14 August 2026

1QFY27 Results Update | Sector: Automobile

Ashok Leyland

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	AL IN
Equity Shares (m)	5874
M.Cap.(INRb)/(USDb)	1009.7 / 10.6
52-Week Range (INR)	215 / 119
1, 6, 12 Rel. Per (%)	9/-12/42
12M Avg Val (INR M)	3527

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	440.1	474.6	539.1
EBITDA	57.3	59.0	75.4
Adj. PAT	38.2	39.7	52.1
Adj. EPS (INR)	6.5	6.8	8.9
EPS Gr. (%)	18.6	3.9	31.1
BV/Sh. (INR)	22.3	25.3	29.2
Ratios			
RoE (%)	31.0	28.4	32.5
ROCE (%)	26.2	24.3	28.0
Payout (%)	53.8	55.4	56.4
Valuations			
P/E (x)	26.4	25.4	19.4
P/BV (x)	7.7	6.8	5.9
EV/EBITDA (x)	16.8	16.1	12.4
Div. Yield (%)	2.0	2.2	2.9

Shareholding Pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter	51.1	51.1	51.1
DII	15.7	13.0	13.8
FII	21.3	25.2	24.5
Others	11.9	10.7	10.6

FII includes depository receipts

CMP: INR172 TP: INR198 (+15%) Buy

Strong outlook amid cost pressures

MHCV industry to see high-single-digit growth in FY27E

- Ashok Leyland's (AL) 1QFY27 PAT at INR6b was 12% ahead of estimates. EBITDA margin fell 100bp YoY to 10.1% due to high commodity costs, though still 100bp ahead of our estimates.
- CV demand trends have been better than expected so far, with the industry posting mid-teen growth on YTD basis. The industry also seems to have weathered the surge in input costs well. Given these factors, we now expect AL to post 6%/10% volume growth in FY27E/FY28E. Overall, we factor in revenue/EBITDA/PAT CAGR of 11%/15%/17% over FY26-28E. Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments. Its continued emphasis on margin expansion and prudent capex control should help improve returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. **We reiterate our BUY rating with a TP of INR198 (based on 13x FY28E EV/EBITDA + ~INR10/sh for NBFC).**

Earnings beat led by strong margin performance

- 1Q revenue grew 10% YoY to INR96.3b (in line), entirely driven by volume growth of 10% YoY to 48.7k units as realization was flat YoY.
- Gross margins contracted 90bp YoY to 28.5% vs. est. of 27%.
- EBITDA margins contracted 100bp YoY to 10.1% (100bp above est.).
- As a result, EBITDA was flat YoY at INR9.7b (10% above est.).
- Other income was also higher at INR851m (vs. our est. of INR650m).
- Adj. PAT grew 3% YoY to INR6b (12% ahead of estimates).
- Net cash balance stood at INR22.5b vs. INR8.2b YoY.

Highlights from the management commentary

- Management indicated that domestic CV demand improved materially from June, with the momentum sustaining in July and remaining favorable in early August. It expects 2Q industry growth to be stronger than the ~13-14% recorded in 1Q.
- Even after assuming a more conservative second half, management believes the M&HCV industry can deliver high-single-digit growth in FY27, with an even stronger growth outlook for LCVs.
- Management currently expects commodity cost pressure to peak in 2Q, begin easing in 3Q and see a more visible turnaround in 4Q. 2Q is expected to be the most challenging quarter from a raw material cost perspective, based on management's current expectations.
- Management is prioritizing higher-margin businesses and products, including higher-horsepower M&HCVs, defense, power solutions, LCVs and other non-core-truck businesses, to offset commodity pressure.

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Valuation and view

CV demand trends have been better than expected so far, with the industry posting mid-teen growth on YTD basis. The industry also seems to have weathered the surge in input cost well. Given these factors, we now expect AL to post 6%/10% volume growth in FY27E/FY28E. Overall, we factor in a CAGR of 11%/15%/17% in revenue/ EBITDA/PAT over FY26-28E. Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments. Its continued emphasis on margin expansion and prudent capex control should help improve returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. **We reiterate our BUY rating with a TP of INR198 (based on 13x FY28E EV/EBITDA + ~INR10/sh for NBFC).**

Quarterly Performance (S/A) **(INR M)**

	FY26				FY27				FY26	FY27E		Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Total Volumes (nos)	44,238	49,116	57,625	69,458	48,763	54,519	61,659	69,309	2,20,437	2,34,250	48,763	0.0
Growth %	0.8	7.7	24.2	17.4	10.2	11.0	7.0	-0.2	13.0	6.3	10.2	
Realizations (INR '000)	1,972	1,952	2,002	2,039	1,976	2,020	2,042	2,053	1,996	2,026	1,992	-0.8
Change (%)	0.7	1.6	-2.0	1.3	0.2	3.5	2.0	0.7	0.5	1.5	1.0	
Net operating revenues	**87,245**	**95,882**	**1,15,339**	**1,41,605**	**96,344**	**1,10,154**	**1,25,880**	**1,42,262**	**4,40,070**	**4,74,640**	**97,131**	-0.8
Change (%)	1.5	9.3	21.7	18.9	10.4	14.9	9.1	0.5	13.6	7.9	**11.3**	
RM/sales %	70.6	71.2	72.2	71.4	71.5	71.8	71.5	72.2	71.4	71.8	73.0	
Staff/sales %	7.0	6.8	5.4	5.1	7.2	6.8	5.8	4.5	5.9	5.9	7.2	
Other exp/sales %	11.2	10.0	9.1	9.0	11.2	10.0	10.0	8.7	9.7	9.8	10.7	
EBITDA	**9,696**	**11,622**	**15,350**	**20,655**	**9,695**	**12,558**	**15,987**	**20,721**	**57,322**	**58,961**	**8,839**	9.7
Change (%)	6.4	14.2	26.7	15.3	0.0	8.1	4.1	0.3	16.3	2.9	-8.8	
EBITDA Margins (%)	11.1	12.1	13.3	14.6	10.1	11.4	12.7	14.6	13.0	12.4	9.1	100bp
Interest	419	420	439	421	415	375	350	372	1,697	1,512	340	
Other Income	529	1,348	593	683	851	1,200	650	739	3,152	3,440	650	30.9
Depreciation	1,828	1,723	1,775	1,826	1,829	1,835	1,840	1,847	7,152	7,351	1,828	
PBT after EO	**7,977**	**10,427**	**10,645**	**19,091**	**8,302**	**11,548**	**14,447**	**19,241**	**48,140**	**53,538**	**7,321**	
Effective Tax Rate (%)	25.6	26.0	25.2	26.4	26.6	25.5	25.5	25.8	25.9	25.8	25.5	
Adj PAT	**5,937**	**8,007**	**10,244**	**14,047**	**6,091**	**8,603**	**10,763**	**14,268**	**38,236**	**39,725**	**5,454**	11.7
Change (%)	13.0	15.5	34.5	11.8	2.6	7.4	5.1	1.6	18.6	3.9	-8.1	

E: MOFSL Estimates

Key Performance Indicators

Y/E March	FY26				FY27				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
M&HCV	28,071	30,718	37,376	46,493	29,424	35,437	40,078	47,130	1,42,658	1,52,070
Dom. M&HCV Mkt sh (%)	30.2	30.2	30.2	30.3	28.6				30.2	28.5
LCV	16,167	18,398	20,249	22,965	19,339	19,082	21,581	22,179	77,779	82,180
Dom. LCV Mkt sh (%)	11.1	11.8	10.7	11.8	11.2				11.3	10.4
Total Volumes (nos)	**44,238**	**49,116**	**57,625**	**69,458**	**48,763**	**54,519**	**61,659**	**69,309**	**2,20,437**	**2,34,250**
Realizations (INR '000)	1,972	1,952	2,002	2,039	1,976	2,020	2,042	2,053	1,996	2,026
Growth %	0.7	1.6	-2.0	1.3	0.2	3.5	2.0	0.7	0.5	1.5
Cost Break-up										
RM Cost (% of sales)	70.6	71.2	72.2	71.4	71.5	71.8	71.5	72.2	71.4	71.8
Staff Cost (% of sales)	7.0	6.8	5.4	5.1	7.2	6.8	5.8	4.5	5.9	5.9
Other Cost (% of sales)	11.2	10.0	9.1	9.0	11.2	10.0	10.0	8.7	9.7	9.8
Gross Margin (%)	29.4	28.8	27.8	28.6	28.5	28.2	28.5	27.8	28.6	28.2
EBITDA Margins (%)	11.1	12.1	13.3	14.6	10.1	11.4	12.7	14.6	13.0	12.4
EBIT Margins (%)	9.0	10.3	11.8	13.3	8.2	9.7	11.2	13.3	11.4	10.9

Key takeaways from the management commentary

1Q performance

- Domestic M&HCV industry volumes grew 13% YoY in 1Q, while the domestic LCV industry grew 17% YoY, based on Vahan registrations. Industry growth was relatively moderate in April-May due to fuel-supply disruptions, pricing-related factors and geopolitical uncertainty, before recovering sharply in June.
- For AL, M&HCV truck volumes grew 15% YoY to 22,998 units. AL outperformed the industry and reported a domestic M&HCV market share of ~29%. M&HCV bus volumes declined during the quarter as the company consciously stayed away from certain low-margin tender orders.
- Export volumes declined 18% YoY to 2,461 units, primarily due to geopolitical disruptions affecting production at the RAK assembly facility in the UAE. Labor constraints and disruptions to locally sourced components resulted in materially lower plant utilization during April and part of May. Strong growth in SAARC and Africa partly offset weakness in GCC markets, with management indicating growth of approximately 40-60% YoY in these regions.
- In the non-CV businesses, domestic aftermarket revenue grew 12.7% YoY, power solutions revenue increased 51% YoY, and defense revenue grew 64% YoY. Management indicated that the defense order book and the tender pipeline remain healthy, supporting continued growth.
- Capex during 1Q stood at INR1.5b, while investments were INR100m.
- The company ended 1Q with net cash of INR22.5b, an improvement of more than INR14.3b YoY.
- Switch Mobility delivered 225 electric buses and close to 300 electric LCVs during the quarter. Switch Mobility India also secured an order for 650 electric buses, taking its electric-bus order book to approximately 2,100 units.
- OHM Mobility's operational fleet increased to more than 1,900 electric buses, with over 500 buses added during 1Q. Management expects the business to move toward PAT breakeven in the near term.
- Hinduja Leyland Finance's (HLF) AUM increased 20% YoY to INR603b, while PAT rose 37% YoY to INR1.2b from INR890m in the year-ago quarter. Hinduja

Housing Finance's AUM increased 13% YoY to INR161.6b, while PAT was broadly flat YoY at INR690m.
- The reverse-merger process, involving Hinduja Leyland Finance and NDL Ventures, continues to progress. The entities have received approvals from equity shareholders and unsecured creditors and will next seek NCLT approval, following which they will proceed with the merger and listing process.
- AL added 33 new touchpoints during 1Q across its M&HCV and LCV businesses, continuing to expand its sales and service network. New additions are being concentrated primarily in North and East India, where management sees meaningful headroom to improve penetration and market share. At the end of 1Q, the company had 2,137 touchpoints, comprising 1,177 M&HCV and 960 LCV touchpoints.
- The company launched an air-suspension solution for multi-axle trucks, which management described as an industry-first in India.

Update on domestic performance
- Management indicated that domestic CV demand improved materially from June, with the momentum sustaining in July and remaining favorable in August. It expects 2Q industry growth to be stronger than the ~13-14% recorded in 1Q.
- Even after assuming a more conservative second half, management believes the M&HCV industry can deliver high-single-digit growth in FY27, with an even stronger growth outlook for LCVs.
- Management believes GST optimization/recalibration has acted as a trigger for customers to accelerate fleet replacement by improving the economics of purchasing new trucks relative to continuing to operate older vehicles.
- The TCO advantage of newer vehicles has improved relative to older BS3/BS4 trucks, further supporting replacement demand. Lower interest rates, improved financing availability and higher infrastructure activity are also contributing to CV demand.
- Multiple additional product launches are planned during the remainder of FY27.
- Management expects the industry mix to progressively shift toward heavier vehicles as fleet operators respond to improving economics.
- AL's strategy remains focused on protecting profitability in heavy-duty tender buses while expanding its presence in the larger private medium-bus segment, particularly school and staff transportation applications.
- Management expects regulatory requirements for CVs, including safety-related measures, to continue increasing. However, it believes customers are increasingly willing to absorb higher costs where regulatory changes provide measurable TCO or operating benefits.

Update on exports
- Management indicated that the company did not experience a material loss of retail sales in GCC markets. The main impact was lower wholesales and depletion of inventory at various points in the distribution chain.
- The UAE plant has resumed operations following stabilization of labor and component availability. Management indicated that the plant produced around 600 units in the latest month and is expected to progressively move back toward its peak run-rate of approximately 800 units per month. Because retail demand

remains intact, management expects to rebuild dealer inventory and recover a meaningful part of the 1Q wholesale shortfall during the remainder of FY27.

- AL is seeking to accelerate its proposed manufacturing facility in Saudi Arabia. The original timeframe was ~18-24 months, but management is evaluating whether the project can be brought forward.

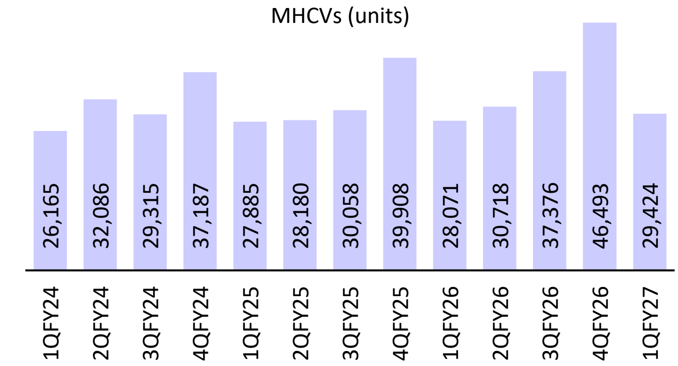
Update on margins

- Management acknowledged that raw-material costs increased in 1Q, but the entire increase did not flow through the P&L because AL consumed a major portion of its opening inventory, which had been produced at lower costs. ~20-25% of 1Q requirements were met from opening inventory. This reduced the amount of higher current-quarter commodity costs recognized in 1Q P&L.
- Some of the commodity and overhead cost increases incurred in 1Q were capitalized into closing inventory rather than immediately recognized in P&L. These costs will flow through the P&L as the inventory is sold in subsequent quarters. Management expects the deferred inventory-related cost to affect subsequent quarters as vehicles are sold, but does not expect the effect to be particularly large.
- Cumulative price increases since the beginning of FY27 were ~2-2.25% in MHCVs and more than 3.5% in LCVs. Management is evaluating another price increase before 2Q end and is also working on discount optimization to improve overall price realization.
- Management is prioritizing higher-margin businesses and products, including higher-horsepower M&HCVs, defense, Power Solutions, LCVs and other non-core-truck businesses, to offset commodity pressure.
- Management currently expects commodity cost pressure to peak in 2Q, begin easing in 3Q and see a more visible turnaround in 4Q. 2Q is expected to be the most challenging quarter from a raw material cost perspective, based on management's current expectations.

Other updates

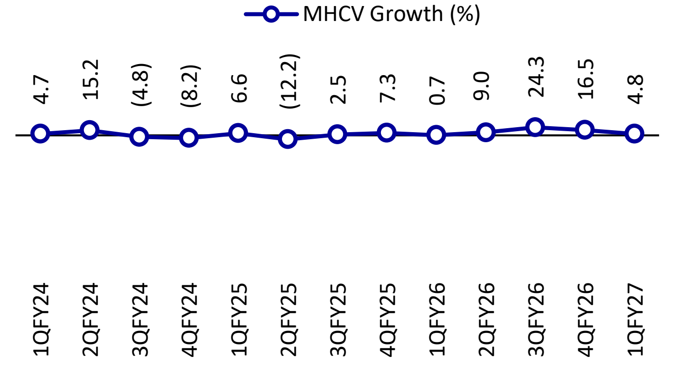
- Capex is expected to increase further over the next two to three years as the company invests in new technologies, new products and portfolio white spaces. Management intends these investments to support the company's growth over the next five years.
- Management reiterated its plan to repay Optare-related debt rather than continue incurring interest expense. Approximately GBP80m of debt existed previously; part has already been repaid, leaving around GBP50m. The plan is to repay ~GBP25m in FY27 and another GBP25m in the following year.

Exhibit 1: M&HCV sales trend



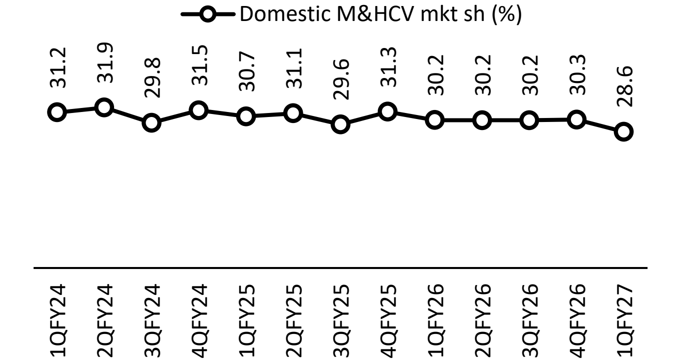
Source: Company, MOFSL

Exhibit 2: Growth trend in M&HCV



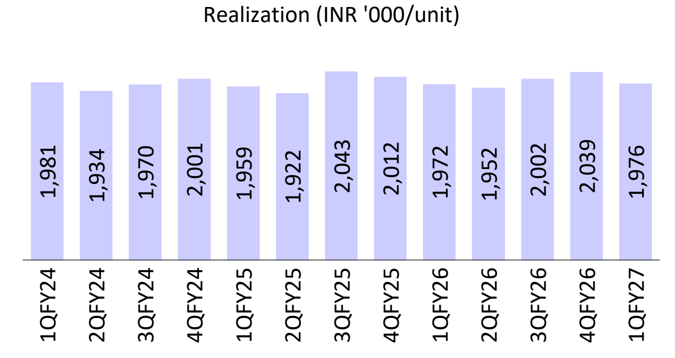
Source: Company, MOFSL

Exhibit 3: Domestic M&HCV market share trend



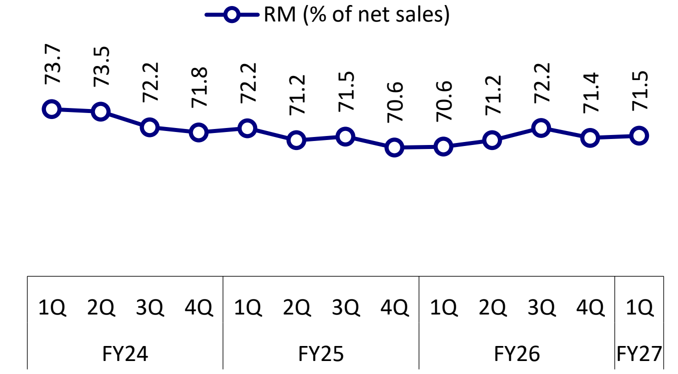
Source: Company, MOFSL

Exhibit 4: Realization trend



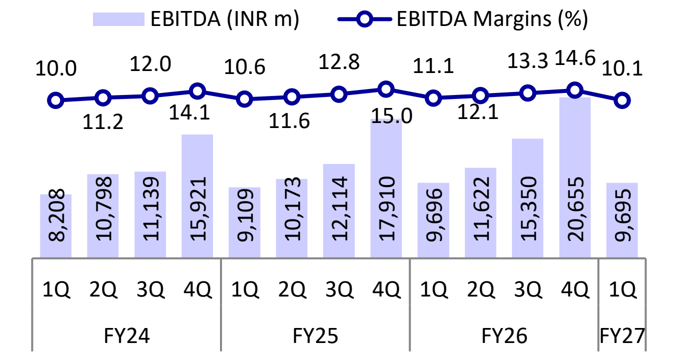
Source: Company, MOFSL

Exhibit 5: Trend in RM costs



Source: Company, MOFSL

Exhibit 6: Trends in EBITDA and EBITDA margin



Source: Company, MOFSL

Valuation and view

- There had been high uncertainty around CV outlook at the start of the fiscal, especially given the ongoing geopolitical dynamics. However, CV demand has held up extremely well in 1Q, with the industry clocking 18% volume growth. Even 2Q has started off well, with most players posting healthy double-digit growth. Hence, industry growth rate is widely expected to decelerate in 2H, we now expect the CV industry to post a much better 8% volume growth.
- The industry's pricing discipline has certainly been commendable over the last 12 months, with all CV players witnessing improvement in margins. However, input costs have surged in the recent past and are likely to have some impact on margins in the near term. We currently expect this rising input cost pressure to

persist in the near term and normalize in 2H. We, hence, factor in 40bp margin impact for FY27E and expect margins to revive in FY28E

- **Focus on reducing business cyclicality:** Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments, such as Bus (13% of sales), LCV (12% of sales), Spares (10%), Exports (8%), and Defense (2%). Some of its critical targets in these segments include: 1) a medium-term goal to achieve a 25% share in the LCV sub-segment (2-3.5T), up from 20% currently; 2) having already doubled its revenue in spares over the last five years, the next objective is to further double its revenue over the medium term; 3) increasing its presence in exports through new launches and expanding its footprint in key regions and thereby deliver 20% volume CAGR in exports over next 2-3 years; and 4) the potential to significantly scale up its defense business, aided by the government's 'Make in India' initiative.
- **Aiming for profitable growth:** AL's focus on non-truck CV segments has also led to an improving mix, as these are relatively more profitable than the truck business. Further, over the years, AL has been focusing on improving its operational efficiency wherever feasible and hence reducing its cost. Beyond this, over the last few years, the CV industry has been observing a remarkable pricing discipline, which has helped all players improve margins. Aided by these factors, AL has set a target to achieve mid-teen margins in the coming years.
- **Valuation and view:** CV demand trends have been better than expected so far, with the industry posting mid-teen growth on YTD basis. The industry also seems to have weathered the surge in input cost well. Given these factors, we now expect AL to post 6%/10% volume growth in FY27E/FY28E. Overall, we factor in revenue/EBITDA/PAT CAGR of 11%/15%/17% over FY26-28E. Its continued emphasis on margin expansion and prudent control of capex is expected to help improve returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. **We reiterate our BUY rating with a TP of INR198 (based on 13x FY28E EV/EBITDA + ~INR10/sh for NBFC).**

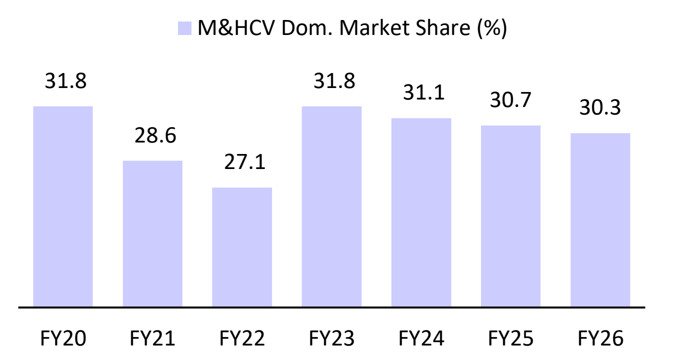
Exhibit 7: Our revised estimates

	FY27E			FY28E		
INR m	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Volumes ('000 units)	234	226	3.6	258	244	5.6
Net Sales	4,74,640	4,65,587	1.9	5,39,056	5,20,123	3.6
EBITDA	58,961	57,060	3.3	75,387	72,128	4.5
EBITDA margins (%)	12.4	12.3	20bp	14.0	13.9	10bp
Net Profit	39,725	38,706	2.6	52,089	50,302	3.6
EPS (INR)	6.8	6.6	2.6	8.9	8.6	3.6

Source: MOFSL

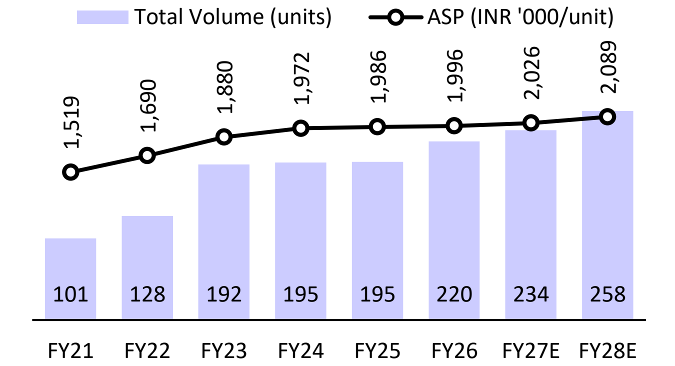
Story in charts

Exhibit 8: AL's market share trend



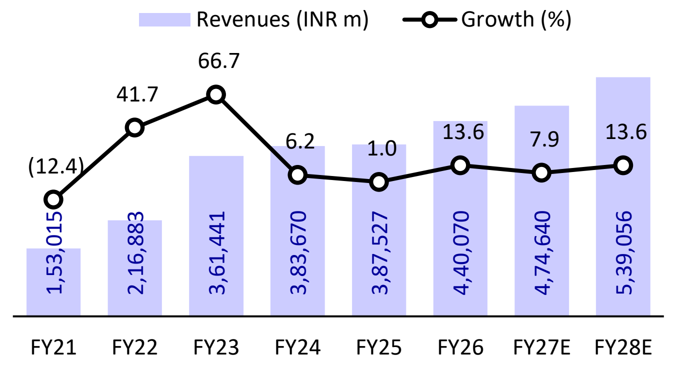
Source: Company, MOFSL

Exhibit 9: Volume and realization growth trends



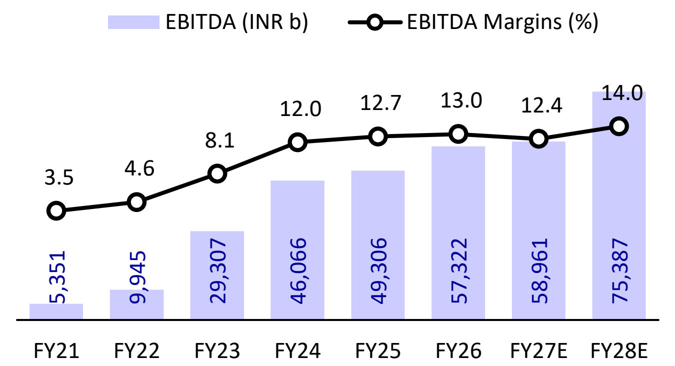
Source: Company, MOFSL

Exhibit 10: Revenue growth trend



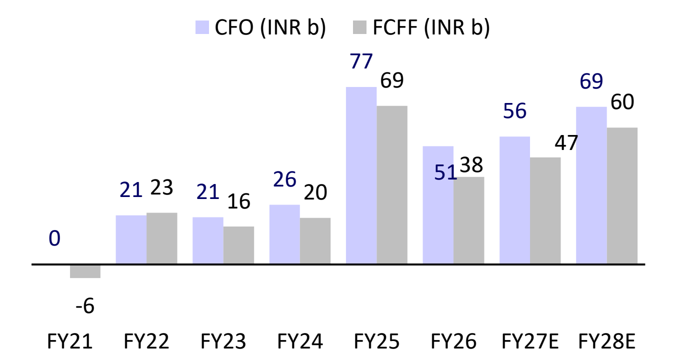
Source: Company, MOFSL

Exhibit 11: EBITDA and EBITDA margin trends



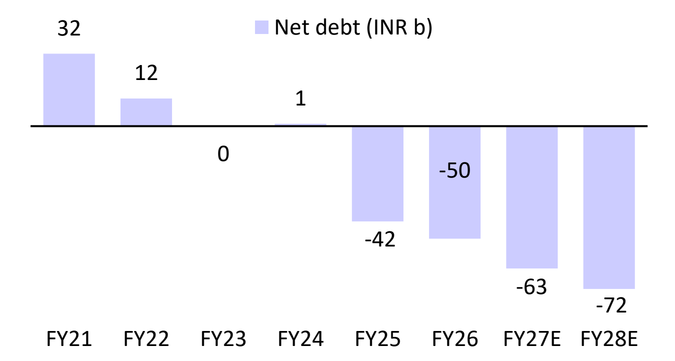
Source: Company, MOFSL

Exhibit 12: CFO and FCFF trends



Source: Company, MOFSL

Exhibit 13: AL became net cash from FY24



Source: Company, MOFSL

Financials and valuations

Income Statement (INR M)

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
Volumes ('000 units)	101	128	192	195	195	220	234	258
Growth (%)	-19.6	27.4	49.8	1.2	0.3	13.0	6.3	10.1
Net Operating Income	**1,53,015**	**2,16,883**	**3,61,441**	**3,83,670**	**3,87,527**	**4,40,070**	**4,74,640**	**5,39,056**
Change (%)	-12.4	41.7	66.7	6.2	1.0	13.6	7.9	13.6
EBITDA	**5,351**	**9,945**	**29,307**	**46,066**	**49,306**	**57,322**	**58,961**	**75,387**
EBITDA Margins (%)	-54.4	85.8	194.7	57.2	7.0	16.3	2.9	27.9
Change (%)	3.5	4.6	8.1	12.0	12.7	13.0	12.4	14.0
Depreciation	7,477	7,528	7,320	7,178	7,193	7,152	7,351	7,763
EBIT	**-2,126**	**2,418**	**21,987**	**38,888**	**42,112**	**50,170**	**51,610**	**67,624**
Interest & Fin. Charges	3,068	3,011	2,891	2,494	2,169	1,697	1,512	1,164
Other Income	1,195	761	1,161	2,466	2,503	3,152	3,440	3,740
PBT	**-4,119**	**5,276**	**21,104**	**37,922**	**43,483**	**48,140**	**53,538**	**70,201**
Tax	(982)	(142)	7,303	11,743	10,450	12,485	13,813	18,112
Effective Rate (%)	23.8	-2.7	34.6	31.0	24.0	25.9	25.8	25.8
Rep. PAT	**-3,137**	**5,418**	**13,801**	**26,179**	**33,033**	**35,655**	**39,725**	**52,089**
Change (%)	-231.0	-272.7	154.7	89.7	26.2	7.9	11.4	31.1
Adjusted PAT	**-3,045**	**172**	**13,248**	**26,826**	**32,245**	**38,236**	**39,725**	**52,089**
Change (%)	-188.9	-105.7	7,587.8	102.5	20.2	18.6	3.9	31.1

Balance Sheet (INR M)

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
Sources of Funds								
Share Capital	2,936	2,936	2,936	2,936	2,937	5,874	5,874	5,874
Reserves	66,837	70,434	81,322	85,167	1,12,251	1,25,260	1,42,958	1,65,677
Net Worth	**69,772**	**73,369**	**84,258**	**88,104**	**1,15,188**	**1,31,134**	**1,48,832**	**1,71,551**
Loans	37,163	35,071	32,248	22,994	14,817	11,950	10,450	7,450
Deferred Tax Liability	1,708	1,444	5,035	5,563	5,479	5,357	8,034	11,544
Capital Employed	**1,08,642**	**1,09,884**	**1,21,541**	**1,16,661**	**1,35,484**	**1,48,442**	**1,67,316**	**1,90,546**
Application of Funds								
Gross Fixed Assets	1,01,269	1,03,773	1,07,732	1,09,936	1,14,189	1,25,129	1,34,129	1,43,129
Less: Depreciation	35,264	41,626	48,470	54,917	60,233	65,739	73,091	80,854
Net Fixed Assets	**66,005**	**62,146**	**59,262**	**55,019**	**53,956**	**59,390**	**61,038**	**62,275**
Capital WIP	3,719	1,943	1,325	2,015	4,248	4,793	4,793	4,793
Goodwill	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499
Investments	30,687	48,196	66,636	55,598	86,730	1,06,790	1,23,790	1,50,790
Curr.Assets, L & Adv.	**79,590**	**86,554**	**94,194**	**1,18,987**	**1,05,826**	**1,10,465**	**1,21,530**	**1,33,701**
Inventory	21,423	20,752	27,745	31,907	29,573	34,860	37,599	42,701
Sundry Debtors	28,163	31,111	40,627	35,699	28,873	29,504	31,209	35,445
Cash & Bank Balances	5,301	9,943	4,541	19,419	26,598	20,311	24,907	23,964
Loans & Advances	24,702	24,749	21,281	31,962	20,782	25,790	27,816	31,591
Current Liab. & Prov.	**75,857**	**93,454**	**1,04,375**	**1,19,457**	**1,19,774**	**1,37,495**	**1,48,334**	**1,65,512**
Sundry Creditors	51,647	68,752	71,751	63,052	73,047	83,293	89,836	1,02,028
Other Liabilities	17,665	17,997	22,238	42,657	31,386	34,344	37,042	42,070
Provisions	6,545	6,705	10,385	13,748	15,341	19,858	21,456	21,415
Application of Funds	**1,08,642**	**1,09,884**	**1,21,541**	**1,16,661**	**1,35,484**	**1,48,442**	**1,67,316**	**1,90,546**

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
Basic (INR)								
EPS	**-0.5**	**0.0**	**2.3**	**4.6**	**5.5**	**6.5**	**6.8**	**8.9**
EPS Growth (%)	-188.9	-105.7	7,587.8	102.5	20.2	18.6	3.9	31.1
Cash EPS	0.8	1.3	3.5	5.8	6.7	7.7	8.0	10.2
Book Value per Share	11.9	12.5	14.3	15.0	19.6	22.3	25.3	29.2
DPS	0.3	0.5	1.3	2.5	3.1	3.5	3.8	5.0
Div. Payout (%)	-57.8	1,703.5	57.6	54.2	56.9	53.8	55.4	56.4
Valuation (x)								
P/E	-331.6	5,859.5	76.2	37.6	31.3	26.4	25.4	19.4
Cash P/E	227.8	131.1	49.1	29.7	25.6	22.2	21.4	16.9
EV/EBITDA	194.6	102.8	34.5	21.9	19.6	16.8	16.1	12.4
EV/Sales	6.8	4.7	2.8	2.6	2.5	2.2	2.0	1.7
Price to Book Value	14.5	13.8	12.0	11.5	8.8	7.7	6.8	5.9
Dividend Yield (%)	0.2	0.3	0.8	1.4	1.8	2.0	2.2	2.9
Profitability Ratios (%)								
ROE	-4.3	0.2	16.8	31.1	31.7	31.0	28.4	32.5
RoCE	-1.5	2.3	12.4	22.5	25.4	26.2	24.3	28.0
Turnover Ratios								
Debtors (Days)	67	52	41	34	27	24	24	24
Inventory (Days)	51	35	28	30	28	29	29	29
Creditors (Days)	123	116	72	60	69	69	69	69
Working Capital (Days)	-5	-28	-3	4	-14	-16	-16	-16
Fixed-Asset Turnover (x)	2.3	3.5	6.1	7.0	7.2	7.4	7.8	8.7
Leverage Ratio								
Net Debt/Equity (x)	0.5	0.2	0.0	0.0	-0.4	-0.4	-0.4	-0.4

Cash flow Statement **(INR M)**

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
OP/(Loss) before Tax	-4,119	5,276	21,104	37,922	43,483	48,140	51,610	67,624
Int/Div Received	-945	-220	-404	-1,362	-888	-729	3,440	3,740
Depreciation	7,477	7,528	7,320	7,178	7,193	7,152	7,351	7,763
Direct Taxes Paid	779	714	-4,002	-6,245	-9,407	-10,883	-11,136	-14,602
(Inc)/Dec in Work Cap.	-6,058	15,696	-4,265	-15,229	37,407	4,136	4,370	4,064
Other Items	3,198	-7,633	762	3,705	-631	3,590	0	0
CF from Oper. Activity	**332**	**21,361**	**20,514**	**25,968**	**77,157**	**51,406**	**55,635**	**68,590**
Extra-ordinary Items	-120	5,108	846	-937	1,037	-3,485	0	0
CF after EO Items	**211**	**26,469**	**21,360**	**25,031**	**78,194**	**47,921**	**55,635**	**68,590**
(Inc)/Dec in FA+CWIP	-6,166	-3,933	-4,884	-4,815	-9,243	-9,777	-9,000	-9,000
Free Cash Flow	**-5,954**	**22,536**	**16,477**	**20,217**	**68,951**	**38,144**	**46,635**	**59,590**
CF from Inv. Activity	**-9,752**	**-14,589**	**-17,345**	**9,021**	**-40,779**	**-32,052**	**-26,000**	**-36,000**
Inc/(Dec) in Debt	4,780	-2,721	-3,918	-9,096	-8,353	-2,914	-1,500	-3,000
Interest Rec./(Paid)	-2,720	-2,755	-2,598	-2,461	-1,491	-936	-1,512	-1,164
Dividends Paid	0	-1,761	-2,936	-7,634	-20,408	-18,339	-22,027	-29,370
CF from Fin. Activity	**2,060**	**-7,238**	**-9,402**	**-19,175**	**-30,235**	**-22,156**	**-25,039**	**-33,533**
Inc/(Dec) in Cash	**-7,481**	**4,643**	**-5,387**	**14,878**	**7,181**	**-6,287**	**4,596**	**-943**
Add: Beginning Balance	12,782	5,300	9,928	4,541	19,417	26,598	20,311	24,907
Closing Balance	**5,301**	**9,943**	**4,541**	**19,418**	**26,598**	**20,311**	**24,907**	**23,963**

E: MOFSL Estimates

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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