafers-ingots come online, margin profile is likely to improve. The QoQ variation is due to the DCR-retail-overseas revenue mix, which carry higher margins, along with strong performance in the EPC business (good margins). The 42-43 GWpa addition of AC solar power capacity implies 50-55 GW DC modules, and ALMM-II, once implemented, is expected to alter the market dynamics. Current ALMM-II capacity is 30 GW. ALMM-III is also expected to follow thereafter. Effective demand-supply is expected to be balanced. The high-efficiency module market, where Waaree is focused, also has limited supply. For strong performance, the module-to-cell ratio needs to be well balanced. Waaree's EBITDA/w has improved over the years and is a more relevant metric to track vs percentage margins.

- The US situation is comfortable for Waaree, as production has already started there, insulating it from the impact of import duties. The India supply chain is stable wrt non-FEOC components. It is using cells from Ethiopia where duty from the US is 10% against 50-100% for Indonesia-India, where ADDs are imposed by the US. New cell capacities are also being set up in Oman, also from where Waaree's polysilicon sales will flow, with a 10% US-equivalent duty. Europe and Africa present strong opportunities, while enquiries from the Middle East are also increasing, with demand potential similar to the US. From a current 90% US share in overseas revenue, the mix is expected to become more diversified going ahead.

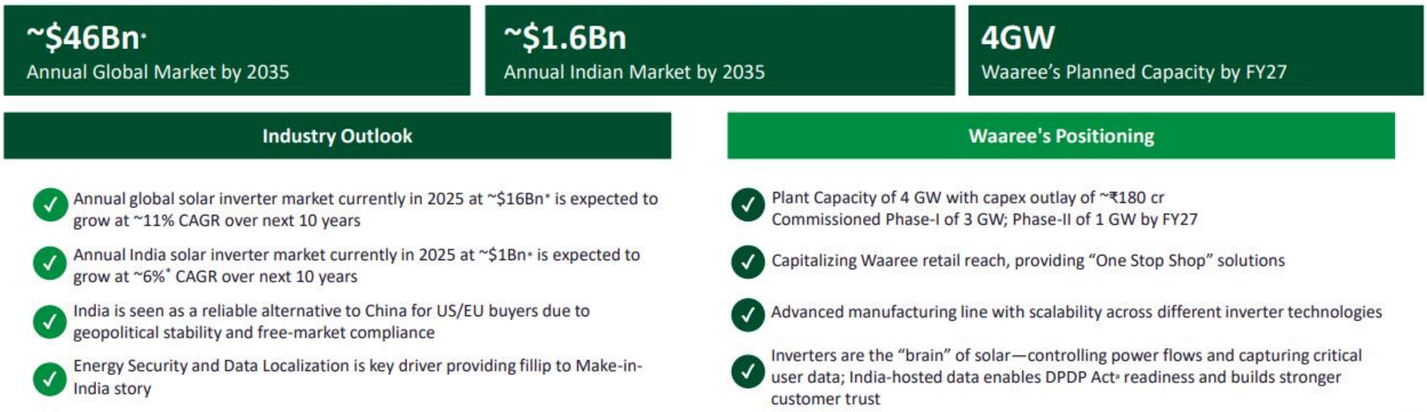
- European markets, including Italy, are increasingly signalling a shift away from China, and Waaree is positioning itself to cater to this demand. The company already has a dedicated sales team catering to Italy. Over the next 3 years, the share of revenue from non-India and non-US markets is likely to rise to 15–20%. In Europe, demand is skewed toward full EPC/packaged solutions rather than standalone modules, which favors fully integrated players such as Waaree. Additionally, with IPP project capex in India at USD35–40mn/MW, similar projects in Europe cost 20–30% more, supporting higher realizations in global markets.
- The company supplied over 1 GW of modules to the US in FY26, of which 85–90% was locally manufactured. The company gets IRA benefit of ~USD0.07/Wp, though net realization stands at 87–88%, after including associated costs. IRA benefits totalled ~USD40mn in FY26 and are expected to rise significantly in FY27, driven by the commissioning of 2.6 GW capacity and higher utilization of existing facilities.
- BESS return metrics (ROE/ROCE) are expected to align with the company's current levels. BESS margins are expected at 18–20%, even without policy support. Any future policy incentives could further enhance returns (Waaree is hopeful of policy incentives). Waaree is witnessing strong demand for BESS both domestically and from the Middle East. While it is premature to comment on FY29 revenues, a broad estimate can be derived by multiplying capacity with current average industry prices of USD110–120/kw. Industry estimates suggest annual BESS demand of 60–80GWh in India, with cumulative capacity reaching ~300GWh over the next 5–7 years.
- The glass project (16-17 GW capacity) would support US FEOC compliance, while PLI benefits in India are also expected. With duty protection, RoE-RoCE in glass would be strong. For Waaree, 20% of COGS is glass, and prices rose in Q4 due to ME and China-related issues, making backward integration margin-accretive. Glass production is expected to start in two years. The G12R transition has been completed for 3 TOPCon lines, with another 5 to be converted by Q1-Q2FY27. Three of the eleven lines are mono-perc. G12R is expected to increase capacity by 10-12% enabling production of up to 650 wp modules vs 580wp for M10R, with better realizations due to higher efficiency of 25.4%.
- The Indian market is witnessing an early traction in green hydrogen, ammonia, and related derivatives. The company has already received customer interest for supplying these products. Further, discussions are ongoing around hydrogen blending with gas. The semiconductor venture would produce diodes for the in-house inverter facility in Gujarat.

Exhibit 3: Waaree 2.0 – A fully integrated energy transition player



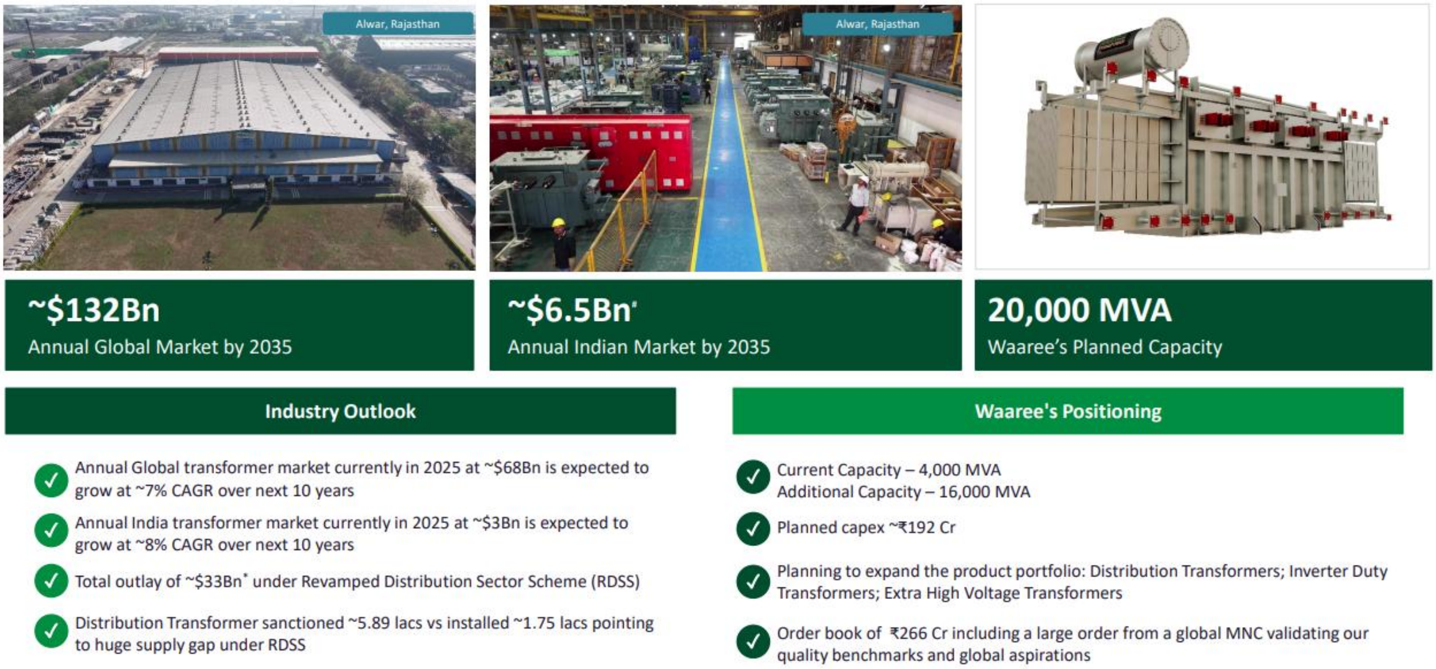
Source: Company, Emkay Research

Exhibit 4: Solar inverter ecosystem



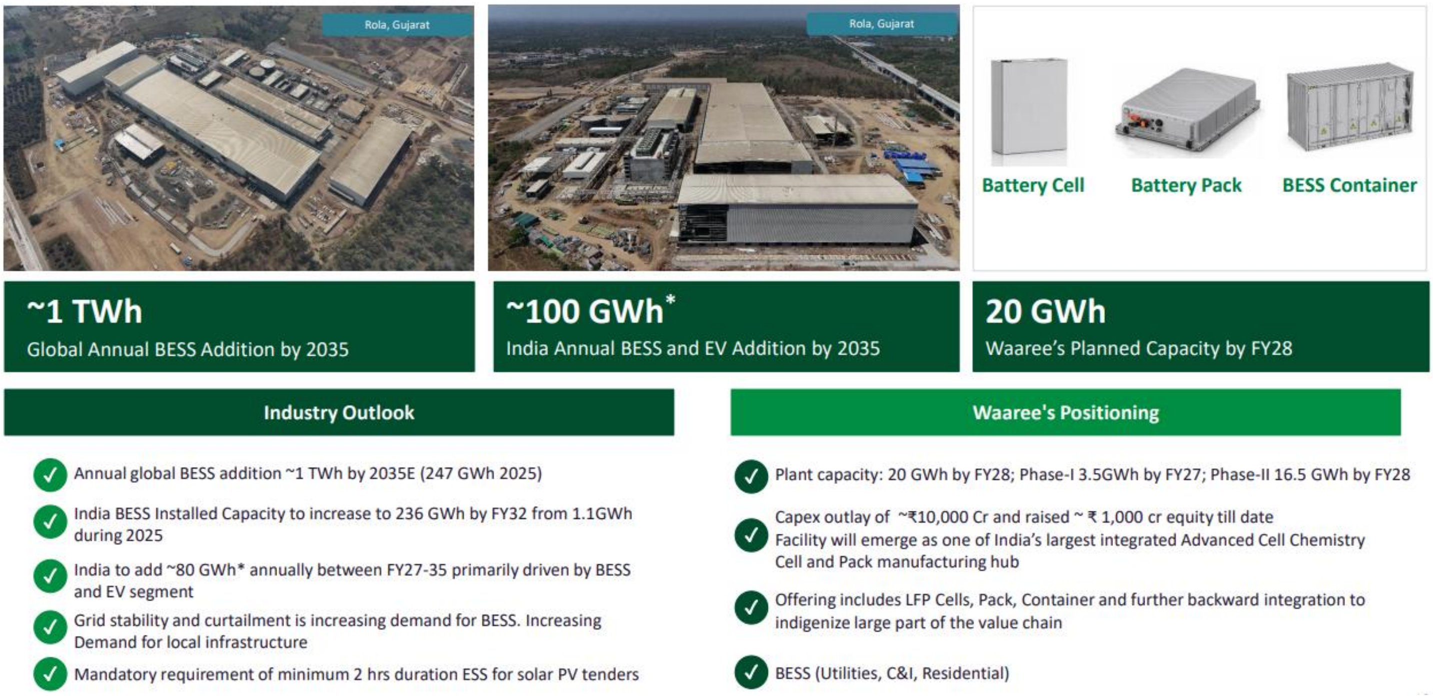
Source: Company, Emkay Research

Exhibit 5: Transformer foray



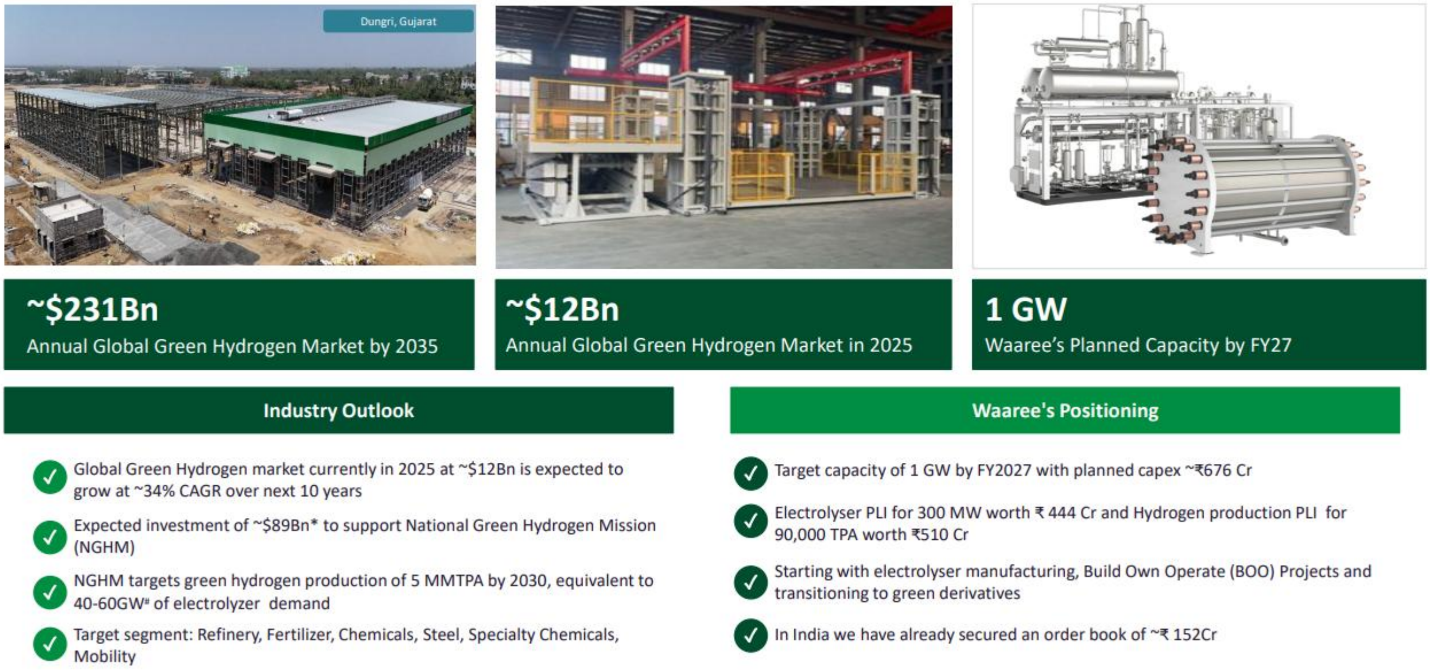
Source: Company, Emkay Research

Exhibit 6: BESS investments



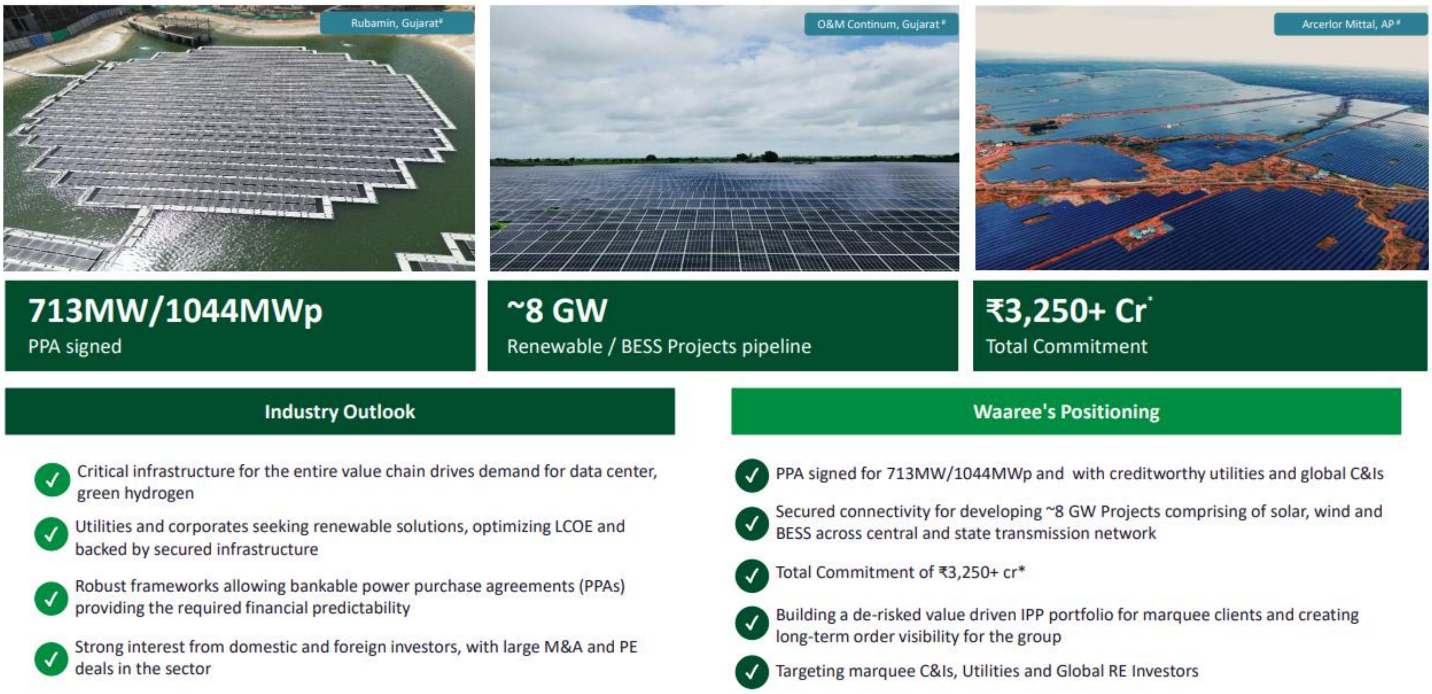
Source: Company, Emkay Research

Exhibit 7: Electrolyser plans



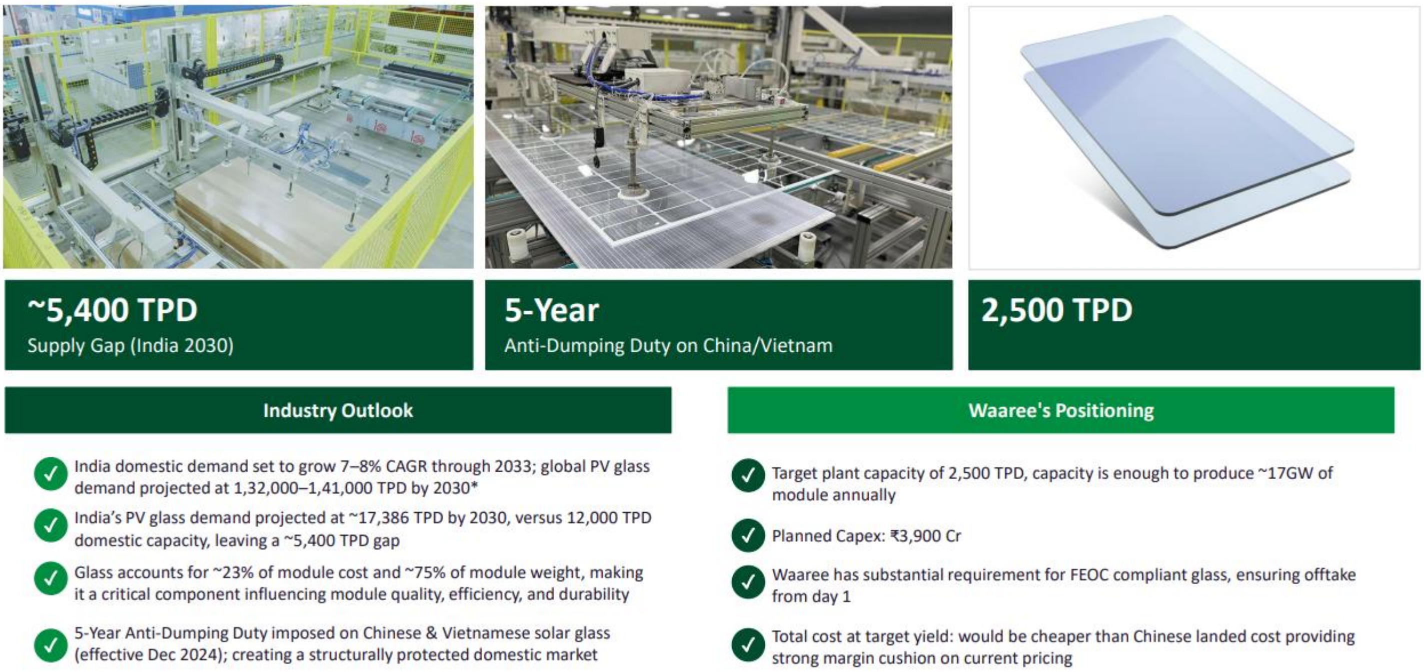
Source: Company, Emkay Research

Exhibit 8: RE power generation profile



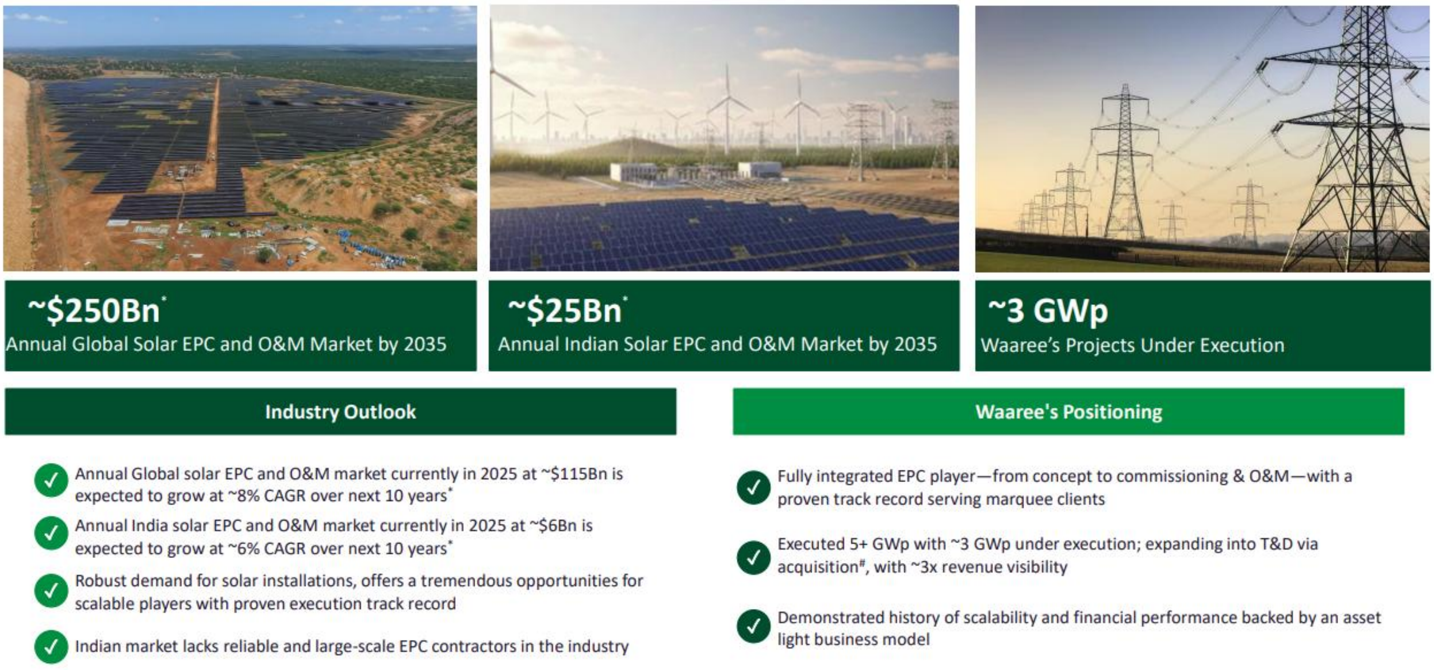
Source: Company, Emkay Research

Exhibit 9: Backward integration to solar glass



Source: Company, Emkay Research

Exhibit 10: EPC business



Source: Company, Emkay Research

Exhibit 11: Waaree's SOTP-based valuation – Core PV business at 14x FY28E EV/EBITDA

Consolidated (Mar-27E)	**(Rs bn)**
EBITDA	91,490
Target EV/EBITDA (X)	14.0
EV	**1,280,855**
Net debt (Mar-27E end)	-29,673
Equity value	**1,310,528**
Minority interest	2,091
Target PE (X)	20.0
Value of net minority	41,830
Target equity value	**1,268,699**
Target equity value/share – Core business (Rs)	**4,208**
Equity investment in BESS	6,219
Target P/B (X)	2.5
Value of investment in BESS	15,548
Value of investment in BESS/share (Rs)	**52**
Target price (Rs)	**4,260**

Source: Emkay Research

Waaree Energies: Consolidated financials and valuations

Profit & Loss

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**144,445**	**265,368**	**344,723**	**404,402**	**441,513**
Revenue growth (%)	26.7	83.7	29.9	17.3	9.2
EBITDA	**27,216**	**59,086**	**74,237**	**91,490**	**97,644**
EBITDA growth (%)	72.9	117.1	25.6	23.2	6.7
Depreciation & Amortization	4,025	9,897	16,059	24,322	31,147
EBIT	**23,192**	**49,189**	**58,178**	**67,167**	**66,497**
EBIT growth (%)	78.7	112.1	18.3	15.5	(1.0)
Other operating income	690	750	2,448	4,398	4,425
Other income	4,016	7,082	7,502	7,791	8,443
Financial expense	1,521	2,805	3,997	3,570	608
PBT	**25,687**	**53,466**	**61,683**	**71,389**	**74,333**
Extraordinary items	(40)	(2,948)	0	0	0
Taxes	6,365	11,676	15,544	17,990	18,732
Minority interest	(607)	(1,729)	(1,901)	(2,091)	(2,301)
Income from JV/Associates	-	-	-	-	-
Reported PAT	**18,674**	**37,113**	**44,237**	**51,307**	**53,301**
PAT growth (%)	50.9	98.7	19.2	16.0	3.9
Adjusted PAT	**18,704**	**39,379**	**44,237**	**51,307**	**53,301**
Diluted EPS (Rs)	**64.6**	**136.1**	**152.9**	**177.3**	**184.2**
Diluted EPS growth (%)	89.6	110.5	12.3	16.0	3.9
DPS (Rs)	**0**	**2.1**	**8.0**	**9.2**	**19.2**
Dividend payout (%)	**0**	**1.6**	**5.2**	**5.2**	**10.4**
EBITDA margin (%)	18.8	22.3	21.5	22.6	22.1
EBIT margin (%)	16.1	18.5	16.9	16.6	15.1
Effective tax rate (%)	24.8	21.8	25.2	25.2	25.2
NOPLAT (pre-IndAS)	**17,445**	**38,447**	**43,517**	**50,241**	**49,740**
Shares outstanding (mn)	289	289	289	289	289

Source: Company, Emkay Research

Balance Sheet

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	2,873	2,877	2,894	2,894	2,894
Reserves & Surplus	91,919	141,497	185,329	236,058	286,099
Net worth	**94,792**	**144,373**	**188,222**	**238,951**	**288,992**
Minority interests	1,161	5,736	7,637	9,728	12,029
Non-current liab. & prov.	413	1,303	1,303	1,303	1,303
Total debt	**9,395**	**24,915**	**75,000**	**10,000**	**5,000**
Total liabilities & equity	**117,567**	**189,046**	**286,955**	**276,287**	**324,853**
Net tangible fixed assets	40,383	72,751	101,459	177,136	150,989
Net intangible assets	63	265	265	265	265
Net ROU assets	-	-	-	-	-
Capital WIP	18,841	34,767	90,000	10,000	10,000
Goodwill	63	265	265	265	265
Investments [JV/Associates]	0	2,923	2,923	2,923	2,923
Cash & equivalents	**78,125**	**73,889**	**104,673**	**98,081**	**174,844**
Current assets (ex-cash)	53,443	101,881	118,349	138,535	151,578
Current Liab. & Prov.	79,907	112,108	149,701	172,883	189,992
NWC (ex-cash)	**(26,464)**	**(10,227)**	**(31,352)**	**(34,348)**	**(38,413)**
Total assets	**117,567**	**189,046**	**286,955**	**276,287**	**324,853**
Net debt	(68,730)	(48,974)	(29,673)	(88,081)	(169,844)
Capital employed	117,567	189,046	286,955	276,287	324,853
Invested capital	**14,046**	**63,053**	**70,635**	**143,318**	**113,105**
BVPS (Rs)	327.6	499.0	650.5	825.8	998.8
Net Debt/Equity (x)	(0.7)	(0.3)	(0.2)	(0.4)	(0.6)
Net Debt/EBITDA (x)	(2.5)	(0.8)	(0.4)	(1.0)	(1.7)
Interest coverage (x)	17.9	20.1	16.4	21.0	123.4
RoCE (%)	**36.3**	**40.1**	**29.5**	**28.3**	**26.5**

Source: Company, Emkay Research

Cash flows

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	21,671	46,384	54,181	63,597	65,890
Others (non-cash items)	4,515	6,321	7,502	7,791	8,443
Taxes paid	(7,428)	(11,490)	(15,544)	(17,990)	(18,732)
Change in NWC	11,574	(31,398)	20,001	1,994	3,565
Operating cash flow	**31,582**	**16,270**	**78,694**	**75,493**	**82,477**
Capital expenditure	(32,726)	(48,355)	(100,000)	(20,000)	(5,000)
Acquisition of business	0	0	0	0	0
Interest & dividend income	2,983	5,428	7,502	7,791	8,443
Investing cash flow	**(68,084)**	**(39,532)**	**(94,300)**	**(13,662)**	**2,391**
Equity raised/(repaid)	35,080	15,405	1,918	2,091	2,301
Debt raised/(repaid)	6,221	15,521	50,085	(65,000)	(5,000)
Payment of lease liabilities	(309)	(3,008)	361	379	398
Interest paid	(636)	(1,611)	(3,997)	(3,570)	(608)
Dividend paid (incl tax)	0	(575)	(2,307)	(2,670)	(5,560)
Others	35,831	(12,663)	0	0	0
Financing cash flow	**76,188**	**13,068**	**46,060**	**(68,770)**	**(8,469)**
Net chg in Cash	39,687	(10,194)	30,454	(6,939)	76,399
OCF	31,582	16,270	78,694	75,493	82,477
Adj. OCF (w/o NWC chg.)	20,009	47,668	58,693	73,500	78,912
FCFF	(1,144)	(32,085)	(21,306)	55,493	77,477
FCFE	318	(29,463)	(17,801)	59,715	85,313
OCF/EBITDA (%)	116.0	27.5	106.0	82.5	84.5
FCFE/PAT (%)	1.7	(79.4)	(40.2)	116.4	160.1
FCFF/NOPLAT (%)	**(6.6)**	**(83.5)**	**(49.0)**	**110.5**	**155.8**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E March	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	48.0	24.2	20.4	17.6	16.9
EV/CE(x)	7.9	4.8	3.2	3.1	2.4
P/B (x)	9.5	6.3	4.8	3.8	3.1
EV/Sales (x)	5.8	3.2	2.5	2.0	1.7
EV/EBITDA (x)	30.4	14.4	11.8	8.9	7.5
EV/EBIT(x)	35.7	17.2	15.0	12.1	11.0
EV/IC (x)	58.9	13.5	12.4	5.7	6.5
FCFF yield (%)	(0.1)	(3.8)	(2.4)	6.8	10.6
FCFE yield (%)	-	(3.3)	(2.0)	6.7	9.5
Dividend yield (%)	0	0.1	0.3	0.3	0.6
DuPont-RoE split					
Net profit margin (%)	12.9	14.0	12.8	12.7	12.1
Total asset turnover (x)	1.6	1.7	1.4	1.4	1.5
Assets/Equity (x)	1.3	1.3	1.4	1.3	1.1
RoE (%)	**27.5**	**31.0**	**26.6**	**24.0**	**20.2**
DuPont-RoIC					
NOPLAT margin (%)	12.1	14.5	12.6	12.4	11.3
IC turnover (x)	16.7	6.9	5.2	3.8	3.4
RoIC (%)	**201.8**	**99.7**	**65.1**	**47.0**	**38.8**
Operating metrics					
Core NWC days	(66.9)	(14.1)	(33.2)	(31.0)	(31.8)
Total NWC days	**(66.9)**	**(14.1)**	**(33.2)**	**(31.0)**	**(31.8)**
Fixed asset turnover	4.1	3.7	3.0	2.2	1.8
Opex-to-revenue (%)	10.6	15.4	15.4	15.4	15.4

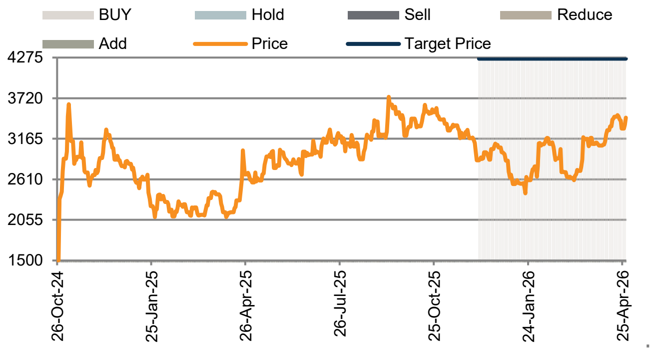
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
26-Feb-26	2,718	4,260	Buy	Sabri Hazarika
23-Jan-26	2,599	4,260	Buy	Sabri Hazarika
21-Dec-25	3,026	4,260	Buy	Sabri Hazarika
07-Dec-25	2,871	4,260	Buy	Sabri Hazarika

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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

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