

Weak summers to weigh on growth momentum

Consumer Durables ▶ Result Update ▶ May 09, 2025

CMP (Rs): 1,608 | TP (Rs): 2,050

BLSTR reported a steady Q4FY25, with revenue growing ~21% YoY to Rs40.2bn (in line with our estimate), while EBITDA margin at ~7.0% (Emkay: ~7.7%) was mainly impacted by higher RM costs. BLSTR highlighted that April sales were muted (primary RAC sales up ~5% YoY) due to a weak start to summers and hence led to the mgmt. cutting its FY26 growth guidance to ~10-15% (from ~20-25%). Factoring in the fresh guidance, we cut our earnings estimates by ~13/14.6% for FY26/27. Nonetheless, we remain constructive on BLSTR's long-term growth outlook, supported by continued market share gains (~14% in Q4) and ongoing backward integration efforts (MoU signed with Hindalco for copper tubes). Following the recent stock correction (down ~27%), valuations at ~50x 1YF PER near +1SD appear rich, although backed by a robust long-term growth narrative (refer to our IC: [Cooling curve turning vertical](#)). We retain BUY while cutting our TP by 14.6% to Rs2,050, implied at ~51x FY27E PER.

Q4: Weak start to Summer-2025 hurts growth momentum

BLSTR delivered ~21% YoY revenue growth (~Rs40bn), led by EMP and CAC (+31% YoY) and UP (+15% YoY/68% QoQ). Consol EBITDA grew ~16% YoY to ~Rs2.8bn, with margins down by ~50bps QoQ to ~7.0% (~70bps below Emkay estimate). UP EBIT margins expanded by ~12bps QoQ to ~8.4%, while EMP and CAC margins were up by ~15bps YoY to ~7.6% (flattish QoQ). Q4FY25 PAT rose to Rs1.9bn (Rs1.6bn in Q4FY24).

Earnings Call KTAs

i) The mgmt acknowledged that Apr-25 RAC demand fell short of expectations, on an underwhelming start to summers, sporadic rains (even in core markets like Mumbai), and elevated channel inventory levels (~1.5-2mn units higher than ideal). ii) BLSTR highlighted FY19/FY24 as reference points—while FY19 ended flattish despite a Q2 recovery, FY24 showed that even a weak Q1 can be offset by a strong Q3/Q4, keeping hopes alive for FY26 if summer demand revives. iii) BLSTR posted ~5% growth in Apr-25, well below its internal target of ~25-30%. iv) The mgmt emphasized that short-term weather variability does not derail the structural demand story, driven by strong momentum in tier 3-5 towns. v) BLSTR has already undergone 2 rounds of price hikes (~3-4% in Jan-25; ~4-5% in Apr-25); on price cuts, it highlighted that given the weak summers, the current demand environment is not yet dire and price cuts are unlikely, unless summer conditions worsen. vi) BLSTR signed an MoU with Hindalco for local sourcing of copper tubes (earlier imported from Vietnam); domestic supplies are expected to replace imports from FY26. On compressors, localization is limited (sources from players like GMCC, Highly). vii) Developed products for 3 OEMs in US/Europe, following successful field trials. Enquiry levels remain strong—driven by expectations of an India-US trade agreement. viii) In EMP and CAC, order inflow remains strong from factories/data centers; these are high-margin projects given faster execution and equipment-heavy content. ix) FY26 guidance: Revenue: ~10-15% (~20-25% earlier); UP/EMPS EBITM: ~8.5/7.5%.

Target Price – 12M	Mar-26
Change in TP (%)	(14.6)
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	27.5

Stock Data	BLSTR IN
52-week High (Rs)	2,420
52-week Low (Rs)	1,376
Shares outstanding (mn)	205.6
Market-cap (Rs bn)	331
Market-cap (USD mn)	3,858
Net-debt, FY25E (Rs mn)	0.0
ADTV-3M (mn shares)	1
ADTV-3M (Rs mn)	1,971.6
ADTV-3M (USD mn)	23.0
Free float (%)	63.5
Nifty-50	24,273.8
INR/USD	85.7

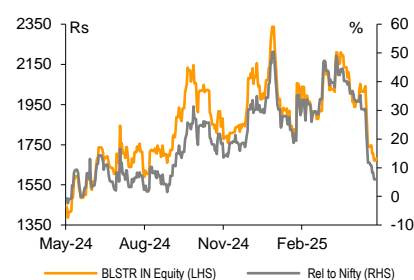
Shareholding, Mar-25

Promoters (%)	36.5
FPIs/MFs (%)	16.9/23.1

Price Performance

(%)	1M	3M	12M
Absolute	(18.7)	(21.1)	12.1
Rel. to Nifty	(24.5)	(23.4)	3.0

1-Year share price trend (Rs)



Blue Star: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
Revenue	79,773	96,854	119,677	135,353	156,792
EBITDA	4,928	6,649	8,759	10,240	13,047
Adj. PAT	2,297	4,149	5,787	6,668	8,226
Adj. EPS (Rs)	11.2	20.2	28.1	32.4	40.0
EBITDA margin (%)	6.2	6.9	7.3	7.6	8.3
EBITDA growth (%)	42.2	34.9	31.7	16.9	27.4
Adj. EPS growth (%)	36.9	80.7	39.5	15.2	23.4
RoE (%)	19.6	21.1	20.4	20.2	21.5
RoIC (%)	21.1	24.6	26.1	25.1	26.7
P/E (x)	144.0	79.7	57.1	49.6	40.2
EV/EBITDA (x)	67.5	49.0	37.0	32.0	25.2
P/B (x)	24.8	12.7	10.8	9.4	8.0
FCFF yield (%)	(0.6)	(0.5)	0.9	0.1	1.1

Source: Company, Emkay Research

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Story in Charts

Exhibit 1: Revenue grew ~21% YoY/43% QoQ, while EBITDA margins were relatively soft at 7% in Q4 owing to RM pressure; PAT grew ~21% YoY

(Rs mn)	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	YoY (%)	QoQ (%)	FY24	FY25	YoY (%)
Revenue	33,278	28,654	22,760	28,073	40,190	21	43	96,854	119,676	24
YoY growth (%)	27	29	20	25	21					
Raw Material cost	25,386	21,886	16,737	21,224	30,896	22	46	73,920	90,743	23
as % of sales	76.3	76.4	73.5	75.6	76.9			76.3	75.8	
Employee Cost	2,297	1,978	2,200	2,342	2,669	16	14	7,495	9,189	23
as % of sales	6.9	6.9	9.7	8.3	6.6			7.7	7.7	
Other operating expenses	3,176	2,411	2,329	2,415	3,830	21	59	8,790	10,985	25
as % of sales	9.5	8.4	10.2	8.6	9.5			9.1	9.2	
Total Expenditure	30,859	26,275	21,267	25,980	37,395	21	44	90,204	1,10,917	23
EBITDA	2,419	2,378	1,493	2,094	2,794	16	33	6,649	8,759	32
Depreciation	283	280	300	350	354	25	1	976	1,284	32
EBIT	2,136	2,098	1,194	1,744	2,440	14	40	5,673	7,476	32
Other Income	124	238	185	87	240	94	175	474	750	58
Interest	122	76	65	159	188	54	18	581	488	(16)
Exceptional	-	-	-	125	-			0	125	na
PBT	2,138	2,259	1,314	1,797	2,493	17	39	5,567	7,863	41
Tax	544	573	350	465	548	1	18	1,429	1,937	36
PAT before MI	1,593	1,687	964	1,332	1,944	22	46	4,138	5,926	43
Minority interest	(12)	(2)	2	6	8	(164)	25	-13	14	(208)
PAT	1,605	1,688	962	1,326	1,937	21	46	4,151	5,913	42

(%)	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	YoY (bps)	QoQ (bps)	FY24	FY25	YoY (bps)
Gross margin	23.7	23.6	26.5	24.4	23.1	(59)	(128)	23.7	24.2	50
EBITDAM	7.3	8.3	6.6	7.5	7.0	(32)	(50)	6.9	7.3	45
EBITM	6.4	7.3	5.2	6.2	6.1	(35)	(14)	5.9	6.2	39
EBTM	6.4	7.9	5.8	6.4	6.2	(22)	(20)	5.7	6.6	82
PATM	4.8	5.9	4.2	4.7	4.8	(0)	10	4.3	4.9	65
Effective Tax rate	25.5	25.3	26.7	25.9	22.0	(346)	(390)	25.7	24.6	(103)

Source: Company, Emkay Research

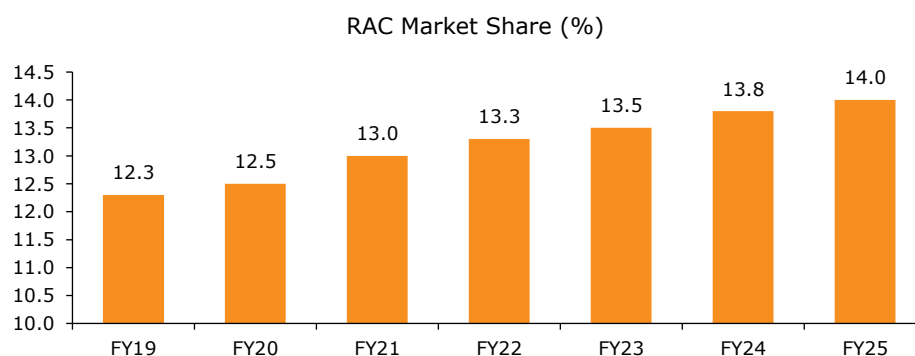
Exhibit 2: Unitary Products (UP) saw softer than expected growth (15% YoY) due to some moderation in C Ref, with margins at 8.4%; EMP and CAC's robust growth momentum continues (~31% YoY) with margins flattish QoQ at 7.6%

Particulars (Rs mn)	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	YoY (%)	QoQ (%)	FY24	FY25	YoY (bps)
EMP and Commercial Air conditioner	15,068	10,390	14,284	15,624	19,682	31	26	47,155	59,980	27
YoY growth (%)	20	9	33	32	31					
Unitary Products	17,089	17,295	7,670	11,643	19,602	15	68	45,922	56,211	22
YoY growth (%)	35	44	5	22	15					
Professional electronics and industrial systems	1,121	969	805	806	906	(19)	12	3,777	3,486	(8)
YoY growth (%)	8	23	-4	-22	-19					
Total Sales	33,278	28,654	22,760	28,073	40,190	21	43	96,854	119,676	24
PBIT										
EMP and Commercial Air conditioner	1125	1030	1192	1187	1499	33	26	3,411	4,909	44
Unitary Products	1414	1580	539	948	1645	16	74	3,603	4,713	31
Professional electronics and industrial systems	136	96	52	62	88	(36)	41	515	297	(42)
Total PBIT	2,675	2,707	1,783	2,197	3,232	21	47	7,529	9,919	32
Finance Costs	122	76	65	159	188	54	18	581	488	(16)
Unallocable expense	416	371	404	366	552	33	51	1,382	1,693	23
as % of sales	1.2	1.3	1.8	1.3	1.4			6	6	(1)
Exceptional Items	0	0	0	125	0			0	125	na
PBT	2138	2259	1314	1547	2492	17	61	5567	7612	37

PBIT margins (%)	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	YoY (bps)	QoQ (bps)	FY24	FY25	YoY (bps)
EMP and Commercial Air conditioner	7.5	9.9	8.3	7.6	7.6	15	2	7.2	8.2	95
Unitary Products	8.3	9.1	7.0	8.1	8.4	12	25	7.8	8.4	54
Professional electronics and industrial systems	12.1	9.9	6.4	7.7	9.7	(245)	197	13.6	8.5	(511)
Total PBIT	8.0	9.4	7.8	7.8	8.0	0	22	7.8	8.3	51

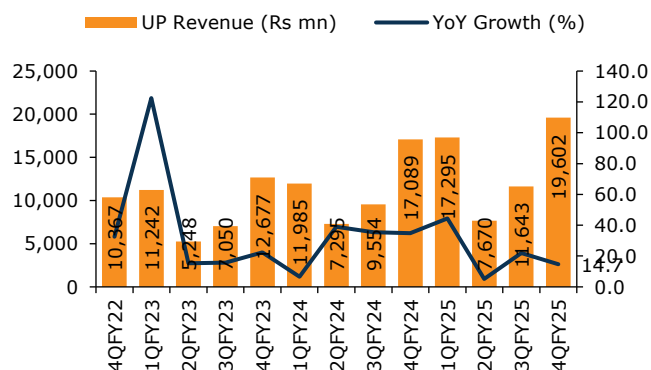
Source: Company, Emkay Research

Exhibit 3: Blue Star has been consistently gaining RAC market share since FY19



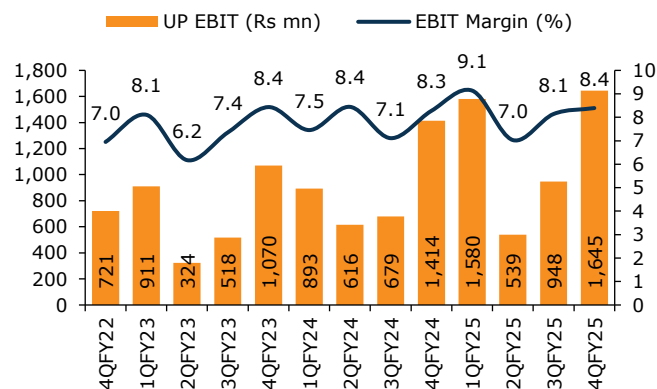
Source: Company, Emkay Research

Exhibit 4: UP revenue up 15% YoY, driven by strong RAC sales in Q4 backed by anticipation of strong summers and rising demand in tier 3, 4, 5 markets...



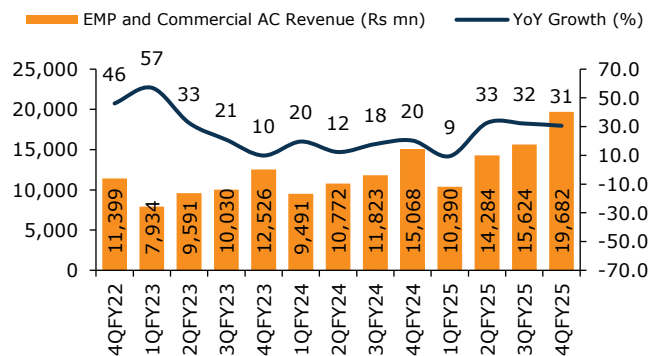
Source: Company, Emkay Research

Exhibit 5: ...while UP EBIT margin came in at 8.4% vs 8.3% in 4QFY24



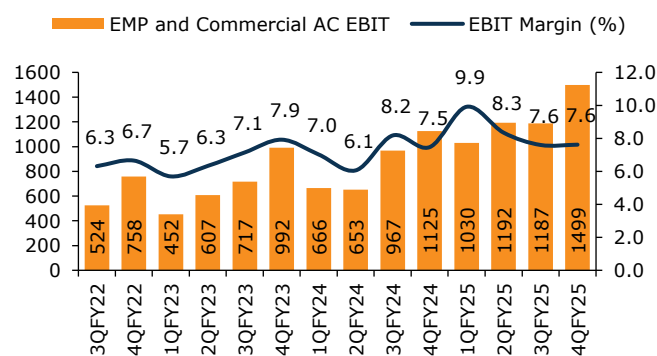
Source: Company, Emkay Research

Exhibit 6: EMPS revenue saw a strong ~31% YoY growth, driven by strong order finalizations primarily from factories/data centers...



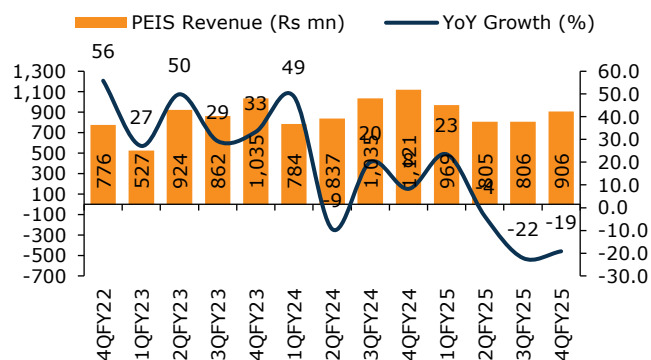
Source: Company, Emkay Research

Exhibit 7: ...with focus on faster execution of projects with healthy profitability and cash flows



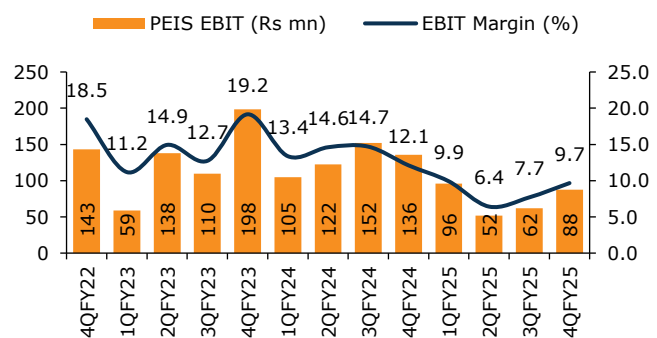
Source: Company, Emkay Research

Exhibit 8: The Med-Tech business continues to face headwinds from regulatory developments, resulting in loss of revenue...



Source: Company, Emkay Research

Exhibit 9: ...while the industrial solutions business is showing signs of growth pick-up, leading to margin uptick; however, it is still at the lower end



Source: Company, Emkay Research

Exhibit 10: Revenue Model

Bluestar (Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Revenues	42,636	60,456	79,773	96,854	119,677	135,353	156,792
Growth YoY (%)	-20.5	41.8	32.0	21.4	23.6	13.1	15.8
UCP (RAC + Commercial Ref)	18,683	26,122	36,269	45,922	56,211	63,350	74,463
Growth YoY (%)	-18.8	39.8	38.8	26.6	22.4	12.7	17.5
EMP & CAC (Projects + Commercial AC)	22,187	32,045	40,156	47,155	59,980	68,256	78,208
Growth YoY (%)	-21.5	44.4	25.3	17.4	27.2	13.8	14.6
Professional Electronics and Industrial systems (PEIS)	1,766	2,474	3,348	3,777	3,486	3,747	4,122
Growth YoY (%)	-24.2	40.1	35.3	12.8	-7.7	7.5	10.0
Gross profit	9,923	13,309	17,957	22,934	28,933	32,723	37,906
Gross margin (%)	23.3	22.0	22.5	23.7	24.2	24.2	24.2
EBITDA	2,398	3,464	4,928	6,649	8,759	10,240	13,047
EBITDA margin (%)	5.6	5.7	6.2	6.9	7.3	7.6	8.3
Depreciation	923	860	848	976	1,284	1,677	2,197
EBIT	1,475	2,605	4,080	5,673	7,476	8,562	10,850
EBIT margin (%)	3.5	4.3	5.1	5.9	6.2	6.3	6.9
UCP (RAC + Commercial Ref)	1,088	1,559	2,823	3,603	4,713	5,511	6,702
EBIT margin (%)	5.8	6.0	7.8	7.8	8.4	8.7	9.0
Growth YoY (%)	-32.9	43.2	81.1	27.6	30.8	17.0	21.6
EMP & CAC (Projects + Commercial AC)	1,065	1,948	2,768	3,411	4,909	5,290	6,335
EBIT margin (%)	4.8	6.1	6.9	7.2	8.2	7.8	8.1
Growth YoY (%)	-11.5	82.9	42.1	23.2	43.9	7.8	19.8
Professional Electronics and Industrial systems (PEIS)	338	425	505	515	297	375	495
EBIT margin (%)	19.1	17.2	15.1	13.6	8.5	10.0	12.0
Growth YoY (%)	-37.8	25.7	18.9	2.0	-42.3	26.1	32.0
Other Income	624	357	309	474	750	854	722
Interest	647	464	547	581	488	552	639
PBT before Exceptional Item	1,452	2,498	3,842	5,567	7,738	8,864	10,932
Exceptional Item	-	-	1,708	-	125	-	-
PBT	1,452	2,498	5,550	5,567	7,863	8,864	10,932
Tax rate (%)	32.4	33.2	27.9	25.7	24.6	24.6	24.6
PAT before MI	981	1,669	4,003	4,138	5,926	6,681	8,239
Minority Interest	-3.1	-2.9	-2.3	6.4	-0.4	-0.4	-0.4
Share of profit/(loss) of joint ventures (net of tax)	26.0	10.9	4.0	4.9	-13.3	-13.3	-13.3
Adj. PAT	1,004	1,677	2,297	4,149	5,787	6,668	8,226
PAT margin (%)	2.4	2.8	2.9	4.3	4.8	4.9	5.2
Growth YoY (%)	-31.9	67.1	36.9	80.7	39.5	15.2	23.4
No. of shares (mn)	96.3	96.3	96.3	205.6	205.6	205.6	205.6
EPS (Rs.)	10.4	17.4	23.8	20.2	28.1	32.4	40.0

Source: Company, Emkay Research

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Exhibit 11: Actuals vs estimates

Rs mn	Q4FY25					FY25				
	Actual	Emkay Est	Var %	Consensus	Var %	Actual	Emkay Est	Var %	Consensus	Var %
Revenue	40,190	39,952	0.6	39,861	0.8	1,19,677	1,19,439	0.2	1,18,862	0.7
EBIT	2,440	2,725	(10.5)	2,796	(12.7)	7,476	7,760	(3.7)	7,730	(3.3)
PAT	1,936	2,054	(5.7)	2,078	(6.8)	5,787	5,904	(2.0)	5,952	(2.8)

Source: Company, Emkay Research

Exhibit 12: Revision in estimates – We cut FY26/27E PAT by ~13/14.6% owing to slower than anticipated start to Summer-2025

(Rs mn)	FY25		FY26E				FY27E			
	Actual	% YoY	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY
Revenue	1,19,677	23.6	1,43,700	1,35,353	(5.8)	13.1	1,69,119	1,56,792	(7.3)	15.8
EBIT	7,476	31.8	10,036	8,562	(14.7)	14.5	12,715	10,850	(14.7)	26.7
EBIT margin (%)	6.2	39 bps	7.0	6.3	(66) bps	8 bps	7.5	6.9	(60) bps	59 bps
Adj PAT	5,787.3	39.5	7,663.6	6,667.5	(13.0)	15.2	9,637.7	8,225.7	(14.6)	23.4

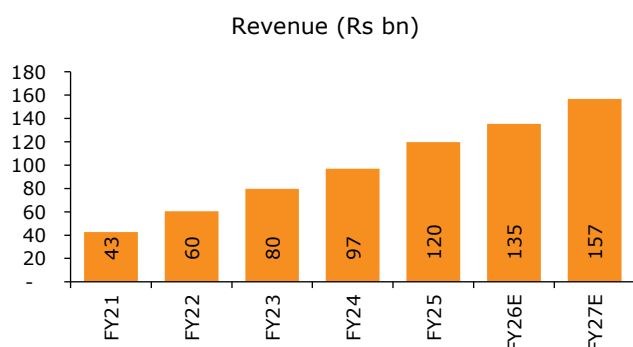
Source: Company, Emkay Research

Exhibit 13: SOTP Valuation

PAT (Rs mn)	FY27E PAT	PER (x)	Rs mn	Contribution % to SOTP
EMP&CAC	3,851	45	1,73,296	41
UP	4,074	60	2,44,441	58
PEIS	301	15	4,510	1
Total MCAP (Rs mn)	8,226		4,22,247	100
Number of Shares (mn)			206	
Target Price (Rs)		51	2,050	

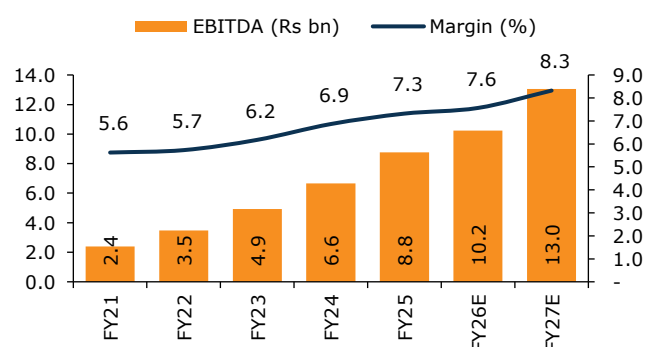
Source: Company, Emkay Research

Exhibit 14: We have built in revenue CAGR of ~14% over FY25-27E...



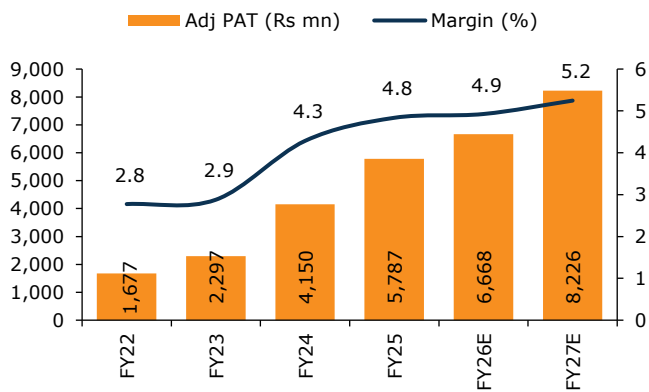
Source: Company, Emkay Research

Exhibit 15: ...with gradual expansion in EBITDA margins over FY25-27E



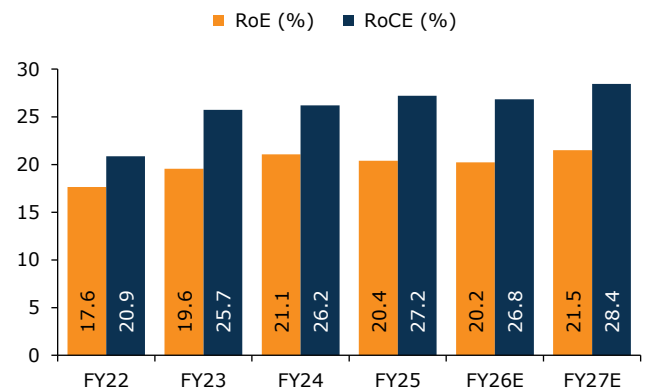
Source: Company, Emkay Research

Exhibit 16: We believe PAT margins will sustain at current levels in FY26 and FY27, given companies' disciplined pricing strategy and operating leverage owing to steady topline growth...



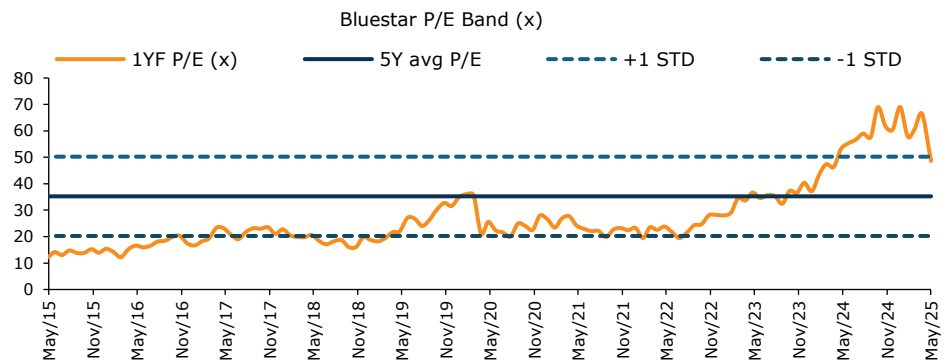
Source: Company, Emkay Research

Exhibit 17: ...leading to healthy return ratios over FY25-27E



Source: Company, Emkay Research

Exhibit 18: The stock currently trades at ~50x 1Y Fwd PER near its +1SD



Source: Bloomberg, Emkay Research

Blue Star: Consolidated Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
Revenue	79,773	96,854	119,677	135,353	156,792
Revenue growth (%)	32.0	21.4	23.6	13.1	15.8
EBITDA	4,928	6,649	8,759	10,240	13,047
EBITDA growth (%)	42.2	34.9	31.7	16.9	27.4
Depreciation & Amortization	848	976	1,284	1,677	2,197
EBIT	4,080	5,673	7,475	8,562	10,850
EBIT growth (%)	56.6	39.1	31.8	14.5	26.7
Other operating income	-	-	-	-	-
Other income	309	474	750	854	722
Financial expense	547	581	488	552	639
PBT	3,842	5,567	7,737	8,864	10,932
Extraordinary items	1,708	0	125	0	0
Taxes	1,547	1,429	1,937	2,183	2,692
Minority interest	(2)	6	-	-	-
Income from JV/Associates	4	5	(13)	(13)	(13)
Reported PAT	4,005	4,149	5,912	6,668	8,226
PAT growth (%)	138.8	3.6	42.5	12.8	23.4
Adjusted PAT	2,297	4,149	5,787	6,668	8,226
Diluted EPS (Rs)	11.2	20.2	28.1	32.4	40.0
Diluted EPS growth (%)	36.9	80.7	39.5	15.2	23.4
DPS (Rs)	4.7	5.6	7.0	10.0	11.0
Dividend payout (%)	24.1	27.9	24.3	30.8	27.5
EBITDA margin (%)	6.2	6.9	7.3	7.6	8.3
EBIT margin (%)	5.1	5.9	6.2	6.3	6.9
Effective tax rate (%)	40.3	25.7	25.0	24.6	24.6
NOPLAT (pre-IndAS)	2,437	4,217	5,605	6,454	8,177
Shares outstanding (mn)	206	206	206	206	206

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
Share capital	193	411	411	411	411
Reserves & Surplus	13,114	25,690	30,239	34,851	40,815
Net worth	13,307	26,101	30,650	35,262	41,226
Minority interests	32	26	26	26	26
Non-current liab. & prov.	(79)	(3)	46	46	46
Total debt	5,776	1,666	1,994	2,255	2,612
Total liabilities & equity	19,879	28,553	34,532	39,404	45,726
Net tangible fixed assets	7,163	9,897	12,413	14,314	16,070
Net intangible assets	814	1,122	1,631	1,370	1,650
Net ROU assets	836	816	1,811	3,547	6,576
Capital WIP	833	1,271	1,232	1,537	1,937
Goodwill	-	-	-	-	-
Investments [JV/Associates]	1,497	2,668	4,321	4,321	4,321
Cash & equivalents	2,433	3,774	4,319	1,343	211
Current assets (ex-cash)	41,041	46,752	57,257	67,977	78,550
Current Liab. & Prov.	34,515	37,557	47,954	55,006	63,588
NWC (ex-cash)	6,526	9,195	9,303	12,971	14,961
Total assets	19,879	28,553	34,532	39,404	45,726
Net debt	2,028	(4,597)	(6,467)	(3,229)	(1,740)
Capital employed	19,879	28,553	34,532	39,404	45,726
Invested capital	14,279	20,024	22,849	28,656	32,681
BVPS (Rs)	64.7	126.9	149.1	171.5	200.5
Net Debt/Equity (x)	0.2	(0.2)	(0.2)	(0.1)	-
Net Debt/EBITDA (x)	0.4	(0.7)	(0.7)	(0.3)	(0.1)
Interest coverage (x)	8.0	10.6	16.9	17.1	18.1
RoCE (%)	25.7	26.2	27.2	26.8	28.4

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
PBT (ex-other income)	3,537	5,097	6,974	7,997	10,197
Others (non-cash items)	-	-	-	-	-
Taxes paid	(1,547)	(1,429)	(1,937)	(2,183)	(2,692)
Change in NWC	(1,093)	(2,592)	(60)	(3,668)	(1,990)
Operating cash flow	2,432	2,892	6,881	4,375	8,351
Capital expenditure	(4,328)	(4,491)	(3,961)	(4,122)	(4,632)
Acquisition of business	185	(1,171)	(1,653)	0	0
Interest & dividend income	87	93	127	854	722
Investing cash flow	(1,817)	(5,246)	(4,640)	(5,004)	(6,939)
Equity raised/(repaid)	0	9,834	(5)	0	0
Debt raised/(repaid)	1,132	(4,157)	432	261	357
Payment of lease liabilities	(264)	(235)	(281)	0	0
Interest paid	(664)	(636)	(329)	(552)	(639)
Dividend paid (incl tax)	(964)	(1,158)	(1,439)	(2,056)	(2,262)
Others	-	-	-	-	-
Financing cash flow	(759)	3,648	(1,622)	(2,347)	(2,544)
Net chg in Cash	(144)	1,294	619	(2,976)	(1,132)
OCF	2,432	2,892	6,881	4,375	8,351
Adj. OCF (w/o NWC chg.)	3,526	5,484	6,940	8,043	10,341
FCFF	(1,896)	(1,598)	2,920	253	3,718
FCFE	(2,356)	(2,086)	2,559	555	3,801
OCF/EBITDA (%)	49.4	43.5	78.6	42.7	64.0
FCFE/PAT (%)	(58.8)	(50.3)	43.3	8.3	46.2
FCFF/NOPLAT (%)	(77.8)	(37.9)	52.1	3.9	45.5

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY23	FY24	FY25	FY26E	FY27E
P/E (x)	144.0	79.7	57.1	49.6	40.2
EV/CE(x)	17.4	11.7	9.9	8.7	7.5
P/B (x)	24.8	12.7	10.8	9.4	8.0
EV/Sales (x)	4.2	3.4	2.7	2.4	2.1
EV/EBITDA (x)	67.5	49.0	37.0	32.0	25.2
EV/EBIT(x)	81.5	57.5	43.4	38.2	30.3
EV/IC (x)	23.3	16.3	14.2	11.4	10.1
FCFF yield (%)	(0.6)	(0.5)	0.9	0.1	1.1
FCFE yield (%)	(0.7)	(0.6)	0.8	0.2	1.1
Dividend yield (%)	0.3	0.4	0.4	0.6	0.7
DuPont-RoE split					
Net profit margin (%)	2.9	4.3	4.8	4.9	5.2
Total asset turnover (x)	4.7	4.1	4.0	3.9	4.2
Assets/Equity (x)	1.4	1.2	1.1	1.0	1.0
RoE (%)	19.6	21.1	20.4	20.2	21.5
DuPont-RoIC					
NOPLAT margin (%)	3.1	4.4	4.7	4.8	5.2
IC turnover (x)	6.9	5.6	5.6	5.3	5.1
RoIC (%)	21.1	24.6	26.1	25.1	26.7
Operating metrics					
Core NWC days	29.9	34.7	28.4	35.0	34.8
Total NWC days	29.9	34.7	28.4	35.0	34.8
Fixed asset turnover	7.8	6.6	6.4	6.0	5.9
Opex-to-revenue (%)	16.3	16.8	16.9	16.6	15.9

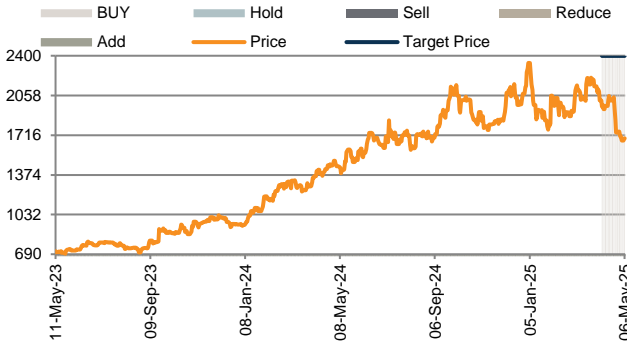
Source: Company, Emkay Research

RECOMMENDATION HISTORY – DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
07-Apr-25	1,962	2,400	Buy	Chirag Jain

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	<15% downside

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