This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions

BUY Kalpataru Projects

Delivers on all fronts; maintain BUY

Engineering & Capital Goods | Result Update | November 07, 2026

CMP (Rs): 1,367 | TP (Rs): 1,650

KPIL's operating performance was in line with our estimates, with standalone revenue at Rs62.1bn (+14.7% yoy; Emkay: Rs59.9bn). EBITDA stood at Rs5.2bn (+17% yoy; Emkay: Rs5.1bn), with a margin of 8.4% (+17bps yoy; Emkay: 8.6%). NWC days improved to 81 from 102 in 2QFY26, and net debt decreased by Rs17.9bn yoy to ~Rs4bn. YTD order inflow reached ~Rs239bn, with an additional Rs50bn in L1 positions. The company ended 2QFY27 with its highest-ever order book of ~Rs719bn, providing 2.5 years of revenue visibility. The management reaffirmed its FY27 guidance for at least 15% revenue growth on an annualized basis and PBT margin improvement of >75bps (1HFY27 PBT margin improved by 100bps). However, given healthy prospects (Rs500-700bn over the next 3-6months), the management revised up its order inflow guidance from Rs300bn to Rs350-360bn. Key segments set to drive growth are T&D, B&F, Oil & Gas, and Urban Infra, providing a well-diversified business mix that would support strong execution momentum while sustaining profitability, in our view.

2QFY27 – In-line performance

KPIL's standalone revenue for 2QFY27 grew 14.7% yoy to Rs62.1bn, on the back of robust execution and a strong opening order book. Key segments, T&D (up 6.6% yoy), B&F (up 19.6% yoy), Oil & Gas (up 58.1% yoy), led revenue growth. However, Water (-3.7% yoy) and Urban Infra (-10.8% yoy) reported de-growth. EBITDA margin expanded by 17bps yoy to 8.4%, reflecting better execution and improved business mix. Absolute EBITDA grew 17% yoy to Rs5.2bn. Interest cost as a % of sales improved to 1.3% (vs 1.9% in 2QFY26), and NWC days improved to 81 from 102 in 2QFY26. Overall, adjusted PAT grew 34.6% yoy to Rs2.7bn.

Order inflow guidance revised up by Rs50-60bn to Rs350-360bn

KPIL's YTD order inflow stood at ~Rs239bn, with an additional L1 position of Rs50bn. Key segments: YTD, T&D secured orders of ~Rs101bn, while B&F secured ~Rs80bn of orders; Oil & Gas also gained momentum following the large Middle East win. Underpinned by strong YTD ordering and healthy prospects across T&D, B&F, and Oil & Gas (Rs500-700bn of tenders over the next 3-6months), the management raised its FY27 order inflow guidance to Rs350-360bn from Rs300bn. Order backlog remains healthy at ~Rs719bn (BB ratio: 2.5x TTM revenue).

View and valuation

We remain positive on KPIL over the long-term, owing to its focus on securing large high-margin orders, improving execution, maintaining effective working capital control, exiting non-core businesses, and expanding businesses other than T&D and B&F into international markets. The stock is trading at a PER of 16x/14x FY27/28E EPS. We maintain BUY with an unchanged TP of Rs1,650 (18x Sep-28E EPS).

Target Price – 12M	Sep-27
Change in TP (%)	**-**
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	20.7

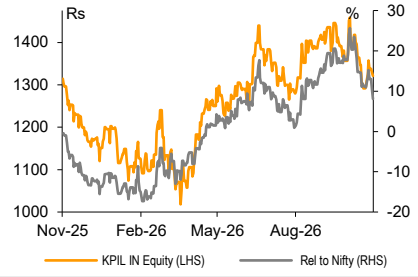
Stock Data	**KPIL IN**
52-week High (Rs)	1,500
52-week Low (Rs)	1,007
Shares outstanding (mn)	170.8
Market-cap (Rs bn)	233
Market-cap (USD mn)	2,485
Net-debt, FY27E (Rs mn)	6,730.1
ADTV-3M (mn shares)	0.3
ADTV-3M (Rs mn)	378.6
ADTV-3M (USD mn)	4.0
Free float (%)	66.4
Nifty-50	25,030.3
INR/USD	93.9

Shareholding,Sep-26	
Promoters (%)	33.6
FPIs/MFs (%)	10.8/44.8

Price Performance

(%)	1M	3M	12M
Absolute	(5.8)	5.6	4.8
Rel. to Nifty	(14.3)	4.0	6.8

1-Year share price trend (Rs)



Kalpataru Projects: Financial Snapshot (Standalone)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	188,879	232,101	270,824	306,007	343,850
EBITDA	15,870	20,863	22,980	26,821	30,964
Adj. PAT	6,809	11,225	12,245	14,386	16,785
Adj. EPS (Rs)	39.9	65.7	71.7	84.2	98.3
EBITDA margin (%)	8.4	9.0	8.5	8.8	9.0
EBITDA growth (%)	16.2	31.5	10.1	16.7	15.4
Adj. EPS growth (%)	19.9	64.8	9.1	17.5	16.7
RoE (%)	10.5	14.6	14.0	14.6	15.0
RoIC (%)	11.9	16.3	14.9	16.0	16.5
P/E (x)	36.0	21.4	19.1	16.2	13.9
EV/EBITDA (x)	16.2	12.3	11.2	9.6	8.3
P/B (x)	3.2	2.8	2.5	2.2	2.0
FCFF yield (%)	2.3	1.0	4.0	1.6	2.5

Source: Company, Emkay Research

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Earnings call highlights

Guidance

- FY27 revenue guidance maintained: The management reiterated ~15% revenue growth for FY27 despite Middle East execution disruptions; FY27 consolidated revenue is expected at ~Rs280-300bn. Over the next 3-4 years, the management believes revenue can scale to ~Rs500bn based on existing capabilities.
- Order inflow guidance upgraded: FY27 order inflow guidance was raised to Rs350-360bn from Rs300bn, underpinned by strong YTD ordering and healthy prospects across T&D, B&F, and Oil & Gas.

Order inflow

- Record order intake: YTD order inflow increased >60% yoy to ~Rs240bn, with an additional ~Rs50bn of L1, prompting the FY27 order-inflow guidance upgrade to Rs350-360bn.
- T&D remains a major contributor: YTD, T&D orders stood at ~Rs101bn, while B&F secured ~Rs80bn of orders; Oil & Gas also gained momentum following the large Middle East win.
- Tender pipeline remains substantial: The management expects Rs500-700bn of tenders across T&D, B&F, and Oil & Gas over the next 3-6 months and remains selective with a focus on profitability, working-capital terms, and risk-adjusted returns.

Order backlog

- Record backlog provides multi-year visibility: Consolidated order backlog reached an all-time high of ~Rs718bn, providing ~2.5 years of revenue visibility, excluding the additional L1 position.
- Backlog quality has structurally improved: The order book has increasingly shifted toward private-sector and international projects with better advances and faster payment cycles, supporting lower working-capital intensity and improved cash conversion.

Capex plans

- FY27 capex likely at ~Rs11bn: 1H capex stood at ~Rs6bn, with another ~Rs5bn planned in 2H. Investments are focused on aluminum shuttering, plant & machinery, capacity addition, and the new rolling mill at Raipur, aimed at improving execution and operational efficiency.
- Capex intensity should moderate from FY28: The management expects capex to decline next year and gradually move closer to its historical philosophy of capex broadly matching depreciation, although stronger international growth could warrant incremental investments.

Net debt

- Consolidated net debt declined to just Rs720mn as of Sep-26, supported by better working-capital management, disciplined capital allocation, and ~Rs6.5bn proceeds from the LMG IPO.
- Debt could increase modestly in 2H owing to working-capital requirements and capex payments, but the management does not expect any significant increase in leverage.

PBT margins

- PBT margin expansion tracking well ahead of guidance: 1H consolidated PBT margin expanded 130bps yoy to 6.1% from 4.8%, already materially ahead of the earlier guidance of ~75bps improvement over FY26. The management has not formally revised guidance but expects to outperform the original PBT-margin target.

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- Further improvement supported by lower interest costs: Interest expense has declined from ~2.5% of revenue five years ago to ~1.0-1.25% currently, with scope for further reduction, supporting stronger EBITDA-to-PBT conversion.

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- Commodity inflation remains manageable: ~50% of the order book is variable-priced, while clients are reimbursing certain geopolitically-driven cost increases; the management expects margins to sustain or improve in 2H, assuming commodities remain around current levels.
- Core business margins appear sustainable: T&D, B&F, and Oil & Gas are operating at high-single-digit to low-double-digit EBITDA margins, broadly ~9.5-12%; the management sees limited structural expansion at the EBITDA level, with PBT improvement being the key focus.

Working capital

- Working-capital cycle improved sharply: Net working-capital days declined to 81 days standalone, and 68 days consolidated, reflecting stronger collections and better project/customer mix.
- Improved working capital should be sustainable: The management targets ~80-82 days or slightly lower on a standalone basis at FY27-end and expects consolidated working capital to remain around 65-68 days, despite continued growth.
- Order-book mix should structurally support cash generation: Greater exposure to private-sector, internationally-funded projects, and contracts with upfront advances should reduce receivable intensity, lower interest costs, and improve conversion of EBITDA into PBT and cash flow.

T&D segment

- Domestic T&D seeing strong traction: ~65% of YTD T&D order wins came from domestic customers, while the management sees Rs150-200bn of bids over the next two months, led by the Indian market.
- Multi-year growth visibility remains strong: The management sees 15-20% minimum growth in T&D with improving profitability and lower working capital, supported by renewable integration, rising power demand, grid modernization, and upcoming HVDC projects.

Linjemontage (LMG)

- LMG remains a long-term growth platform: 1H revenue stood at Rs14.7bn, with an order backlog of Rs41.5bn. FY27 growth has been subdued as the organization focused on systems, processes, and risk management ahead of its September listing; the management expects order-book growth to resume from FY28, followed by revenue growth.
- KPIL intends to retain control: KPIL continues to own +65% of LMG post-listing and intends to hold the stake longer term; the stronger balance sheet could support expansion into neighboring European geographies.
- LMG margins likely to be stable: Underlying EBITDA margin is ~8%, excluding exceptional listing-related expenses, with limited margin expansion expected on the existing backlog.

B&F segment

- B&F maintains strong growth momentum: Revenue grew 20% yoy in 2Q and 17% yoy in 1H, with the segment now contributing ~27% of consolidated revenue; backlog stood at ~Rs217bn.
- Demand remains broad-based: Strong traction is visible across residential, commercial, industrial, data centers, and airports, with particularly healthy demand in residential and industrial EPC; the management sees Rs100-150bn of residential tenders in the current quarter.
- Project profile continues to improve: KPIL is increasingly targeting large ~Rs10bn projects and complex end-to-end design-build opportunities, which should support continued B&F growth into FY28.

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Oil & Gas segment

- Oil & Gas scaling up rapidly: Revenue increased 58% yoy in 2Q and 38% yoy in 1H, while backlog reached ~Rs82bn, aided by a landmark Middle East gas-pipeline order and domestic wins.
- Middle East presents a sizeable growth opportunity: Following successful Saudi execution, KPIL is now qualified across 4-5 major Middle Eastern markets, providing a wider addressable opportunity for future ordering.
- Middle East disruptions remain manageable: Supply-chain constraints, elevated freight costs, and intermittent Saudi execution delays persist, but several customers are reimbursing incremental costs, and the management does not expect these issues to materially alter its overall growth outlook.

Water segment

- Collections continue to improve: KPIL collected ~Rs11bn through Oct-26, while outstanding billed plus unbilled receivables remain ~Rs15bn; roughly two-thirds of the outstanding amount is overdue, but monthly collections continue across states.
- Domestic JJM exposure is being run down: Water backlog stands at ~Rs67bn, including +Rs20bn of maintenance; executable backlog is ~Rs45bn, with the majority of remaining JJM EPC works expected to be completed over the next ~12 months.
- International Water is the next growth leg: KPIL has secured its first Middle East water order and is now qualified with large developers across Abu Dhabi, Saudi Arabia, Qatar, and Kuwait; the management expects tender activity to pick up from 4QFY27 and sees the Middle East as the primary growth market for this business.

Urban Infra segment

- Healthy execution visibility: Urban Infra has ~Rs59bn of order-book visibility, with all six TBMs fully deployed; 1H revenue stood at ~Rs9.3bn.
- Selective bidding to continue: The management sees Urban Infra becoming a larger growth engine over the next three years and intends to internationalize the business over the next 1-3 years.

Shree Shubham Logistics

- External debt nearly eliminated: Shree Shubham Logistics' external debt is now close to zero, while profitability has improved through operating efficiencies and fixed-asset sales despite relatively stable revenue.
- Further deleveraging remains the priority: The management intends to reduce capital employed over the next 6-12 months and shift toward a hired-warehouse model rather than investing in owned storage infrastructure; no incremental investment is currently planned.

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Exhibit 1: Standalone quarterly and half-yearly analysis of financial performance

Y/E Mar (Rs mn)	2QFY26	1QFY27	2QFY27	yoy (%)	qoq (%)	1HFY26	1HFY27	yoy (%)
Revenue	**54,188**	**54,819**	**62,127**	**14.7**	**13.3**	**104,585**	**116,946**	**11.8**
Material cost	41,155	40,759	47,181	14.6	15.8	79,847	87,940	10.1
as % of sales	*75.9*	*74.4*	*75.9*	*-1bps*	*159bps*	*76.3*	*75.2*	*-115bps*
Employee Cost	4,602	5,190	5,038	9.5	(2.9)	8,874	10,227	15.2
as % of sales	*8.5*	*9.5*	*8.1*	*-38bps*	*-136bps*	*8.5*	*8.7*	*26bps*
Other expenditure	3,960	3,991	4,675	18.1	17.1	7,109	8,666	21.9
as % of sales	*7.3*	*7.3*	*7.5*	*22bps*	*24bps*	*6.8*	*7.4*	*61bps*
Total expenditure	**49,716**	**49,940**	**56,893**	**14.4**	**13.9**	**95,830**	**106,833**	**11.5**
EBITDA	**4,472**	**4,879**	**5,234**	**17.0**	**7.3**	**8,755**	**10,112**	**15.5**
Depreciation	966	1,117	1,111	15.0	(0.5)	1,902	2,228	17.1
EBIT	**3,506**	**3,762**	**4,123**	**17.6**	**9.6**	**6,853**	**7,885**	**15.1**
Other Income	242	524	354	46.0	(32.5)	476	878	84.4
Interest	1,025	677	805	(21.5)	18.9	1,865	1,481	(20.6)
PBT	**2,723**	**3,610**	**3,672**	**34.8**	**1.7**	**5,464**	**7,281**	**33.2**
Taxes	724	956	981	35.6	2.7	1,458	1,937	32.9
Reported PAT	**1,999**	**2,654**	**2,690**	**34.6**	**1.4**	**4,007**	**5,344**	**33.4**
(%)								
Gross margins	24.1	25.6	24.1	1bps	-159bps	23.7	24.8	115bps
EBITDAM	8.3	8.9	8.4	17bps	-48bps	8.4	8.6	28bps
EBITM	6.5	6.9	6.6	17bps	-23bps	6.6	6.7	19bps
PBTM	5.0	6.6	5.9	88bps	-67bps	5.2	6.2	100bps
PATM	3.7	4.8	4.3	64bps	-51bps	3.8	4.6	74bps
Effective Tax rate	26.6	26.5	26.7	15bps	24bps	26.7	26.6	-7bps

Source: Company, Emkay Research

Exhibit 2: Segmental break-up of consolidated revenue

Particulars (Rs mn)	2QFY26	1QFY27	2QFY27	yoy (%)	qoq (%)	1HFY26	1HFY27	yoy (%)
T&D	28,780	29,240	30,690	6.6	5.0	55,330	59,930	8.3
B&F	16,980	15,880	20,310	19.6	27.9	30,810	36,190	17.5
Water	5,170	6,260	4,980	(3.7)	(20.4)	11,870	11,240	(5.3)
Oil & Gas	5,590	6,930	8,840	58.1	27.6	11,470	15,770	37.5
Urban Infra	4,930	4,900	4,400	(10.8)	(10.2)	10,040	9,300	(7.4)
Brazil business	1,530	-	-	(100.0)	-	3,700	-	(100.0)
Others	2,310	870	820	(64.5)	(5.7)	3,780	1,690	(55.3)
Total	**65,290**	**64,080**	**70,040**	**7.3**	**9.3**	**127,000**	**134,120**	**5.6**

Source: Company, Emkay Research

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Exhibit 3: Order inflow and backlog analysis

Order inflow (Rs mn)	2QFY26	1QFY27	2QFY27	yoy (%)	qoq (%)	1HFY26	1HFY27	yoy (%)
T&D	36,750	41,630	59,590	62.1	43.1	68,630	101,220	47.5
B&F	13,770	28,150	51,850	276.5	84.2	80,880	80,000	(1.1)
Water	-	3,440	-	-	(100.0)	-	3,440	-
Oil & Gas	-	1,570	51,220	-	3,162.4	-	52,790	-
Urban Infra	-	1,890	-	-	(100.0)	-	1,890	-
Total	**50,520**	**76,680**	**162,660**	**222.0**	**112.1**	**149,510**	**239,340**	**60.1**

Order Book (Rs mn)	2QFY26	1QFY27	2QFY27	yoy (%)	qoq (%)	1HFY26	1HFY27	yoy (%)
T&D	262,750	296,090	293,980	11.9	(0.7)	262,750	293,980	11.9
B&F	187,580	196,020	216,590	15.5	10.5	187,580	216,590	15.5
Water	83,790	72,080	67,020	(20.0)	(7.0)	83,790	67,020	(20.0)
Oil & Gas	58,260	39,850	81,960	40.7	105.7	58,260	81,960	40.7
Urban Infra	54,440	62,020	59,000	8.4	(4.9)	54,440	59,000	8.4
Total	**646,820**	**666,060**	**718,550**	**11.1**	**7.9**	**646,820**	**718,550**	**11.1**

BB Ratio (x times)	2QFY26	1QFY27	2QFY27		1HFY26	1HFY27	
T&D	2.2	2.4	2.3		2.2	2.3	
B&F	3.0	2.7	2.9		3.0	2.9	
Water	3.8	3.5	3.3		3.8	3.3	
Oil & Gas	2.7	1.4	2.6		2.7	2.6	
Urban Infra	3.8	3.9	3.8		3.8	3.8	
Total	**2.5**	**2.4**	**2.5**		**2.5**	**2.5**	

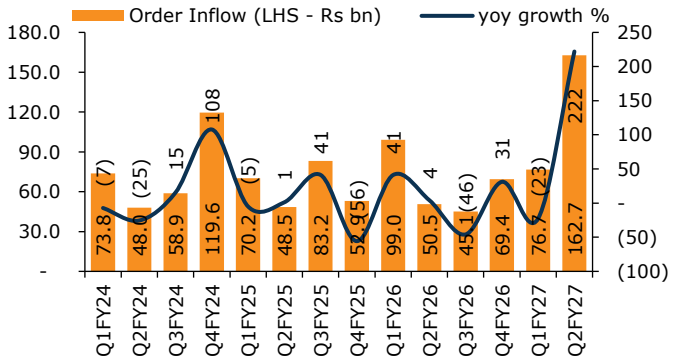
Source: Company, Emkay Research

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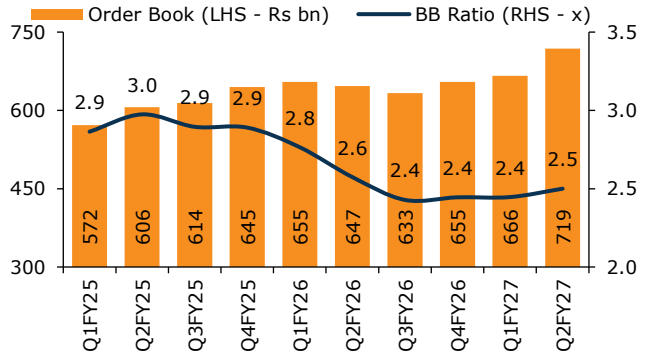
Story in charts

Exhibit 4: YTD order inflows stand at Rs239bn



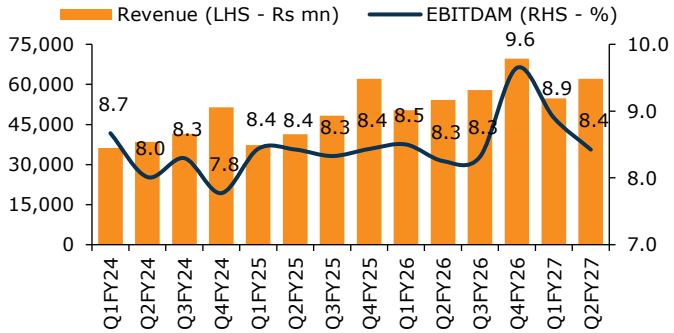
Source: Company, Emkay Research

Exhibit 5: Order backlog stands at Rs719bn (BB ratio at 2.5x)



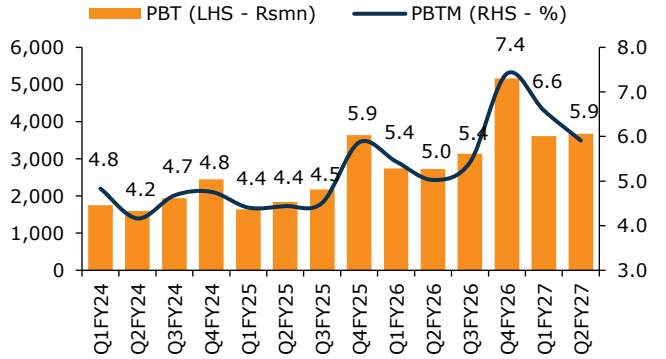
Source: Company, Emkay Research

Exhibit 6: Standalone revenue at Rs62.1bn and EBITDA margins at 8.4%



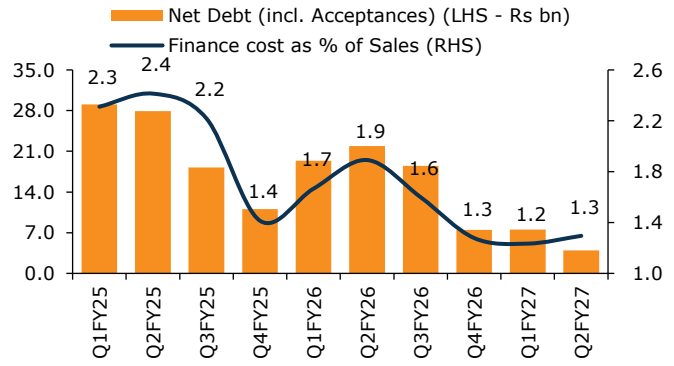
Source: Company, Emkay Research

Exhibit 7: Standalone PBT margins improved by 90bps yoy



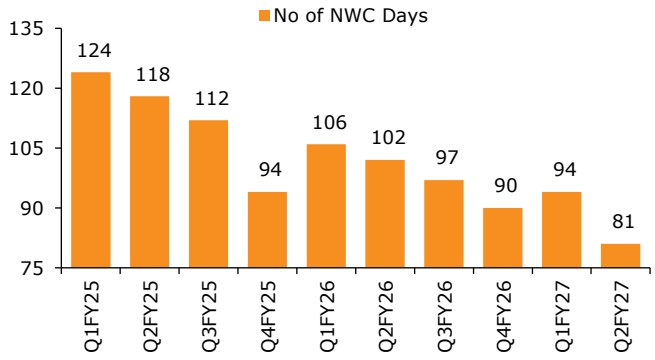
Source: Company, Emkay Research

Exhibit 8: Standalone net debt stands at Rs4bn



Source: Company, Emkay Research

Exhibit 9: Standalone NWC days have improved to 81



Source: Company, Emkay Research

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Kalpataru Projects: Standalone Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**188,879**	**232,101**	**270,824**	**306,007**	**343,850**
Revenue growth (%)	12.7	22.9	16.7	13.0	12.4
EBITDA	**15,870**	**20,863**	**22,980**	**26,821**	**30,964**
EBITDA growth (%)	16.2	31.5	10.1	16.7	15.4
Depreciation & Amortization	3,749	3,948	4,762	5,618	6,474
EBIT	**12,121**	**16,915**	**18,219**	**21,203**	**24,491**
EBIT growth (%)	21.5	39.5	7.7	16.4	15.5
Other operating income	0	0	0	0	0
Other income	979	1,105	1,663	2,165	2,428
Financial expense	3,807	3,680	2,875	3,387	3,606
PBT	**9,294**	**14,339**	**17,007**	**19,981**	**23,312**
Extraordinary items	(330)	(295)	0	0	0
Taxes	2,485	3,114	4,762	5,595	6,527
Minority interest	-	-	-	-	-
Income from JV/Associates	-	-	-	-	-
Reported PAT	**6,479**	**10,931**	**12,245**	**14,386**	**16,785**
PAT growth (%)	21.6	68.7	12.0	17.5	16.7
Adjusted PAT	**6,809**	**11,225**	**12,245**	**14,386**	**16,785**
Diluted EPS (Rs)	**39.9**	**65.7**	**71.7**	**84.2**	**98.3**
Diluted EPS growth (%)	19.9	64.8	9.1	17.5	16.7
DPS (Rs)	**9.0**	**11.0**	**11.0**	**12.0**	**12.0**
Dividend payout (%)	**23.7**	**17.2**	**15.3**	**14.2**	**12.2**
EBITDA margin (%)	8.4	9.0	8.5	8.8	9.0
EBIT margin (%)	6.4	7.3	6.7	6.9	7.1
Effective tax rate (%)	26.7	21.7	28.0	28.0	28.0
NOPLAT (pre-IndAS)	**8,881**	**13,242**	**13,117**	**15,266**	**17,633**
Shares outstanding (mn)	171	171	171	171	171

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	342	342	342	342	342
Reserves & Surplus	71,508	81,804	92,170	104,507	119,242
Net worth	**71,849**	**82,145**	**92,512**	**104,848**	**119,583**
Minority interests	-	-	-	-	-
Non current liabilities & prov.	(679)	797	797	797	797
Total debt	**33,923**	**28,399**	**32,784**	**34,955**	**37,170**
Total liabilities & equity	**105,094**	**111,341**	**126,092**	**140,600**	**157,550**
Net tangible fixed assets	17,825	22,781	26,019	28,401	29,927
Net intangible assets	82	45	45	45	45
Net ROU assets	1,016	1,780	1,780	1,780	1,780
Capital WIP	265	683	683	683	683
Goodwill	201	201	201	201	201
Investments [JV/Associates]	11,630	6,750	7,750	8,750	9,750
Cash & equivalents	**15,885**	**15,519**	**26,054**	**28,067**	**32,622**
Current assets (ex-cash)	185,806	204,041	235,987	269,051	304,970
Current Liab. & Prov.	127,615	140,458	172,426	196,378	222,428
NWC (ex-cash)	**58,190**	**63,583**	**63,561**	**72,673**	**82,542**
Total assets	**105,094**	**111,341**	**126,092**	**140,600**	**157,550**
Net debt	18,038	12,880	6,730	6,887	4,548
Capital employed	105,772	110,545	125,296	139,803	156,753
Invested capital	**76,298**	**86,609**	**89,825**	**101,319**	**112,715**
BVPS (Rs)	420.7	480.9	541.6	613.9	700.1
Net Debt/Equity (x)	0.3	0.2	0.1	0.1	-
Net Debt/EBITDA (x)	1.1	0.6	0.3	0.3	0.1
Interest coverage (x)	3.4	4.9	6.9	6.9	7.5
RoCE (%)	**13.4**	**16.7**	**16.9**	**17.6**	**18.2**

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	8,315	13,234	15,344	17,816	20,884
Others (non-cash items)	-	-	-	-	-
Taxes paid	(2,356)	(4,033)	(4,762)	(5,595)	(6,527)
Change in NWC	(1,609)	(5,023)	22	(9,112)	(9,869)
Operating cash flow	**11,905**	**11,807**	**18,241**	**12,114**	**14,568**
Capital expenditure	(5,920)	(9,285)	(8,000)	(8,000)	(8,000)
Acquisition of business	(3,040)	4,880	(1,000)	(1,000)	(1,000)
Interest & dividend income	460	1,738	1,663	2,165	2,428
Investing cash flow	**(7,981)**	**(3,300)**	**(7,337)**	**(6,835)**	**(6,572)**
Equity raised/(repaid)	9,402	0	0	0	0
Debt raised/(repaid)	1,293	(5,524)	4,385	2,171	2,215
Payment of lease liabilities	(331)	98	0	0	0
Interest paid	(3,807)	(3,680)	(2,875)	(3,387)	(3,606)
Dividend paid (incl tax)	(1,537)	(1,879)	(1,879)	(2,050)	(2,050)
Others	(1,550)	2,112	-	-	-
Financing cash flow	**3,471**	**(8,873)**	**(369)**	**(3,266)**	**(3,441)**
Net chg in Cash	7,395	(366)	10,535	2,013	4,554
OCF	11,905	11,807	18,241	12,114	14,568
Adj. OCF (w/o NWC chg.)	13,514	16,830	18,219	21,226	24,437
FCFF	5,985	2,522	10,241	4,114	6,568
FCFE	2,639	580	9,029	2,892	5,389
OCF/EBITDA (%)	75.0	56.6	79.4	45.2	47.0
FCFE/PAT (%)	40.7	5.3	73.7	20.1	32.1
FCFF/NOPLAT (%)	**67.4**	**19.0**	**78.1**	**27.0**	**37.2**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	36.0	21.4	19.1	16.2	13.9
P/CE(x)	22.1	15.4	13.7	11.7	10.0
P/B (x)	3.2	2.8	2.5	2.2	2.0
EV/Sales (x)	1.4	1.1	1.0	0.8	0.7
EV/EBITDA (x)	16.2	12.3	11.2	9.6	8.3
EV/EBIT(x)	21.3	15.2	14.1	12.1	10.5
EV/IC (x)	3.4	3.0	2.9	2.5	2.3
FCFF yield (%)	2.3	1.0	4.0	1.6	2.5
FCFE yield (%)	1.1	0.2	3.9	1.2	2.3
Dividend yield (%)	0.7	0.8	0.8	0.9	0.9
DuPont-RoE split					
Net profit margin (%)	3.6	4.8	4.5	4.7	4.9
Total asset turnover (x)	1.9	2.2	2.3	2.3	2.3
Assets/Equity (x)	1.5	1.4	1.3	1.3	1.3
RoE (%)	**10.5**	**14.6**	**14.0**	**14.6**	**15.0**
DuPont-RoIC					
NOPLAT margin (%)	4.7	5.7	4.8	5.0	5.1
IC turnover (x)	2.5	2.8	3.1	3.2	3.2
RoIC (%)	**11.9**	**16.3**	**14.9**	**16.0**	**16.5**
Operating metrics					
Core NWC days	112.5	100.0	85.7	86.7	87.6
Total NWC days	**112.5**	**100.0**	**85.7**	**86.7**	**87.6**
Fixed asset turnover	6.3	6.4	6.1	5.8	5.7
Opex-to-revenue (%)	13.6	14.6	15.0	15.0	15.1

Source: Company, Emkay Research

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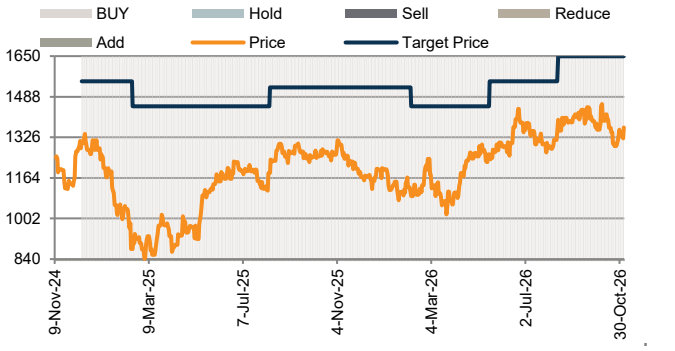
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Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
12-Aug-26	1,397	1,650	Buy	Amit Shah
17-May-26	1,258	1,550	Buy	Ashwani Sharma
28-Mar-26	1,074	1,450	Buy	Ashwani Sharma
04-Mar-26	1,123	1,450	Buy	Ashwani Sharma
06-Feb-26	1,091	1,450	Buy	Ashwani Sharma
02-Nov-25	1,256	1,525	Buy	Ashwani Sharma
10-Aug-25	1,184	1,525	Buy	Ashwani Sharma
25-Jun-25	1,230	1,450	Buy	Ashwani Sharma
20-May-25	1,112	1,450	Buy	Ashwani Sharma
09-Mar-25	931	1,450	Buy	Ashwani Sharma
16-Feb-25	880	1,450	Buy	Ashwani Sharma
14-Jan-25	1,166	1,550	Buy	Ashwani Sharma
13-Dec-24	1,304	1,550	Buy	Ashwani Sharma

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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

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