

TVS Motor Company

Estimate change 

TP change 

Rating change 

Bloomberg	TVSL IN
Equity Shares (m)	475
M.Cap.(INRb)/(USD\$b)	1177.6 / 14
52-Week Range (INR)	2602 / 1317
1, 6, 12 Rel. Per (%)	3/12/59
12M Avg Val (INR M)	2071

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	317.8	361.8	412.4
EBITDA	35.1	43.8	52.0
Adj. PAT	20.8	27.1	33.3
EPS (INR)	43.8	57.1	70.0
EPS Gr. (%)	44.4	30.2	22.7
BV/Sh (INR)	162.7	210.8	268.9

Ratios

RoE (%)	30.2	30.6	29.2
RoCE (%)	33.8	36.8	36.8
Payout (%)	18.2	15.8	17.1

Valuations

P/E (x)	56.9	43.7	35.6
P/BV (x)	15.3	11.8	9.2
Div. Yield (%)	0.3	0.4	0.5
FCF Yield (%)	2.2	1.4	2.7

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	50.3	50.3	50.3
DII	20.1	20.3	23.4
FII	21.1	20.8	18.1
Others	8.6	8.7	8.2

FII Includes depository receipts

CMP: INR2,479 TP:INR2,265 (-9%) Neutral

In-line quarter, EBITDA margin continues to improve

Product launches announced for ICE 2W and EV 2W/3W in 2QFY25

- TVS Motor (TVSL) posted an in-line performance, achieving yet another quarter of EBITDA margin improvement due to material cost savings and a better mix. While the domestic demand outlook is healthy with rural demand coming back, geopolitical uncertainties in key export markets may dent the overall growth.
- Moreover, we believe strong earnings growth driven by recovery in the underlying segments and margin improvement is fairly captured in the current valuations of ~44x/36x FY25E/FY26E EPS. We raise our FY25E/26E EPS by ~3%/7% to factor in better margins and higher other income. **Reiterate Neutral** with a TP of ~INR2,265 (based on ~28x Jun-'26E EPS and INR201/sh for NBFC).

Yet another quarter of EBITDA margin improvement

- TVSL's revenue/EBITDA/adj. PAT grew 16%/26%/23% YoY in 1QFY25 to INR83.8b/INR9.6b/INR5.8b (in line with our estimates).
- Revenue growth was led by ~14% YoY growth in volumes and ~2% YoY growth in ASP to INR77k/unit (vs. est. INR77.6k).
- Revenue from the international market and spares grew ~18% YoY each to ~INR19.63b and INR8.46b.
- Gross margin expanded 320bp YoY/ 140bp QoQ to 28.6% (est. 27.2%) driven by material cost savings and favorable product mix. It has also taken a price hike of ~0.2% in 1Q and another 0.2% in 2QFY25.
- There was some impact of the RM price increase in 1Q, with aluminum prices rising while other materials and precious metals softened. It expects a mixed outlook for commodities, with some slight increases likely in 2Q.
- Better gross margin was partially offset by higher operating expenses, resulting in an EBITDA margin of 11.5% (est. 11.7%, +90bp YoY/+20bp QoQ). EBITDA grew ~26% YoY to IN9.6b (in line).
- Other income was above estimate at INR363m (est. INR100m) as it included INR280m towards fair valuation of investments in the TVS supply chain.

Key takeaways from the management interaction

- **Domestic:** Vahaan reported ~13% YoY growth for the 2W industry in 1QFY25, with rural growing ~17% YoY. With normal monsoon expected for this fiscal, TVS expects rural recovery to drive sustained momentum for the industry in the coming quarters. Management expects the 2W industry to post 10%+ growth for FY25E.
- **International market:** There were some challenges in the Red Sea that were affecting the transit times, and also the timely availability of vessel containers is a concern. While African markets face currency devaluation, LATAM and the Middle East offer significant opportunities for TVS. Despite some challenges in Bangladesh, management expects stabilization soon.

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- **Norton:** It is going to launch six new products over the next three years, with the first launch likely by FY26 end. The new range of motorcycles will be more affordable than the earlier line-up. TVSL has so far invested INR12b in Norton.
- **Capex and investments:** Management guided a capex of INR10-11b for FY25, with similar guidance for investments. In 1Q, the major investments were INR3b in TVS Credit Services, INR1b in Norton, and INR0.3b in the e-bikes business, with a smaller amount in TVS Digital.

Valuation and view

- We remain optimistic about domestic 2W demand growth over the next two years, driven by a strong recovery in rural demand. TVSL's domestic growth will be supported by new product launches, but geopolitical uncertainties are likely to continue to affect exports (about 24% of total volumes) thereby limiting its growth opportunities.
- Valuations at 44x/36x FY25E/FY26E EPS reflect TVSL's strong earnings growth potential and proactive stance in the EV business. **Reiterate Neutral with a TP of ~INR2,265 (premised on ~28x Jun'26E EPS + INR201/share for NBFC).**

S/A Quarterly Performance

Y/E March (INR m)	(INR m)										
	FY24				FY25E				FY24	FY25E	1QE
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			
Vols ('000 units)	953.2	1,074.4	1,100.8	1,062.5	1,087.2	1,172.9	1,208.1	1,167.4	4,191	4,636	1,087.2
Growth (%)	5.1	4.6	25.2	22.4	14.1	9.2	9.7	9.9	13.8	10.6	14.1
Realn (INR '000/unit)	75.7	75.8	74.9	76.9	77.0	77.8	78.6	78.7	75.8	78.0	77.6
Growth (%)	14.3	7.9	0.6	1.1	1.7	2.6	4.9	2.3	5.8	2.9	2.5
Net Sales	72,179	81,446	82,450	81,688	83,756	91,261	94,940	91,835	3,17,764	3,61,792	84,419
Growth (%)	20.1	12.8	26.0	23.7	16.0	12.1	15.1	12.4	20.5	13.9	17.0
RM (% of sales)	74.6	74.0	73.7	72.8	71.4	72.3	73.0	72.4	73.7	72.3	72.8
Emp cost (% of sales)	5.2	4.8	4.9	5.1	5.7	5.2	5.2	5.5	5.0	5.4	5.1
Other exp (% of sales)	9.6	10.1	10.2	10.8	11.4	10.0	9.7	9.8	10.2	10.2	10.4
EBITDA	7,638	8,998	9,244	9,262	9,602	11,403	11,525	11,320	35,141	43,849	9,917
EBITDA margin (%)	10.6	11.0	11.2	11.3	11.5	12.5	12.1	12.3	11.1	12.1	11.7
Interest	474	523	448	372	372	330	300	272	1,816	1,274	350
Depreciation	1,636	1,701	1,781	1,887	1,763	1,820	1,850	1,875	7,004	7,308	1,870
Other Income	576	462	734	-287	363	150	160	227	1,485	900	100
PBT before EO Exp	6,104	7,237	7,750	6,716	7,829	9,403	9,535	9,400	27,807	36,167	7,797
PBT after EO Exp	6,104	7,237	7,750	6,716	7,829	9,403	9,535	9,400	27,807	36,167	7,797
Tax	1,427	1,871	1,817	1,862	2,056	2,351	2,384	2,251	6,977	9,042	1,949
Total Tax	1,427	1,871	1,817	1,862	2,056	2,351	2,384	2,251	6,977	9,042	1,949
Tax rate (%)	23.4	25.9	23.4	27.7	26.3	25.0	25.0	24.0	25.1	25.0	25.0
Adjusted PAT	4,677	5,366	5,934	4,854	5,773	7,052	7,151	7,148	20,830	27,125	5,848
Growth (%)	45.9	31.7	68.2	33.4	23.4	31.4	20.5	47.3	44.4	30.2	25.0

Exhibit 1: Trends in volume and volume growth

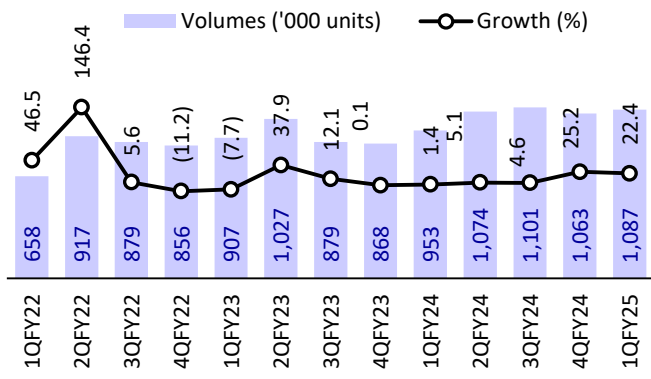


Exhibit 2: Trend in blended realizations

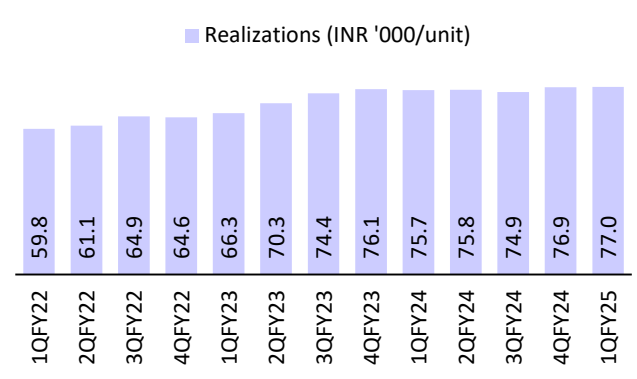


Exhibit 3: Domestic motorcycle, scooter, and overall market share trends for TVSL

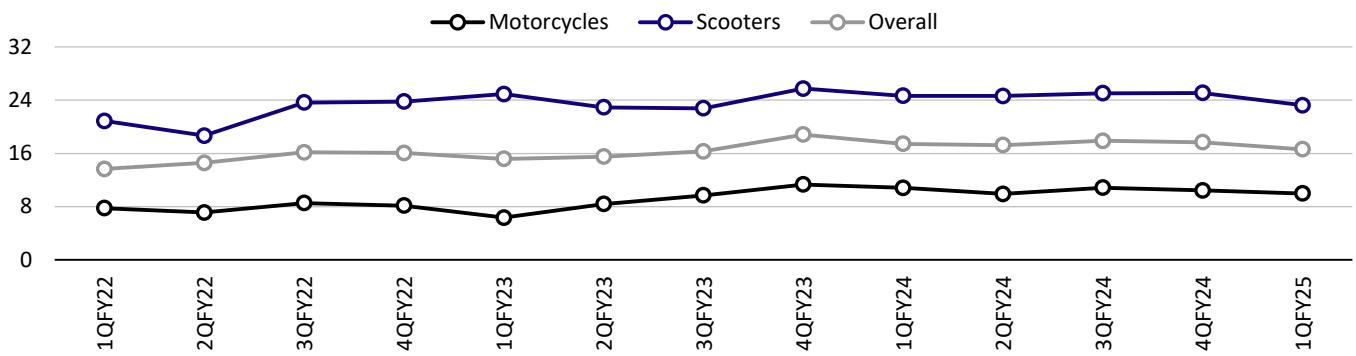


Exhibit 4: Net sales and growth trends

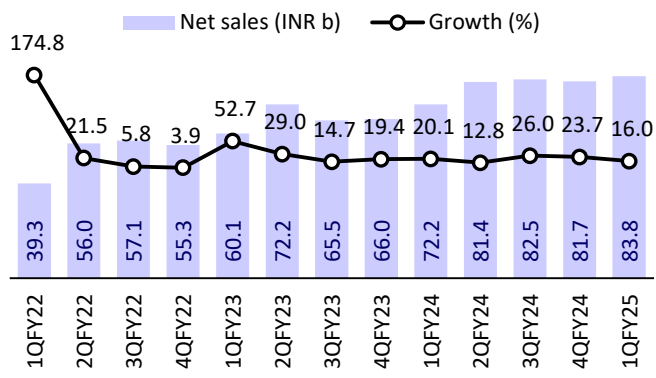


Exhibit 5: Contribution of different segments in volume mix

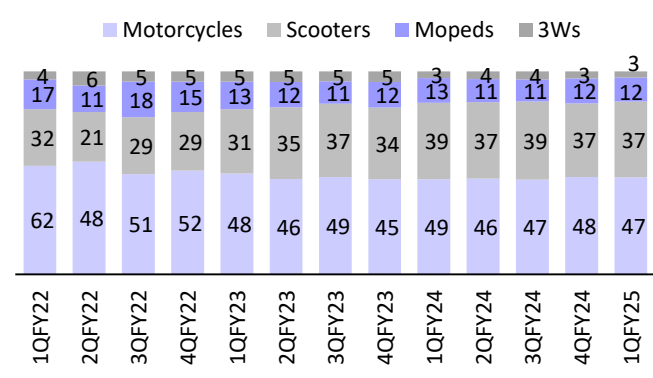


Exhibit 6: EBITDA and EBITDA margin trends

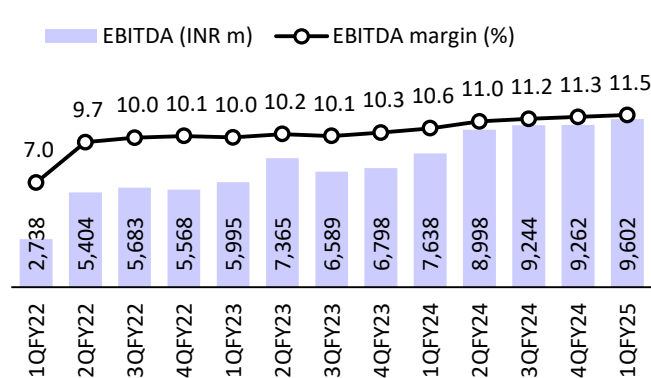
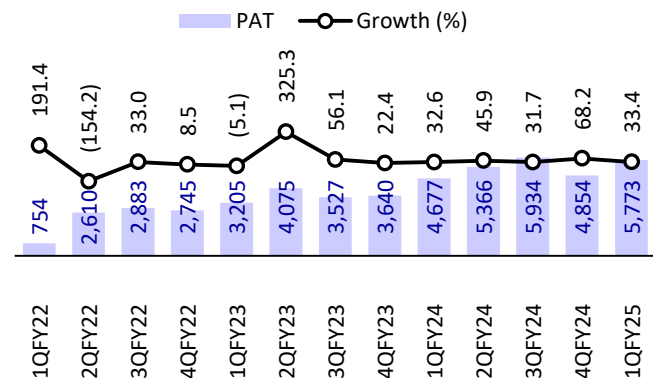


Exhibit 7: PAT and its growth trajectory



Source: Company, MOFSL

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Key takeaways from the management interaction

- **Domestic demand** - Vahaan reported ~13% YoY growth for the 2W industry in 1QFY25, with rural growing ~17% YoY. With normal monsoon expected for this fiscal, TVS expects rural recovery to drive sustained momentum for the industry in the coming quarters. Management expects the 2W industry to post 10%+ growth for FY25E.
- **Exports** - There were some challenges in Red Sea that were affecting the transit times and timely availability of containers.
 - African markets face currency devaluation and inflation, but further decline is unlikely given the low base and management expects a gradual pick-up in sales in the coming quarters. LATAM and the Middle East offer significant growth opportunities for TVS. ASEAN is likely to take some time to revive. Demand in Nepal is healthy. Despite the current ongoing in Bangladesh, the region is expected to normalize soon. TVS does not have a material exposure in Bangladesh.
 - It has started entering the European markets (like Italy) through BMW. They are now introducing TVS-branded products in the region. Management believes that market penetration in developed markets will need a lot of patience. Accordingly, TVS will focus on investments in the region towards dealer identification, market presence, and EV product launches over the next three quarters.
- **New launches**- One new product in ICE and one each in 2W/3W EV to be launched soon.
- **EVs-**
 - Introduced a new variant to make it accessible during the quarter. Feedback for the product is positive.
 - It has 750 EV dealers covering over 450 cities for the iQube.
 - It is expanding it to developed and developing export markets. It will soon export EV products to ASEAN markets, with testing already done. Local sourcing and the ASEAN FTA with Indonesia will provide advantages.
 - PLI- TVS did not recognize the PLI incentive in 1Q and is expected to do so in subsequent quarters. It has received PLI certification for two of the iQube variants, which has contributed to major volumes currently.
- **TVS Credit**- It has now ~15m customers and the book size is ~INR263.5b. The book size grew ~20% YoY in 1QFY25. PBT grew 19% YoY to INR1.87b. Net worth for TVS Credit stood at INR43.44b as on June'24 vis-à-vis ~INR38.65b as of Mar'24.
- **Norton**- It is going to launch six new products over the next three years, with the first launch likely by 4QFY26 end. The new range of motorcycles will be more affordable than the earlier line-up. TVSL has so far invested INR12b in Norton.
- **Europe e-bike market update:** Europe's sluggish economy and high industry stock levels have led to significant discounts in the e-bike segment in Europe. Despite the near term headwinds, management believes long term prospects for e-bikes in Europe remain promising due to the large market potential.
- **Capex and investments**- The company has guided a capex of INR 10-11 billion for FY25, with similar guidance for investments. In 1Q, major investments were INR3b in TVS Credit, INR1b in Norton, and INR0.3b in the e-bike entity, with a smaller amount in TVS Digital.

■ Financials-

- Other expenses in 1Q were high due to: i) Variable expenses such as packing and freight by INR600m, ii) brand-building activities raised marketing expenses by INR870m, and iii) investments in digital technologies and innovation added INR350m.
- Revenue from international market was ~INR19.63b for 1QFY25. Spares revenue stood at INR8.46b.
- The 1.4% QoQ benefit in gross margin is mainly due to sustained material cost reduction and an improved product and geography mix. TVS has taken 0.2% price increase in 1Q and a similar hike in July as well. There was some impact of RM increase in 1Q, with aluminum prices increasing, while other materials and precious metals softened. It expects a mixed outlook for commodities, with some slight increases likely.
- Staff costs increased due to performance appraisal accounting for ~10%, increase in employee strength in the area of digital, EV and software as it has added 450-500 employees.

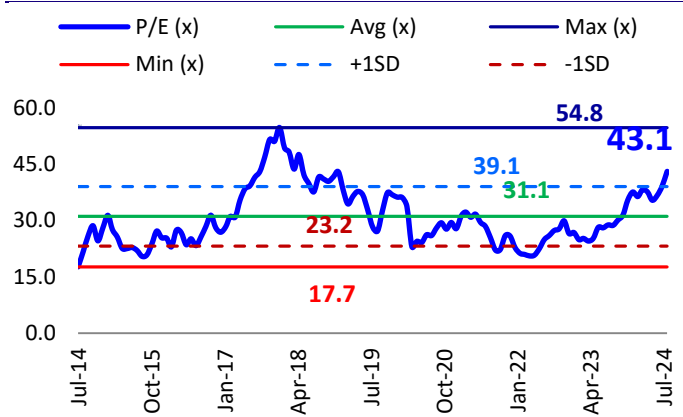
Valuation and view

- **Key beneficiary of the premiumization trend:** TVS has emerged as a major beneficiary of the industry's transition towards the 125cc+ segment, where it has established a strong presence. The contribution of its 125cc+ segment to domestic motorcycle volumes has notably increased from 55% in FY19 to 72% in FY24. We anticipate that TVSL will sustain its pace of volume growth outpacing the broader domestic 2W industry, with an expected 11% volume CAGR over the next two years, compared to the industry's CAGR of 8-9%. This growth trajectory is anticipated to be propelled by the continued demand for its existing products in the 125cc and new product launches.
- **Emerged as the leading incumbent in EVs:** TVSL has gradually gained market share in the scooters segment in recent years, and has emerged as the 2nd largest player in the segment, driven by popular products like Jupiter and Ntorq. While the scooter segment is prone to the rapid EV transition risk, the company has effectively managed this with the successful introduction of iQube, and has now emerged as the second-largest player in the electric 2W segment in India. Its robust performance in EVs demonstrates its adaptability and resilience to changing market dynamics, reassuring investors that TVSL is evolving into a technology play.
- **Expect 150bp margin expansion over FY24-26:** Over the years, TVS has worked on improving its profitability. From ~8% margin three years back, its margins have improved to 11.5% for 1QFY25. In fact, core ICE margins are likely to be higher given the current margin impact from EV ramp-up in its financials. This improvement in performance has been driven by: 1) stringent cost-cutting measures; 2) establishing a strong brand in the market; 3) alternate sourcing strategies; etc. We expect TVS to continue to work on improving its profitability and factor in 150bp expansion in EBITDA margin over FY24-26E, partially aided by PLI benefits. This improvement is projected to drive an earnings CAGR of approximately 26% in standalone earnings per share (EPS) over the same period.
- **Investments in subsidiaries and associates has been a cause for concern:** While its operational performance over the years has been amongst the best amongst listed players over the last few years, one major investor concern has been its continued investments in Associates and subsidiaries that dilute standalone performance and hurt returns. Even in FY25E, it has earmarked investments to the tune of INR10-11b in associates and subsidiaries. The fact that TVS has now been investing in both Norton and e-bike businesses in Europe for over three years (without any returns in sight), has been a major cause of investor concern in the stock.
- **Valuation and view:** We remain optimistic about domestic 2W demand growth over the next two years, driven by a strong recovery in rural demand. TVSL's growth will be supported by new product launches, but geopolitical uncertainties may continue to affect exports (about 24% of total volumes) thereby limiting its growth opportunities. Valuations at 44x/36x FY25E/FY26E EPS reflect TVSL's strong earnings growth potential and proactive stance in the EV business.
Reiterate Neutral with a TP of ~INR2,265 (premised on ~28x Jun'26E EPS + INR201/share for NBFC).

Exhibit 8: Revised forecast (Standalone)

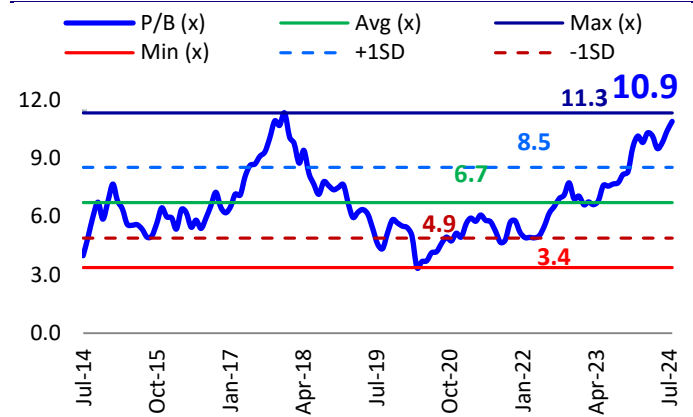
(INR M)	FY25E			FY26E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Volumes (m units)	4.64	4.68	-1.0	5.15	5.16	-0.3
Net Sales	3,61,792	3,62,871	-0.3	4,12,375	4,10,876	0.4
EBITDA	43,849	43,363	1.1	51,959	49,716	4.5
EBITDA (%)	12.1	12.0	20bp	12.6	12.1	50bp
Net Profit	27,125	26,258	3.3	33,278	31,064	7.1
EPS (INR)	57.1	55.3	3.3	70.0	65.4	7.1

Exhibit 9: P/E band



Source: MOFSL

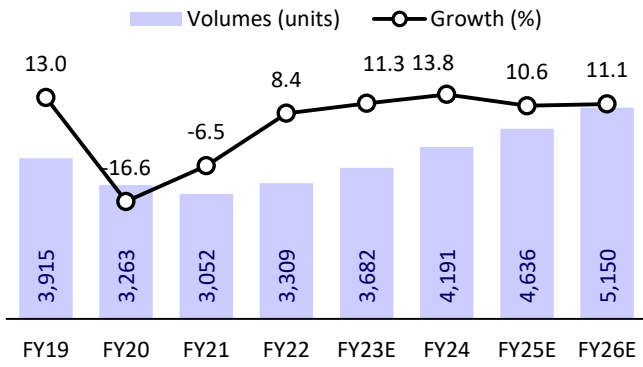
Exhibit 10: P/BV band



Source: MOFSL

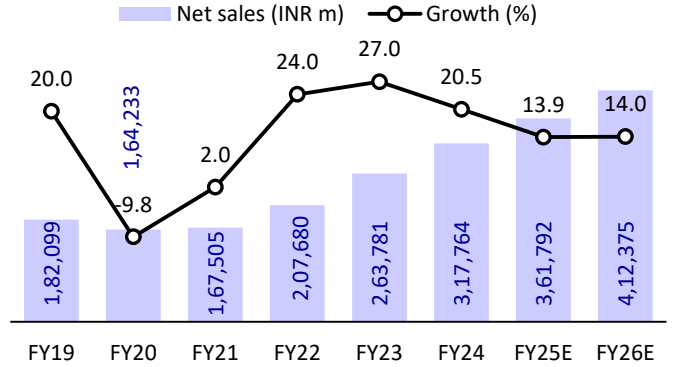
Story in charts

Exhibit 11: Volume growth trajectory



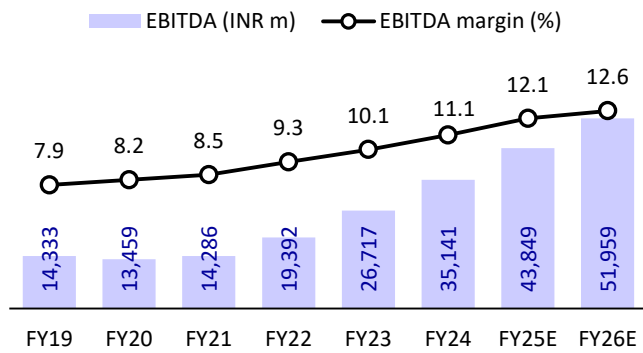
Source: Company, MOFSL

Exhibit 12: Revenue growth trend



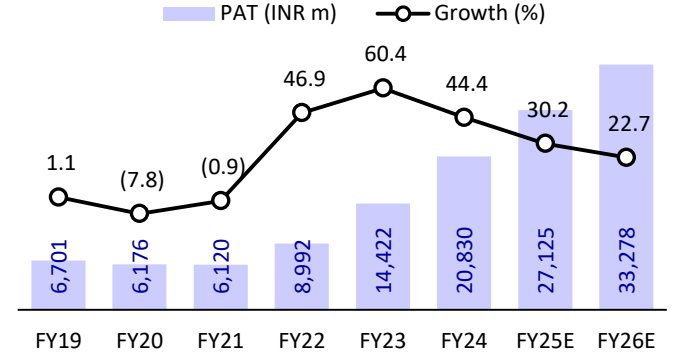
Source: Company, MOFSL

Exhibit 13: EBITDA margin trends upward



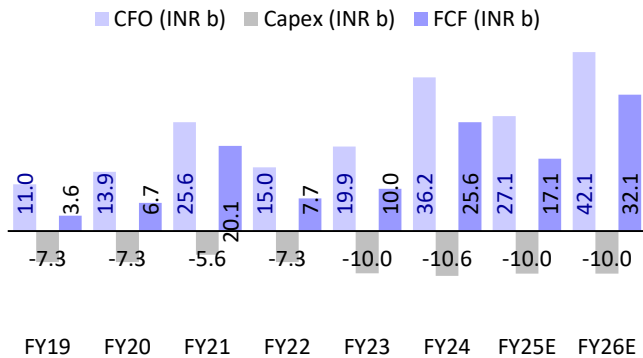
Source: Company, MOFSL

Exhibit 14: Trends in PAT and PAT growth



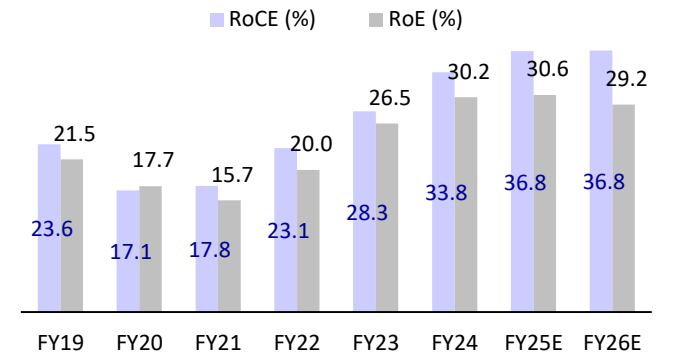
Source: Company, MOFSL

Exhibit 15: FCF to remain strong despite high capex plans



Source: Company, MOFSL

Exhibit 16: Sharp improvement in return ratios



Source: Company, MOFSL

Key operating metrics

Snapshot of the revenue model

units	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Motorcycle	13,29,105	15,39,226	13,48,662	13,29,213	17,13,464	17,13,975	19,74,891	21,42,942	24,09,292
Growth (%)	24.5	15.8	-12.4	-1.4	28.9	0.0	15.2	8.5	12.4
% of total vols	38.3	39.3	41.3	43.6	51.8	46.5	47.1	46.2	46.8
Scooter	11,34,918	13,01,115	10,75,203	9,60,946	9,22,578	13,33,925	15,67,240	17,85,238	19,79,420
Growth (%)	30.3	14.6	-17.4	-10.6	-4.0	44.6	17.5	13.9	10.9
% of total vols	32.7	33.2	32.9	31.5	27.9	36.2	37.4	38.5	38.4
Moped	8,76,932	8,96,917	6,50,799	6,25,560	4,83,396	4,45,773	4,84,531	5,19,758	5,45,830
Growth (%)	-3.7	2.3	-27.4	-3.9	-22.7	-7.8	8.7	7.3	5.0
% of total vols	25.3	22.9	19.9	20.5	14.6	12.1	11.6	11.2	10.6
Total 2Ws	33,67,426	37,58,551	30,89,581	29,28,265	31,37,298	35,12,954	40,44,824	44,69,424	49,57,317
Growth (%)	18.0	11.6	-17.8	-5.2	7.1	12.0	15.1	10.5	10.9
% of total vols	97.2	96.0	94.7	96.0	94.8	95.4	96.5	96.4	96.3
3Ws	98,684	1,56,434	1,73,911	1,23,596	1,71,875	1,69,114	1,46,170	1,66,129	1,92,458
Growth (%)	42.5	58.5	11.2	-28.9	39.1	-1.6	-13.6	13.7	15.8
% of total vols	2.8	4.0	5.3	4.0	5.2	4.6	3.5	3.6	3.7
Domestic	28,91,895	31,53,247	24,22,674	21,72,492	20,55,982	26,14,011	31,77,841	34,99,853	38,48,611
Growth (%)	15.6	9.0	-23.2	-10.3	-5.4	27.1	21.6	10.1	10.0
% of total vols	83.4	80.5	74.2	71.2	62.1	71.0	75.8	75.5	74.7
Exports	5,74,215	7,61,738	8,40,818	8,79,369	12,53,191	10,68,057	10,13,153	11,35,699	13,01,164
Growth (%)	36.4	32.7	10.4	4.6	42.5	-14.8	-5.1	12.1	14.6
% of total vols	16.6	19.5	25.8	28.8	37.9	29.0	24.2	24.5	25.3
Total volumes	34,66,110	39,14,985	32,63,492	30,51,861	33,09,173	36,82,068	41,90,994	46,35,552	51,49,776
Growth (%)	18.6	13.0	-16.6	-6.5	8.4	11.3	13.8	10.6	11.1
ASP (INR/unit)	43,782	46,513	50,324	54,886	62,759	71,639	75,821	78,047	80,076
Growth (%)	5.5	6.2	8.2	9.1	14.3	14.2	5.8	2.9	2.6
Net Sales (INR m)	1,51,754	1,82,099	1,64,233	1,67,505	2,07,680	2,63,781	3,17,764	3,61,792	4,12,375
Growth (%)	25.1	20.0	-9.8	2.0	24.0	27.0	20.5	13.9	14.0

Financials and valuations

Standalone - Income Statement

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Volumes (units)	39,14,985	32,63,492	30,51,861	33,09,173	36,82,068	41,90,994	46,35,552	51,49,776
Growth (%)	13.0	(16.6)	(6.5)	8.4	11.3	13.8	10.6	11.1
Net Sales	1,82,099	1,64,233	1,67,505	2,07,680	2,63,781	3,17,764	3,61,792	4,12,375
Change (%)	20.0	-9.8	2.0	24.0	27.0	20.5	13.9	14.0
EBITDA	14,333	13,459	14,286	19,392	26,717	35,141	43,849	51,959
Margin (%)	7.9	8.2	8.5	9.3	10.1	11.1	12.1	12.6
Depreciation	3,993	4,890	4,937	6,114	6,312	7,004	7,308	7,745
EBIT	10,340	8,568	9,349	13,278	20,405	28,138	36,541	44,215
Int. and Finance Charges	806	1,022	1,416	1,259	1,407	1,816	1,274	794
Other Income - Rec.	75	321	330	190	389	1,485	900	950
PBT bef. EO Exp.	9,610	7,867	8,262	12,209	19,387	27,807	36,167	44,370
EO Expense/(Income)	0	323	0	77	-617	0	0	0
PBT after EO Exp.	9,610	7,544	8,262	12,132	20,004	27,807	36,167	44,370
Current Tax	2,768	2,339	2,034	3,000	5,037	7,021	9,042	11,093
Deferred Tax	141	-717	108	196	87	-44	0	0
Tax Rate (%)	30.3	21.5	25.9	26.3	25.6	25.1	25.0	25.0
Reported PAT	6,701	5,923	6,120	8,936	14,881	20,830	27,125	33,278
PAT Adj for EO items	6,701	6,176	6,120	8,992	14,422	20,830	27,125	33,278
Change (%)	1.1	-7.8	-0.9	46.9	60.4	44.4	30.2	22.7

Standalone - Balance Sheet

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Equity Share Capital	475	475	475	475	475	475	475	475
Total Reserves	32,998	35,706	41,234	47,745	60,003	76,835	99,684	1,27,261
Net Worth	33,473	36,181	41,710	48,220	60,479	77,310	1,00,160	1,27,736
Deferred Liabilities	2,126	1,581	1,955	1,979	1,982	1,871	1,871	1,871
Total Loans	14,000	20,219	10,829	16,006	22,446	15,134	11,134	6,134
Capital Employed	49,600	57,981	54,493	66,205	84,906	94,315	1,13,164	1,35,741
Gross Block	50,536	58,077	63,490	72,064	79,879	87,263	1,02,565	1,12,565
Less: Accum. Deprn.	24,743	29,077	33,387	38,998	43,920	49,545	56,853	64,598
Net Fixed Assets	25,793	28,999	30,104	33,066	35,959	37,719	45,712	47,967
Capital WIP	2,572	2,854	2,787	4,245	6,277	9,301	4,000	4,000
Total Investments	23,008	28,554	33,153	47,813	61,664	71,440	81,440	1,01,440
Curr. Assets, Loans&Adv.	32,320	33,204	35,931	33,354	36,024	42,163	54,689	63,048
Inventory	11,759	10,389	11,518	11,227	12,364	13,708	19,824	22,596
Account Receivables	14,141	12,814	8,700	9,507	9,551	13,021	16,851	19,206
Cash and Bank Balance	439	4,193	9,298	4,013	2,420	5,310	3,731	5,299
Loans and Advances	5,981	5,808	6,415	8,607	11,690	10,124	14,284	15,947
Curr. Liability & Prov.	34,094	35,631	47,482	52,273	44,050	54,616	60,985	69,023
Account Payables	32,912	33,869	45,557	49,815	41,306	51,122	57,490	65,528
Provisions & other CL	1,183	1,763	1,925	2,458	2,744	3,495	3,495	3,495
Net Current Assets	-1,774	-2,427	-11,551	-18,919	-8,026	-12,453	-6,296	-5,975
Appl. of Funds	49,600	57,981	54,493	66,205	84,906	94,315	1,13,164	1,35,741

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Basic (INR)								
EPS	14.1	13.0	12.9	18.9	30.4	43.8	57.1	70.0
Growth (%)	1.1	-7.8	-0.9	46.9	60.4	44.4	30.2	22.7
Cash EPS	22.5	23.3	23.3	31.8	43.6	58.6	72.5	86.3
BV/Share	70.5	76.2	87.8	101.5	127.3	162.7	210.8	268.9
DPS	3.5	3.5	3.5	4.5	5.0	8.0	9.0	12.0
Payout (%)	29.8	33.8	27.2	23.9	16.0	18.2	15.8	17.1
Valuation (x)								
P/E	176.9	191.9	193.7	131.8	82.2	56.9	43.7	35.6
Cash P/E	110.8	107.1	107.2	78.5	57.2	42.6	34.4	28.9
P/BV	35.4	32.8	28.4	24.6	19.6	15.3	11.8	9.3
EV/Sales	6.6	7.3	7.1	5.8	4.6	3.8	3.3	2.9
EV/EBITDA	83.6	89.3	83.1	61.7	45.1	34.0	27.2	22.8
Dividend Yield (%)	0.1	0.1	0.1	0.2	0.2	0.3	0.4	0.5
Return Ratios (%)								
EBITDA Margins (%)	7.9	8.2	8.5	9.3	10.1	11.1	12.1	12.6
Net Profit Margins (%)	3.7	3.8	3.7	4.3	5.5	6.6	7.5	8.1
RoE	21.5	17.7	15.7	20.0	26.5	30.2	30.6	29.2
RoCE	23.6	17.1	17.8	23.1	28.3	33.8	36.8	36.8
RoIC	30.1	26.2	37.2	74.0	86.2	109.8	120.3	116.4
Operating Ratios								
Fixed Asset Turnover (x)	3.6	2.8	2.6	2.9	3.3	3.6	3.5	3.7
Inventory (Days)	23.6	23.1	25.1	19.7	17.1	15.7	20.0	20.0
Debtor (Days)	28	28	19	17	13	15	17	17
Creditor (Days)	66	75	99	88	57	59	58	58
Working Capital (Days)	-4	-15	-45	-40	-14	-20	-10	-10
Leverage Ratio (x)								
Current Ratio	0.9	0.9	0.8	0.6	0.8	0.8	0.9	1.0
Debt/Equity	0.4	0.6	0.3	0.3	0.4	0.2	0.1	0.0

Standalone - Cash Flow Statement

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
NP/ (Loss) bef Tax and EO	9,610	7,544	8,262	12,132	20,004	27,807	36,167	44,370
Depreciation	3,993	4,890	4,937	6,114	6,312	7,004	7,308	7,745
Interest & Finance Charges	857	1,022	1,416	1,259	1,407	1,816	1,274	794
Direct Taxes Paid	2,300	1,850	2,020	3,100	4,826	6,162	9,042	11,093
(Inc)/Dec in WC	-1,097	2,926	12,918	-962	-2,051	5,359	-7,737	1,247
CF from Operations	11,063	14,532	25,513	15,444	20,846	35,824	27,971	43,064
Others	-85	-596	96	-469	-918	349	-900	-950
CF from Operations	10,978	13,936	25,609	14,976	19,929	36,173	27,071	42,114
(inc)/dec in FA	-7,334	-7,267	-5,557	-7,279	-9,968	-10,555	-10,000	-10,000
Free Cash Flow	3,643	6,669	20,052	7,697	9,960	25,618	17,071	32,114
CF from Investments	-10,023	-12,889	-9,206	-21,410	-23,118	-18,963	-19,100	-29,050
(Inc)/Dec in Debt	939	4,013	-10,700	1,300	3,100	-4,400	-4,000	-5,000
Interest Paid	-857	-1,003	-1,129	-1,231	-1,371	-2,137	-1,274	-794
Dividend Paid	-2,000	-2,000	-998	-1,904	-2,918	-3,801	-4,276	-5,701
CF from Fin. Activity	811	2,705	-11,956	1,132	2,245	-14,696	-9,550	-11,496
Inc/Dec of Cash	1,766	3,753	4,447	-5,302	-944	2,515	-1,579	1,568
Add: Beginning Balance	-1,376	390	4,143	8,590	3,287	2,343	4,858	3,279
Closing Balance	390	4,143	8,590	3,287	2,343	4,858	3,279	4,848

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