

## Brigade Enterprises

Estimate change	
TP change	
Rating change	

	BRGD IN
Equity Shares (m)	244
M.Cap.(INRb)/(USDb)	260.3 / 3
52-Week Range (INR)	1453 / 813
1, 6, 12 Rel. Per (%)	2/-/14
12M Avg Val (INR M)	519

### Financials & Valuations (INR b)

Y/E Mar	FY25	FY26E	FY27E
Sales	50.7	49.8	61.1
EBITDA	14.1	17.5	22.4
EBITDA (%)	27.9	35.2	36.7
PAT	6.9	9.2	13.1
EPS (INR)	33.6	44.9	64.2
EPS Gr. (%)	51.9	34.0	42.7
BV/Sh. (INR)	275.9	318.8	381.0
<b>Ratios</b>			
Net D/E	0.4	0.2	0.0
RoE (%)	15.0	15.1	18.3
RoCE (%)	10.8	11.3	13.6
Payout (%)	7.5	4.4	3.1
<b>Valuations</b>			
P/E (x)	32	24	17
P/BV (x)	3.9	3.3	2.8
EV/EBITDA (x)	16.8	13.1	9.8
Div Yield (%)	0.2	0.2	0.2

### Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	41.1	41.4	43.7
DII	22.9	22.9	23.8
FII	20.2	20.2	14.9
Others	15.8	15.5	17.6

**CMP: INR1,065** **TP:INR1,583 (+49%)** **Buy**

**Revenue beats est.; margin improvement on cards**

**Bangalore and Chennai to drive growth; 12msf launch pipeline creates near-term growth visibility**

- In 4QFY25, Brigade Enterprises (BRGD) reported a pre-sales growth of 9% YoY to INR24.5b (22% below our estimate), due to a 26% YoY decline in volumes to 2.0msf (50% below our estimate).
- With launches of projects of ~4msf across Chennai and Bengaluru, BRGD recorded its highest-ever quarterly realization of INR12,083/sft, up 47% YoY.
- The company intends to launch ~12msf of residential projects in Bangalore (eight projects), Chennai (five projects), Hyderabad (one project), and Mysore (two projects) in the next four quarters.
- In light of this growth, we expect BRGD to deliver a 21% pre-sales CAGR over FY25-27 to INR115b.
- Its consolidated collections rose 5% YoY to INR19.3b (33% below our est.).
- For FY25, BRGD achieved a pre-sales of INR78.5b, up 31% YoY (8% below our estimate). Collections improved 23% YoY to INR72.5b.
- BRGD's gross debt was INR44.4b, while net debt stood at INR9.6b. Its net debt-to-equity stood at 0.14x by the end of 4QFY25 (vs. 0.18x in 3QFY24); the cost of debt was 8.67% for the quarter.
- The Board recommended a final dividend of INR2.5/sh of FV INR10 each.
- BRGD has signed a definitive agreement for a prime land parcel located on Whitefield-Hoskote Road, Bengaluru, to develop a residential project having a total saleable area of ~2.5msf with a GDV of about INR27b and a total land cost of about INR6.3b through its subsidiary, Ananthay Properties.
- The company also acquired 4.4 acres of land in Whitefield, East Bengaluru, for developing a premium residential project with a GDV of INR9.5b, having 0.6msf area.
- BRGD signed two JDAs in Mysore: 1) with a GDV of INR3b (0.45msf area), which would include 25% senior living spaces and 75% luxury apartments, and 2) with a GDV of INR2.3b (0.37msf) towards premium residential development.
- Post-4QFY25, BRGD acquired a prime land parcel on Velachery Road, Chennai, for premium residential development with a total potential of 0.8msf, resulting in a GDV of INR16b. BRGD acquired this land for INR4.4b.

### P&L performance

- Revenue declined 14% YoY to INR14.6b (8% above our est.). For FY25, BRGD achieved a revenue of INR50.7b, up 4% YoY (in line).
- EBITDA stood at INR4.1b, down 4% YoY (28% below estimates). EBITDA margin came in at 28.5%, up 307bp YoY, while it was 14pp below our estimate. For FY25, the company reported an EBITDA of INR14.1b, up 18% YoY (10% below our estimate). Its EBITDA margin stood at 28%.

- For 4QFY25, the company's adj. PAT jumped 20% YoY to INR2.5b (24% below), clocking a margin of 17%. During FY25, it reported an adj. PAT of INR6.9b, up 52% YoY (10% below our estimate).

### Annuity business reports healthy growth

- Leasing revenue grew 40% YoY to INR3.5b, and the hotel business reported a revenue of INR1.5b, which rose 22% YoY.
- The company has made good progress in the commercial portfolio's occupancy, which rose to 92% in FY25 from 83% in FY24.
- The company has 2.01msf of office and retail area under construction. BRGD has a balance capex commitment of INR7.1b out of a total ongoing capex of INR12.5b for commercial assets.

### Valuation and view

- BRGD reported a flattish revenue growth on a QoQ basis even after launching ~2x of residential area in 4QFY25. Although it has a strong launch pipeline of ~12msf, which should enable it to sustain the growth traction going ahead.
- Management intends to keep assessing growth opportunities in the residential segment and expects to spend more on business development over the next two years. This will provide growth visibility in the residential segment and lead to a further re-rating. **We reiterate our BUY rating with a revised TP of INR1,583 (vs. INR1,415), implying a 49% potential upside.**

### Quarterly Performance

Y/E March	FY24				FY25				FY24	FY25	FY25E 4Q	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>Gross Sales</b>	6,540	13,666	11,738	17,024	10,777	10,722	14,639	14,604	48,967	50,742	13,530	8%
YoY Change (%)	-27.5	55.4	43.1	102.0	64.8	-21.5	24.7	-14.2	42.1	3.6	-20.5	
<b>Total Expenditure</b>	4,792	10,418	9,117	12,696	7,851	7,802	10,502	10,444	37,023	36,600	7,731	
<b>EBITDA</b>	<b>1,748</b>	<b>3,248</b>	<b>2,620</b>	<b>4,327</b>	<b>2,926</b>	<b>2,919</b>	<b>4,137</b>	<b>4,160</b>	<b>11,944</b>	<b>14,142</b>	<b>5,800</b>	-28%
Margins (%)	26.7	23.8	22.3	25.4	27.1	27.2	28.3	28.5	24.4	27.9	42.9	-1438bps
Depreciation	681	757	821	762	679	689	763	756	3,021	2,888	977	
Interest	1,081	1,100	1,349	1,380	1,519	1,226	1,143	1,066	4,910	4,955	802	
Other Income	315	413	344	603	357	660	657	719	1,674	2,393	84	
<b>PBT before EO expense</b>	<b>300</b>	<b>1,803</b>	<b>795</b>	<b>2,788</b>	<b>1,084</b>	<b>1,664</b>	<b>2,888</b>	<b>3,057</b>	<b>5,687</b>	<b>8,693</b>	<b>4,105</b>	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	0
<b>PBT</b>	<b>300</b>	<b>1,803</b>	<b>795</b>	<b>2,788</b>	<b>1,084</b>	<b>1,664</b>	<b>2,888</b>	<b>3,057</b>	<b>5,687</b>	<b>8,693</b>	<b>4,105</b>	
Tax	82	679	237	680	279	513	533	563	1,676	1,888	1,127	
Rate (%)	27.1	37.6	29.8	24.4	25.7	30.8	18.5	18.4	29.5	21.6	27.5	
MI & P/L of Asso. Cos.	-166	-210	-177	48	-32	-39	-7	25	-506	-53	-283	
<b>Reported PAT</b>	<b>385</b>	<b>1,335</b>	<b>735</b>	<b>2,061</b>	<b>837</b>	<b>1,190</b>	<b>2,362</b>	<b>2,468</b>	<b>4,516</b>	<b>6,858</b>	<b>3,261</b>	-24%
<b>Adj PAT</b>	<b>385</b>	<b>1,335</b>	<b>735</b>	<b>2,061</b>	<b>837</b>	<b>1,190</b>	<b>2,362</b>	<b>2,468</b>	<b>4,516</b>	<b>6,858</b>	<b>3,261</b>	-24%
YoY Change (%)	-52.0	103.0	29.2	289.1	117.3	-10.9	221.5	19.8	79.6	51.9	58.2	
Margins (%)	5.9	9.8	6.3	12.1	7.8	11.1	16.1	16.9	9.2	13.5	24.1	

E: MOFSL Estimates

### Operational Performance

Pre Sales (msf)	1.5	1.7	1.7	2.7	1.2	1.7	2.2	2.0	7.5	7.0	4.1	-50%
Booking Value (INRb)	10.0	12.5	15.2	22.4	10.9	18.2	24.9	24.5	60.1	78.5	31	-22%
Avg rate/sf (INR)	6,822	7,466	8,994	8,246	9,442	10,838	11,364	12,083	7966	11132	7664	58%
Collections (INRb)	12.4	14.4	13.9	18.4	16.1	19.4	17.8	19.3	59.2	72.5	29	-33%

Source: Company, MOFSL Estimates



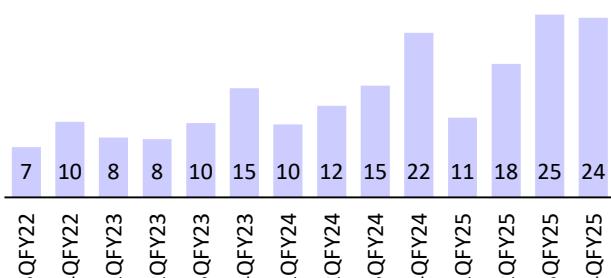
## Highlights from the management commentary

- **Demand/Sales/Margins:** Management indicated strong on-ground demand, with all upcoming launches to be fully priced. Brigade aims to sell 50% of inventory within the initial few quarters post-launch, and the balance to be sold as part of sustenance. The company guided ~15–20% YoY growth in pre-sales and a 10% price increase for like-to-like projects. Embedded EBITDA margins are likely to remain in the 27–30% range for the full year, including FY26.
- **New launches/pipeline:** In 4QFY25, Brigade launched Brigade Altius, Eternia, and Orchards, covering areas of 1.4/2.1/0.4 msf, respectively, in Chennai and Bengaluru. Across FY25, the company launched projects with a Gross Development Value (GDV) of INR117b. Typically, projects are launched within 12 months of acquisition. Of the total sales in FY25, 54% were from new launches and ~70% came from Bengaluru. Brigade has a pipeline of nearly 12 msf of upcoming launches across key cities—Bengaluru (8 projects), Chennai (5 projects), Hyderabad (1 project), and Mysuru (2 projects).
- **Business development:** Total business development in FY25 stood at 12 msf with an overall GDV of INR125b, including 4msf added in 4Q. An additional INR7.5b is planned to be spent on land acquisition. The company is in negotiations for other projects in Hyderabad and is exploring opportunities in additional geographies.
- **Commercial:** Management shared that one of the Twin Towers, totaling 0.55 msf, is intended for strata sales, while other under-construction commercial assets will be retained under the leasing model. Construction has commenced for Brigade Tech Boulevard, Chennai (0.8 msf) and Brigade Padmini Tech Valley Block B (0.7 msf), with ~30% of the commercial space already leased or sold.
- **Hospitality:** In 3QFY25, Brigade submitted a draft proposal to the regulator to seek approvals for listing its hospitality business as a wholly-owned subsidiary under the name Brigade Hotel Ventures Ltd. As a result, no updates were provided for the hospitality segment in 4QFY25.
- **Expansion in Kerala:** Brigade is expanding in Kerala with a planned World Trade Centre (WTC) in Thiruvananthapuram, comprising 1.5 msf of office space. The group has also signed on to expand the WTC in Kochi Infopark with a third tower, taking the IT infrastructure to 1 msf. Future investments of INR15b are planned in Kerala, expected to create employment opportunities.
- **Chennai residential project (West Chennai):** BRGD signed a Joint Development Agreement (JDA) for a ~1 msf residential project in West Chennai, with an estimated GDV of ~INR8b. This will form part of a 1.5 msf mixed-use development.
- **Whitefield acquisition:** BRGD acquired 4.4 acres of land in Whitefield, East Bengaluru, to develop a premium residential project with 0.6 msf area and an associated GDV of INR9.5b.
- **Mysuru JDAs:** Two JDAs were signed in Mysuru—1) a project with a GDV of INR3b (0.45 msf) including 25% senior living and 75% luxury apartments, and 2) a premium residential project with GDV of INR2.3b (0.37 msf).
- **Velachery Road acquisition (post-4QFY25):** Post-4QFY25, BRGD acquired a prime land parcel on Velachery Road, Chennai, for a premium residential project. The land has development potential of 0.8 msf with a GDV of INR16b and was acquired for INR4.4b.
- **Cash position:** Out of the total INR34b cash on hand, approximately INR15–16b constitutes free cash, with the remainder held in RERA accounts.
- **Credit rating upgrade:** CRISIL upgraded BRGD's credit rating from AA- (Stable) to AA- (Positive).

## Key exhibits

### Exhibit 1: New bookings increased 9% YoY

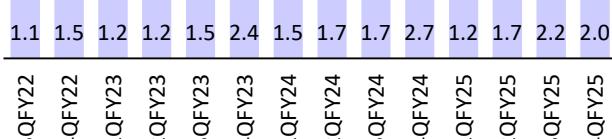
Booking Value (INRb)



Source: Company, MOFSL

### Exhibit 2: Volume was down 26% YoY

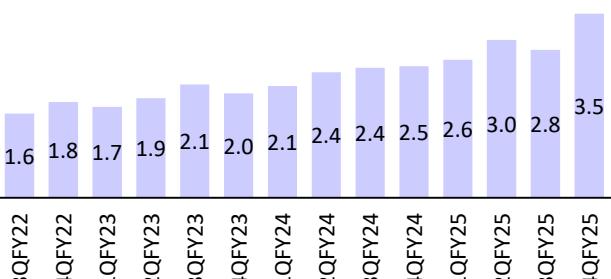
Pre Sales (msf)



Source: Company, MOFSL

### Exhibit 3: Rental income increased 40% YoY to INR3.5b

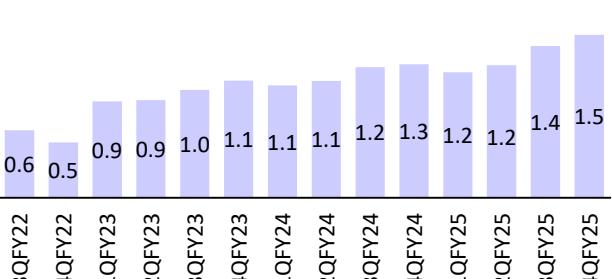
Rental Income (INRb)



Source: Company, MOFSL

### Exhibit 4: Hotel portfolio income grew 22% YoY

Hospitality Income (INRb)

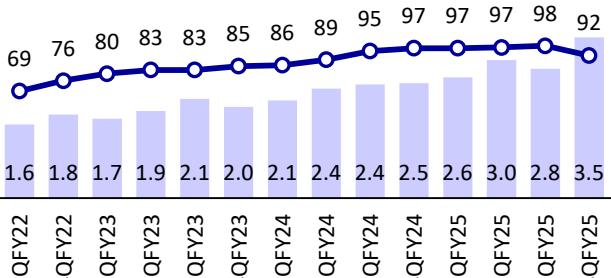


Source: Company, MOFSL

### Exhibit 5: Occupancy down 6% at 92% and rentals up 40%

YoY

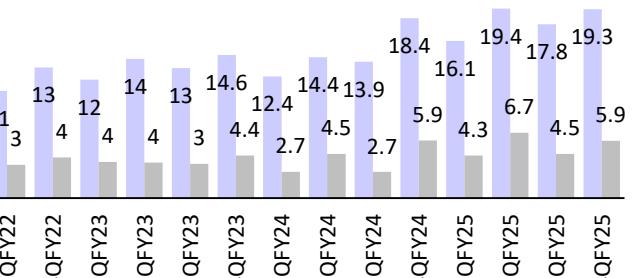
Rental Income (INRb)      Occupancy %



Source: MOFSL, Company

### Exhibit 6: Strong collections resulted in an OCF of INR5.9b

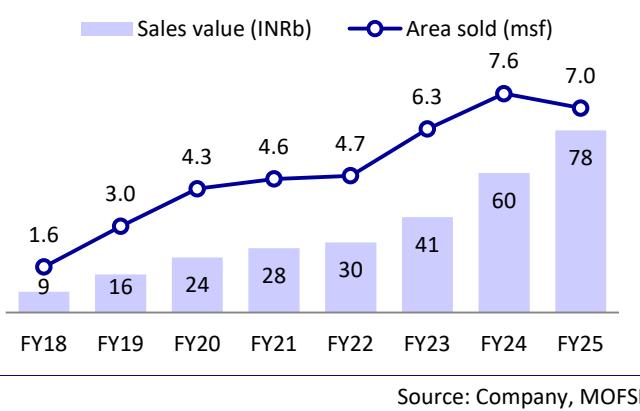
Collection (INRb)      OCF (INRb)



Source: MOFSL, Company

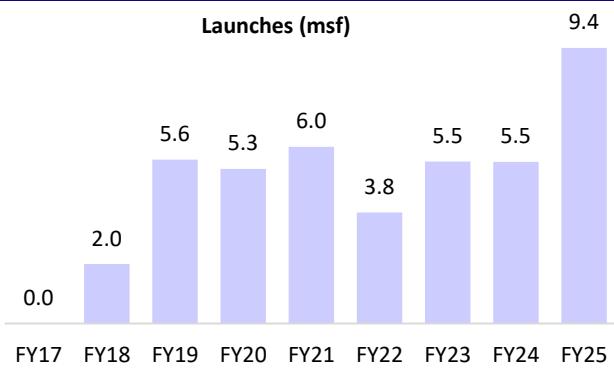
## Story in charts

**Exhibit 7: Scaled up the residential business and clocked the highest-ever sales of INR78b in FY25**



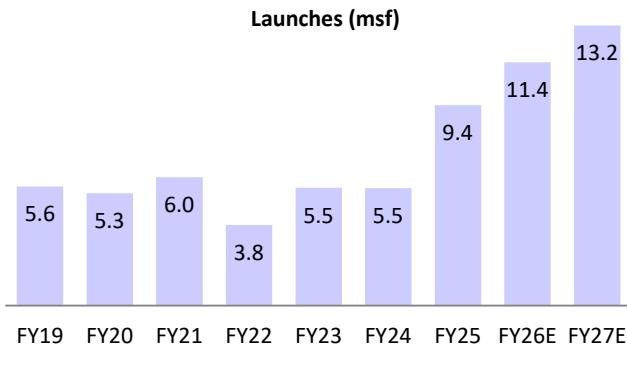
Source: Company, MOFSL

**Exhibit 8: Pre-sales reported a 30% CAGR over FY19-25, led by an acceleration in launches**



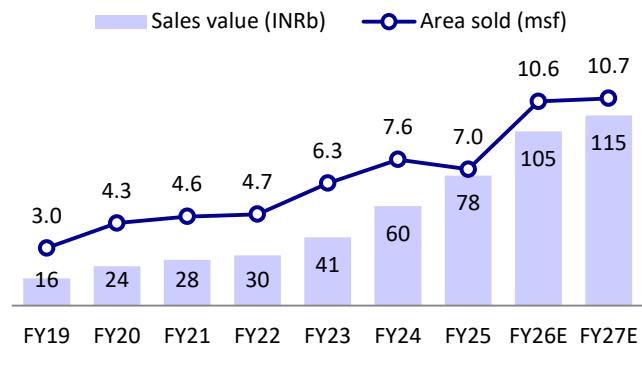
Source: Company, MOFSL

**Exhibit 1: New launches to increase to 13.2msf in FY27E**



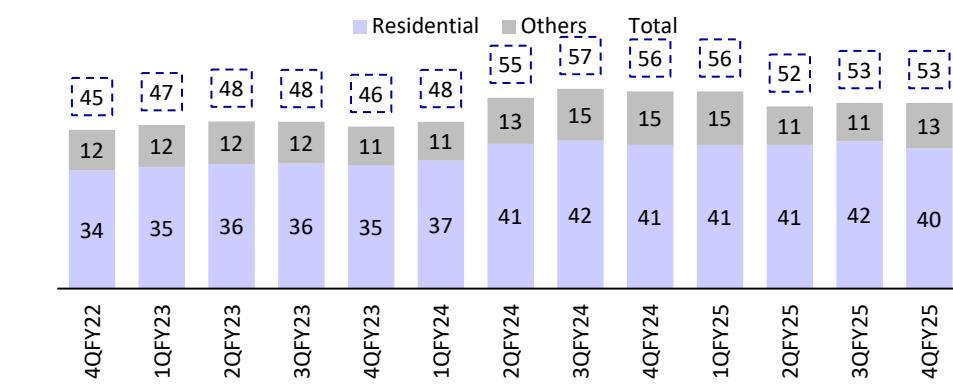
Source: Company, MOFSL

**Exhibit 2: Expect bookings to reach INR115b by FY27...**



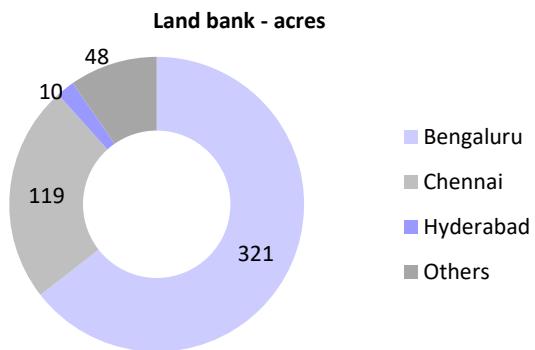
Source: Company, MOFSL

**Exhibit 3: ....aided by a large project pipeline**



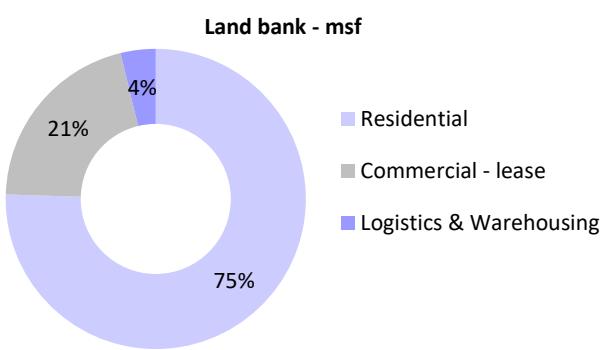
Source: Company, MOFSL

**Exhibit 4: Major share of the land bank is located in Bengaluru and Chennai...**



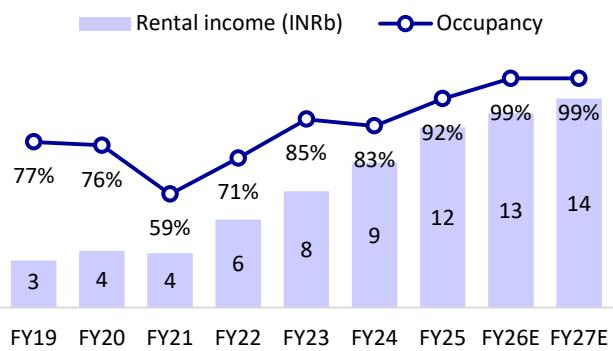
Source: Company, MOFSL

**Exhibit 5: ...and ~75% of the land bank is meant for residential development**



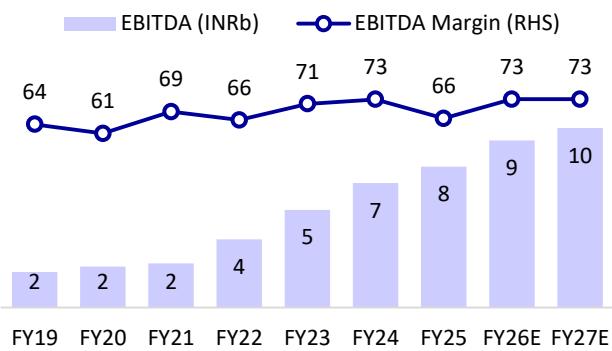
Source: Company, MOFSL

**Exhibit 6: Expect occupancy in annuity assets to gradually improve**



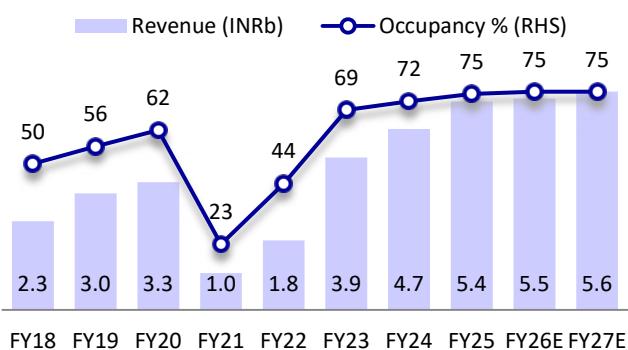
Source: MOFSL, Company

**Exhibit 7: Expect the commercial portfolio to report INR10b in EBITDA**



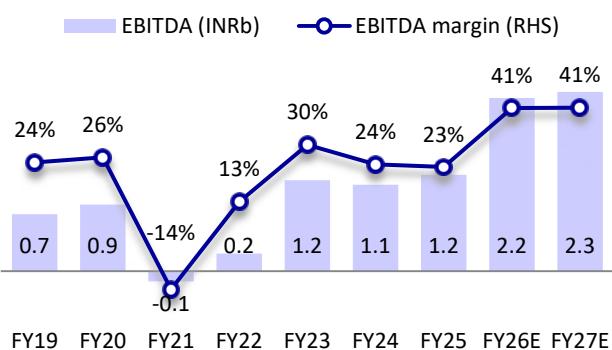
Source: MOFSL, Company

**Exhibit 8: The Hospitality portfolio witnessed a jump in occupancy over the last three years...**



Source: Company, MOFSL

**Exhibit 9: ...it should report an EBITDA of INR2.3b by FY27E**



Source: Company, MOFSL

**Exhibit 10: Our earnings revisions**

(INR b)	Old		New		Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	50	61	50	61	0%	0%
EBITDA	18	22	18	22	0%	0%
Adj. PAT	9	13	9	13	3%	2%
Pre-sales	105	115	105	115	0%	0%
Collections	78	94	78	94	0%	0%

Source: MOFSL, Company

**Valuation and view**

- **We value BRGD based on our DCF approach:**
- Its residential business is valued by discounting cash flows from the residential portfolio at WACC of 11.3%, accommodating BD done in FY25 and land investments of INR20b for development.
- Its operational commercial assets are valued at an 8.5% cap rate on a Mar'26E basis, and ongoing and upcoming projects using DCF.
- Its Hospitality business is valued at 15x EV/EBITDA on an FY26E basis.
- Based on the above approach, we arrive at GAV of INR316b. Netting off the FY25 net debt of INR2b, we derive the NAV of INR314b. Further, to accommodate future growth and the going concern, we ascribe a 35% premium to the current residential and office assets (as the hospitality arm will be listed separately), arriving at a post-premium NAV of INR386b or INR1,583 per share (earlier INR345b or INR1,415 per share), indicating a potential upside of 49%.

**Exhibit 11: Our SoTP-based approach denotes a 49% upside potential for BRGD; reiterate BUY**

Segment	Valuation metric	Value (INR b)	Per share	As a percentage of NAV
Residential	❖ Discounted residential cash flow at 11.3% WACC; accommodated BD and land investment for future	122	497	31%
Commercial	❖ Based on the cap rate of 8.5% for Office and Retail assets on Mar'25E EBITDA	84	343	22%
Hotel	❖ FY26E EV/EBITDA of 15x	34	137	9%
Land Bank	❖ Calculated at 2x FSI	77	316	20%
<b>Gross asset value</b>		<b>316</b>	<b>1,294</b>	<b>82%</b>
Net debt (BRGD's share)		(2)	(8)	-1%
<b>Net asset value</b>		<b>314</b>	<b>1,286</b>	<b>81%</b>
Premium/ Going concern	❖ 35% to residential & office assets	72	294	19%
<b>Target price</b>		<b>386</b>	<b>1,583</b>	<b>100%</b>
No. of shares			244	
CMP			1064	
<b>Upside</b>			49%	

Source: MOFSL

## Financials and Valuation

### Consolidated Profit & Loss

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
<b>Total Income from Operations</b>	<b>19,500</b>	<b>29,988</b>	<b>34,446</b>	<b>48,967</b>	<b>50,742</b>	<b>49,758</b>	<b>61,148</b>
Change (%)	-25.9	53.8	14.9	42.2	3.6	-1.9	22.9
<b>Total Expenditure</b>	<b>14,780</b>	<b>22,325</b>	<b>25,856</b>	<b>37,023</b>	<b>36,600</b>	<b>32,222</b>	<b>38,725</b>
% of Sales	75.8	74.4	75.1	75.6	72.1	64.8	63.3
<b>EBITDA</b>	<b>4,719</b>	<b>7,663</b>	<b>8,590</b>	<b>11,944</b>	<b>14,142</b>	<b>17,536</b>	<b>22,423</b>
Margin (%)	24.2	25.6	24.9	24.4	27.9	35.2	36.7
Depreciation	2,369	3,505	3,146	3,021	2,888	3,165	3,220
<b>EBIT</b>	<b>2,350</b>	<b>4,158</b>	<b>5,444</b>	<b>8,923</b>	<b>11,254</b>	<b>14,372</b>	<b>19,203</b>
Int. and Finance Charges	3,468	4,436	4,342	4,910	4,955	4,809	4,576
Other Income	604	667	1,186	1,675	2,393	2,513	2,639
<b>PBT bef. EO Exp.</b>	<b>-514</b>	<b>389</b>	<b>2,289</b>	<b>5,687</b>	<b>8,693</b>	<b>12,076</b>	<b>17,266</b>
EO Items	-763	-567	450	0	0	0	0
<b>PBT after EO Exp.</b>	<b>-1,277</b>	<b>-177</b>	<b>2,739</b>	<b>5,687</b>	<b>8,693</b>	<b>12,076</b>	<b>17,266</b>
Total Tax	-287	497	558	1,676	1,888	3,039	4,346
Tax Rate (%)	22.5	-280.3	20.4	29.5	21.7	25.2	25.2
Minority Interest	-475	-1,448	-651	-506	-53	-150	-191
<b>Reported PAT</b>	<b>-515</b>	<b>774</b>	<b>2,832</b>	<b>4,516</b>	<b>6,858</b>	<b>9,186</b>	<b>13,111</b>
<b>Adjusted PAT</b>	<b>77</b>	<b>1,739</b>	<b>2,474</b>	<b>4,516</b>	<b>6,858</b>	<b>9,186</b>	<b>13,111</b>
Change (%)	-94.6	2,165.4	42.2	82.6	51.9	34.0	42.7
Margin (%)	0.4	5.8	7.2	9.2	13.5	18.5	21.4

### Consolidated Balance Sheet

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Equity Share Capital	2,109	2,303	2,303	2,311	2,444	2,444	2,444
Total Reserves	21,368	26,797	30,143	32,851	53,941	62,718	75,421
<b>Net Worth</b>	<b>23,477</b>	<b>29,099</b>	<b>32,445</b>	<b>35,162</b>	<b>56,385</b>	<b>65,162</b>	<b>77,865</b>
Minority Interest	1,156	-323	-1,013	417	2,769	2,619	2,427
Total Loans	43,897	48,327	45,488	53,366	52,745	50,245	47,745
Deferred Tax Liabilities	-2,155	-2,642	-3,317	266	142	142	142
<b>Capital Employed</b>	<b>66,374</b>	<b>74,461</b>	<b>73,604</b>	<b>89,210</b>	<b>1,12,040</b>	<b>1,18,168</b>	<b>1,28,179</b>
Gross Block	59,464	61,822	62,567	76,243	90,660	92,242	93,852
Less: Accum. Deprn.	9,308	12,814	15,960	18,980	21,868	25,033	28,253
<b>Net Fixed Assets</b>	<b>50,156</b>	<b>49,008</b>	<b>46,608</b>	<b>57,262</b>	<b>68,792</b>	<b>67,209</b>	<b>65,599</b>
Goodwill on Consolidation	43	43	203	203	203	203	203
Capital WIP	4,949	5,407	7,405	782	1,378	1,378	1,378
<b>Total Investments</b>	<b>890</b>	<b>5,086</b>	<b>617</b>	<b>497</b>	<b>430</b>	<b>430</b>	<b>430</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>79,942</b>	<b>88,825</b>	<b>1,05,500</b>	<b>1,20,118</b>	<b>1,50,097</b>	<b>1,50,236</b>	<b>1,84,732</b>
Inventory	59,020	62,228	73,273	77,359	88,688	84,521	1,03,867
Account Receivables	5,272	5,042	4,616	4,997	6,291	6,169	7,581
Cash and Bank Balance	5,594	9,448	14,781	17,373	32,610	37,475	46,160
Loans and Advances	10,056	12,108	12,830	20,389	22,508	22,071	27,123
<b>Curr. Liability &amp; Prov.</b>	<b>69,606</b>	<b>73,908</b>	<b>86,729</b>	<b>89,652</b>	<b>1,08,860</b>	<b>1,01,290</b>	<b>1,24,164</b>
Account Payables	5,770	6,491	7,347	7,601	7,858	11,476	13,792
Other Current Liabilities	63,747	67,333	79,278	81,818	1,00,668	89,565	1,10,066
Provisions	89	83	105	234	335	249	306
<b>Net Current Assets</b>	<b>10,336</b>	<b>14,917</b>	<b>18,770</b>	<b>30,466</b>	<b>41,237</b>	<b>48,946</b>	<b>60,568</b>
<b>Appl. of Funds</b>	<b>66,374</b>	<b>74,462</b>	<b>73,603</b>	<b>89,210</b>	<b>1,12,040</b>	<b>1,18,167</b>	<b>1,28,179</b>

## Financials and valuations

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
<b>Basic (INR)</b>							
EPS	<b>0.4</b>	<b>8.5</b>	<b>12.1</b>	<b>22.1</b>	<b>33.6</b>	<b>44.9</b>	<b>64.2</b>
Cash EPS	12.0	25.7	27.5	36.9	47.7	60.4	79.9
BV/Share	114.9	142.4	158.8	172.0	275.9	318.8	381.0
DPS	0.0	1.0	3.0	2.0	2.5	2.0	2.0
Payout (%)	0.0	26.4	21.6	9.1	7.5	4.4	3.1
<b>Valuation (x)</b>							
P/E	2,832.1	125.0	87.9	48.2	31.7	23.7	16.6
Cash P/E	88.9	41.5	38.7	28.9	22.3	17.6	13.3
P/BV	9.3	7.5	6.7	6.2	3.9	3.3	2.8
EV/Sales	13.1	8.5	7.2	5.2	4.7	4.6	3.6
EV/EBITDA	54.2	33.5	28.9	21.2	16.8	13.1	9.8
Dividend Yield (%)	0.0	0.1	0.3	0.2	0.2	0.2	0.2
FCF per share	16.4	40.3	34.3	3.2	17.5	49.3	66.2
<b>Return Ratios (%)</b>							
RoE	0.3	6.6	8.0	13.4	15.0	15.1	18.3
RoCE	3.4	25.3	6.8	9.0	10.8	11.3	13.6
RoIC	3.7	28.9	8.2	10.4	11.9	13.7	18.1
<b>Working Capital Ratios</b>							
Fixed Asset Turnover (x)	0.3	0.5	0.6	0.6	0.6	0.5	0.7
Asset Turnover (x)	0.3	0.4	0.5	0.5	0.5	0.4	0.5
Inventory (Days)	1,105	757	776	577	638	620	620
Debtor (Days)	99	61	49	37	45	45	45
Creditor (Days)	108	79	78	57	57	84	82
<b>Leverage Ratio (x)</b>							
Current Ratio	1.1	1.2	1.2	1.3	1.4	1.5	1.5
Interest Cover Ratio	0.7	0.9	1.3	1.8	2.3	3.0	4.2
Net Debt/Equity	1.6	1.3	0.9	1.0	0.4	0.2	0.0

### Consolidated Cash flow

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
OP/(Loss) before Tax	-1,251	-150	2,780	5,687	8,693	12,076	17,266
Depreciation	2,369	3,505	3,146	3,021	2,888	3,165	3,220
Interest & Finance Charges	3,468	4,436	4,342	4,910	4,955	4,809	4,576
Direct Taxes Paid	-536	-1,039	-1,591	-2,420	-3,195	-3,039	-4,346
(Inc)/Dec in WC	3,814	4,047	2,374	-6,794	-1,571	-2,845	-2,937
<b>CF from Operations</b>	<b>7,864</b>	<b>10,799</b>	<b>11,051</b>	<b>4,404</b>	<b>11,769</b>	<b>14,165</b>	<b>17,779</b>
Others	165	-478	-1,386	-1,064	-1,816	-2,513	-2,639
<b>CF from Operating incl EO</b>	<b>8,029</b>	<b>10,321</b>	<b>9,665</b>	<b>3,340</b>	<b>9,953</b>	<b>11,652</b>	<b>15,141</b>
(Inc)/Dec in FA	-4,670	-2,084	-2,656	-2,680	-6,374	-1,582	-1,610
<b>Free Cash Flow</b>	<b>3,359</b>	<b>8,237</b>	<b>7,008</b>	<b>660</b>	<b>3,579</b>	<b>10,070</b>	<b>13,531</b>
(Pur)/Sale of Investments	-342	-4,036	4,741	0	27	0	0
Others	-2,473	-3,594	-4,791	-1,115	448	2,513	2,639
<b>CF from Investments</b>	<b>-7,484</b>	<b>-9,714</b>	<b>-2,706</b>	<b>-3,795</b>	<b>-5,899</b>	<b>931</b>	<b>1,029</b>
Issue of Shares	883	5,028	78	82	14,823	0	0
Inc/(Dec) in Debt	3,032	-831	-2,820	8,819	-921	-2,500	-2,500
Interest Paid	-3,943	-3,511	-3,841	-5,798	-4,672	-4,809	-4,576
Dividend Paid	0	-276	-346	-462	-463	-409	-409
Others	2,029	-78	-24	-236	-172	0	0
<b>CF from Fin. Activity</b>	<b>2,000</b>	<b>333</b>	<b>-6,952</b>	<b>2,406</b>	<b>8,597</b>	<b>-7,718</b>	<b>-7,484</b>
<b>Inc/Dec of Cash</b>	<b>2,545</b>	<b>940</b>	<b>6</b>	<b>1,951</b>	<b>12,651</b>	<b>4,865</b>	<b>8,685</b>
Opening Balance	3,049	2,804	3,745	3,751	5,702	18,353	23,218
<b>Closing Balance</b>	<b>5,594</b>	<b>3,745</b>	<b>3,751</b>	<b>5,702</b>	<b>18,353</b>	<b>23,218</b>	<b>31,903</b>

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

## NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

\*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

#### Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations). Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on [www.motilaloswal.com](http://www.motilaloswal.com). MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Lis%20of%20Associate%20companies.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com). Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

#### Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

#### For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

#### For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

#### For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to [grievances@motilaloswal.com](mailto:grievances@motilaloswal.com).

Nainesh Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto:nainesh.rajani@motilaloswal.com)

Contact: (+65) 8328 0276

#### Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).  
MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.  
Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.  
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.  
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.  
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.

7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

#### Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

#### Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

#### Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263;

www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrivances@motilaloswal.com.