13 August 2025

1QFY26 Results Update | Sector: Automobile

Samvardhana Motherson

Estimate changes	↓
TP change	↔
Rating change	↔

Bloomberg	MOTHERSO IN
Equity Shares (m)	10554
M.Cap.(INRb)/(USDb)	985.6 / 11.3
52-Week Range (INR)	145 / 72
1, 6, 12 Rel. Per (%)	-5/1/-24
12M Avg Val (INR M)	2694

MOTHERSO: Financials & Valuations

INR Billion	2025	2026E	2027E
Sales	1,137	1,247	1,326
EBITDA	105.5	106.1	126.6
Adj. PAT	38.0	35.5	49.1
EPS (INR)	3.6	3.3	4.6
EPS Growth (%)	51.5	-6.8	38.4
BV/Share (INR)	32.7	34.9	38.2
Ratios			
Net D:E	0.0	-0.1	-0.2
RoE (%)	12.5	9.8	12.6
RoCE (%)	10.9	8.9	10.7
Payout (%)	30.0	30.0	30.0
Valuations			
P/E (x)	26.2	28.1	20.3
P/BV (x)	2.9	2.7	2.4
Div. Yield (%)	1.1	1.0	1.5
FCF Yield (%)	1.9	8.9	6.8

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	48.6	58.1	60.4
DII	20.8	21.0	18.2
FII	12.6	12.4	12.9
Others	18.0	8.4	8.6

FII Includes depository receipts

CMP: INR93 TP: INR114 (+22%) Buy

Transient costs drive PAT miss, to normalize in 2H

Margins likely to revive from 3Q onward

- Samvardhana Motherson's (SAMIL) 1QFY26 adjusted PAT at INR6.2b was well below our estimate of INR9.7b, falling 37.5% YoY as its margins were under pressure due to multiple headwinds. Management has clarified that the bulk of these increased costs are transient in nature and expects its performance to revive from 3Q (2Q being seasonally weak in Europe).
- Given the weak 1Q performance and an adverse near-term macro in key regions, we have lowered our earnings estimates by 9%/2% for FY26/FY27. While the ongoing tariff issue may lead to a near-term slowdown in some of its key geographies, we expect SAMIL to be the least impacted by these tariffs as it has all its facilities close to its customers and can effectively realign supplies as per customer needs. We reiterate our BUY rating with a revised TP of INR114, based on 24x Jun'27E EPS.

Weak operating performance led by multiple headwinds

- **Consolidated revenue** grew 4.7% YoY to INR302.1b (in line with our estimate of INR305.9b). Adjusted PAT at INR6.2b was well below our estimate of INR9.7b, down 37.5% YoY as its margins were under pressure due to multiple headwinds.
- EBITDA margins fell 150bp YoY to 8.1%, below our estimates of 9.1%. Margin impact was led by the inflationary pressure in Europe, timing difference in tariff-related pass-through of costs, greenfield-related start-up costs in non-auto segment, and early-stage integration adjustments for certain newly acquired assets.
- Among segments, the overall performance was dragged down by Modules and Polymers (margin down 230bp YoY to 6.4% vs. our est. of 7.9%) and Emerging business (margin down 380bp to 8.4% vs. our est. of 13%). Modules and Polymers were primarily impacted by structural issues in Europe, while the Emerging business was hit by start-up costs of new facilities and early-stage integration adjustments for certain newly acquired assets. The non-auto business posted strong 40% growth YoY, which should further accelerate once its large greenfield in Consumer Electronics is operational from 3QFY27.
- Most of the other segments' performance was largely in line: wiring harness margin declined 30bp YoY to 11.4%; Vision Systems margin fell 30bp to 9.2%; and Integrated Assembly margin improved 130bp to 11.4%.
- Interest burden was higher than expected at INR4.3b and was impacted by a forex loss of INR930mn due to high forex volatility.
- Net debt increased to INR112b from INR9.8b QoQ due to higher working capital on tariff-led uncertainties. As a result, net debt-to-EBITDA ratio increased to 1.1x from 0.9x QoQ.

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Highlights from the management commentary

- EBITDA margin stood at 8.1% (vs. 9.6% YoY), reflecting structural challenges in Western/Central Europe, FX volatility, geopolitical tensions and greenfield start-up costs. Management believes that this impact is transient in nature and expects a much better performance in 2H and FY27 once the impact of its cost-cutting measures (mainly in modules and polymers business) is visible and the greenfields ramp up (Consumer Electronics).
- Emerging business margins declined 380b YoY to 8.4% due to: 1) start-up costs of greenfields at Consumer Electronics division; 2) seasonally weak quarter for aerospace division, CVs and metals; 3) integration of Atsumitec, which is margin-dilutive, but the performance would start improving as integration benefits kick-in in the coming quarters
- Three greenfield plants were operationalized in 1QFY26 (two automotive, one non-automotive); 11 more are under various stages of completion. Consumer Electronics greenfield (phase 1) received customer approval in 2QFY26, with production schedules awaited. Other SOPs include Wiring Harness (2QFY26), Technology & Industrial Solutions (4QFY26), Aerospace (two plants in 4QFY26), and multiple Modules/Elastomer facilities in FY27.
- The second facility in the Consumer Electronics division is expected to commence production in a couple of weeks. These two facilities together would ramp up to 16-17mn units p.a. by FY26 end. This will position the segment as a key growth driver in the company's non-automotive portfolio. SAMIL has not seen any reduction in orders from OEMs in this business despite the uncertainty around US tariffs.
- Capex guidance is maintained at INR60b for FY26 aimed at capacity addition and backward integration, which should aid margins in the future. Additionally, SAMIL is undertaking certain business transformative measures in Europe to realign operations to the challenging macro, which should drive cost savings worth EUR50m p.a. once fully completed over the next three years.
- The direct impact of US tariffs on SAMIL is minimal as most of its products supplied to USA are USMCA-compliant and for the non-USMCA compliant parts, discussions with OEMs are ongoing for the pass-through of these costs.

Valuation and view

Given the weak 1Q performance and an adverse near-term macro in key regions, we have lowered our earnings estimates by 9%/2% for FY26/FY27. Management aims to increase its revenue to whopping USD108b in the next five years. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful integration of recent acquisitions. While the ongoing tariff issue may lead to a near-term slowdown in some of its key geographies, we expect SAMIL to be the least impacted by these tariffs, as it has all its facilities close to its customers and can effectively realign supplies as per customer needs. Further, this is likely to lead to industry consolidation, with players like SAMIL likely to emerge as key beneficiaries in the long run. Given the long-term growth opportunities, we reiterate our BUY rating with a revised TP of INR114, based on 24x Jun'27E EPS.

Quarterly performance (Consol.) **(INR Million)**

Y/E March	FY25				FY26E				FY25	FY26E		var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Net Sales	**288,680**	**278,119**	**276,659**	**293,168**	**302,120**	**298,348**	**319,404**	**327,616**	**1,136,626**	**1,247,489**	**305,911**	**-1.2**
YoY Change (%)	28.5	18.2	7.9	9.1	4.7	7.3	15.5	11.8	15.4	9.8	6.0	
EBITDA	**27,753**	**24,479**	**26,858**	**26,429**	**24,583**	**23,392**	**28,225**	**29,907**	**105,519**	**106,107**	**27,767**	**-11.5**
Margins (%)	9.6	8.8	9.7	9.0	8.1	7.8	8.8	9.1	9.3	8.5	9.1	
Depreciation	10,646	11,028	11,124	12,137	12,297	12,350	12,500	12,787	44,934	49,934	11,900	
Interest	4,445	5,462	4,661	4,256	4,250	4,100	3,600	3,242	18,824	15,192	3,900	
Other income	709	862	1,112	1,164	805	1,250	1,650	1,928	5,577	5,633	850	
PBT before EO expense	**13,371**	**8,852**	**12,185**	**11,200**	**8,841**	**8,192**	**13,775**	**15,806**	**47,338**	**46,613**	**12,817**	**-31.0**
Extra-Ord expense	0	-1,730	0	1,730	1,365	0	0	0	0	1,365	0	
PBT after EO Expense	**13,371**	**10,582**	**12,185**	**9,470**	**7,476**	**8,192**	**13,775**	**15,806**	**47,338**	**45,248**	**12,817**	
Tax Rate (%)	26.0	33.2	27.7	12.2	30.1	27.0	27.0	23.0	23.6	26.2	27.0	
Min. Int & Share of profit	-51	-1,152	26	-672	-300	-349	-414	-365	-1,848	-1,428	-333	
Reported PAT	**9,942**	**8,797**	**8,786**	**8,775**	**5,118**	**6,329**	**10,470**	**12,542**	**38,030**	**34,459**	**9,690**	
Adj PAT	**9,942**	**7,470**	**8,790**	**10,030**	**6,210**	**6,329**	**10,470**	**12,542**	**38,030**	**35,456**	**9,690**	**-35.9**
YoY Change (%)	65.5	65.7	62.2	9.4	-37.5	-15.3	19.1	25.0	51.5	-6.8	-2.5	

E: MOFSL Estimates

Key performance indicators

(INR Million)

Y/E March	FY25				FY26E				FY25	FY26	1Q
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			
Business Wise Revenues (INR m)											
Wiring harness	83,260	81,110	78,290	85,940	86,400	84,423	87,589	91,542	349,954	86,400	86,176
Modules & Polymer products	151,930	146,400	146,140	153,590	150,080	150,781	162,911	163,463	627,235	150,080	157,099
Vision systems	49,970	48,070	47,290	49,720	51,370	51,506	53,342	55,030	211,248	51,370	51,980
Integrated assemblies	25,230	25,280	26,600	23,980	28,190	28,299	31,023	29,554	117,065	28,190	26,958
Emerging businesses	25,910	29,050	26,930	32,280	37,020	40,670	41,472	47,219	166,381	37,020	36,274
Less: Inter-segment	12,330	12,070	9,910	13,200	12,030	13,096	13,856	15,211	54,193	12,030	13,275
Less: Revenues of Associates/JVs	35,290	39,720	38,680	39,140	38,910	44,235	43,077	43,981	170,202	38,910	39,301
Net Revenues	**288,680**	**278,120**	**276,660**	**293,170**	**302,120**	**298,348**	**319,404**	**327,617**	**1,247,489**	**302,120**	**305,911**
Business Wise PBITDA Margins (%)											
Wiring harness	11.7	11.2	11.8	12.4	11.4	11.3	10.9	9.8	10.8	11.4	10.9
Modules & Polymer products	8.7	7.4	8.0	6.5	6.4	6.8	7.5	8.2	7.3	6.4	7.9
Vision systems	9.5	9.2	9.2	12.0	9.2	9.2	9.5	11.1	9.7	9.2	9.5
Integrated assemblies	10.1	11.9	13.3	10.6	11.4	11.8	12.5	11.4	11.8	11.4	12.0
Emerging businesses	12.2	13.3	13.4	12.1	8.3	9.0	10.5	11.7	10.0	8.3	13.0
Consol EBITDA Margins (%)	**9.6**	**8.8**	**9.7**	**9.0**	**8.1**	**7.8**	**8.8**	**9.1**	**8.6**	**8.2**	**9.1**

Note: Segmental EBITDA margins include part of other income; E: MOFSL Estimates

CONFERENCE CALL

Highlights from the management commentary

- **Operation updates:** Three greenfield plants were operationalized in 1QFY26 (two automotive, one non-automotive); 11 more are under various stages of completion. Consumer Electronics greenfield (phase 1) received customer approval in 2QFY26, with production schedules awaited. Other SOPs include Wiring Harness (2QFY26), Technology & Industrial Solutions (4QFY26), Aerospace (two plants in 4QFY26), and multiple Modules/Elastomer facilities in FY27.
- **SAMIL outperforms industry:** Global auto production grew ~2% YoY (led by China and India), but SAMIL's revenue rose 4.7% YoY to INR302.1b, aided by M&A and resilient organic growth. EBITDA margin stood at 8.1% (vs. 9.6% YoY), reflecting structural challenges in Western/Central Europe, FX volatility, geopolitical tensions and greenfield start-up costs. Management believes that this impact is transient in nature and expects a much better performance in 2H and FY27 once the impact of its cost-cutting measures (mainly in modules and polymers business) is visible and the greenfields ramp up (Consumer Electronics).
- **Financial performance and capital allocation:** Effective net debt rose to INR112.3b (vs. INR97.9b QoQ) due to expanded working capital and sharp forex volatility; leverage ratio stood at 1.1x (vs. 0.9x QoQ). 1Q capex was INR12.1b (~49% of EBITDA), focused on emerging markets and non-auto segments. Interest costs were elevated due to ~INR9.3b in FX losses and tariff-related working capital build-up.
- Capex guidance is maintained at INR60b for FY26 aimed at both capacity addition and backward integration, which should aid margins in the future. Additionally, SAMIL is undertaking certain business transformative measures in Europe to realign operations to the challenging macro, which aims to drive cost savings worth EUR50m p.a. once fully completed over the next three years.

Segmental updates

- **Wiring Harness**: Revenue grew 3.8% YoY to INR86.4b, with margins slightly lower at 11.4% (vs. 11.7% YoY) due to cost headwinds. Stable performance despite CV weakness in Europe/North America; outperformed industry via higher content per vehicle.
- **Vision Systems**: Revenue rose 2.8% YoY to INR51.4b, while margins softened to 9.2% (vs. 9.5% YoY) on adverse platform/regional mix—North America weakness offsetting China growth.
- **Integrated Assemblies**: Revenue was up 11.7% YoY at INR28.2b; margins expanded 130bp YoY to 11.4% on operating efficiencies. Three greenfield sites in China and Mexico to support new/existing customers.
- Emerging business margins declined 380b YoY to 8.4% due to: 1) start-up costs of greenfields at Consumer Electronics division; 2) seasonally weak quarter for aerospace division, CVs and metals; 3) integration of Atsumitec, which is margin dilutive, but would start improving performance as integration benefits kick-in in coming quarters.
- **Consumer Electronics**: In 1Q, the business remained in its pre-revenue phase, with the first greenfield plant (Phase 1) receiving customer approvals in 2QFY26

and awaiting production schedules. The facility is a part of a three-phase expansion totaling ~INR26b in capex (about half of planned spend has already been incurred, with remaining to be invested by 2QFY27). The second facility is expected to commence production in a couple of weeks. These facilities together would ramp up to 16-17m units p.a. by FY26 end. This will position the segment as a key growth driver in the company's non-automotive portfolio, with strong order visibility from global consumer electronics customers. Despite the US tariff-led headwinds, customers are going ahead with capex, and in fact SAMIL continues to see additional enquiries from other OEMs.

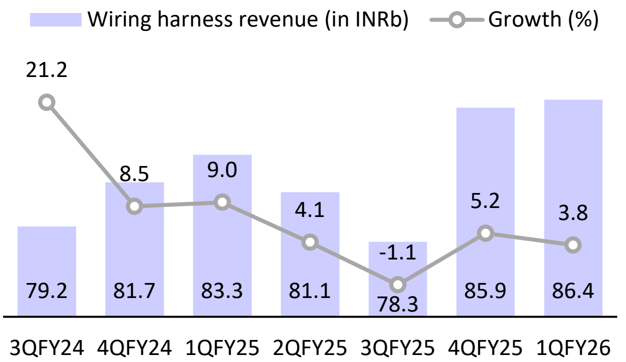
- **Aerospace**: Two new facilities planned for 4QFY26; added Tier-1 status for Airbus Commercial to existing Helicopters/Defense supply, targeting 10x growth over the next few years. One of the greenfield facilities in this segment has been delayed as per the build-out rates planned by its OEM.

Other key takeaways

- Acquisitions (Atsumitec) contributed INR7b to 1Q revenue. Adjusted for this, organic growth would have been 2% YoY.
- The company has entered into a strategic partnership with a leading Taiwanese technology firm, Macauto, to jointly develop advanced electronics for sunroofs and luxury interiors for automobiles. There are huge backward integration benefits within the group from this foray, and hence the capex requirement for this JV is likely to be low.
- SAMIL has signed up another tie-up with Egtronics (South Korea) in the area of power electronics (EV and hybrids) in CV segment.
- Exports to the US from India are just USD10m. Most of the products supplied by SAMIL are largely local for local. Hence, a majority of its sales to USA are USMCA-compliant. For the non-USMCA-compliant parts, which are very few, discussions with OEMs are ongoing for the pass-through of these costs (albeit with a lag). Thus, the direct impact of US tariffs on SAMIL is minimal. However, if such tariffs lead to a slowdown in vehicle demand, it will certainly impact SAMIL's future prospects.

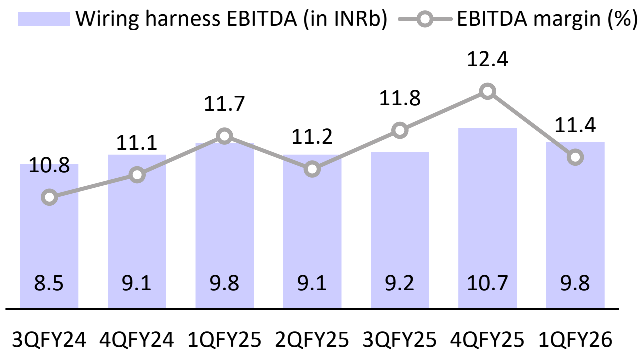
Key exhibits

Exhibit 1: Trends in wiring harness revenue and growth



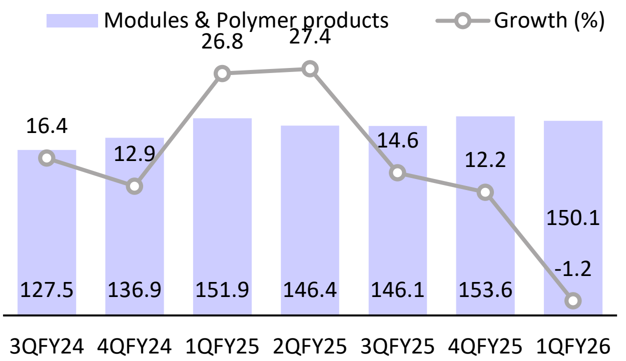
Source: Company, MOFSL

Exhibit 2: Wiring harness EBITDA and EBITDA margin



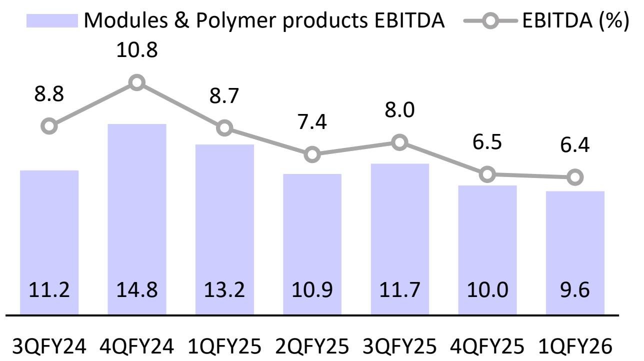
Source: Company, MOFSL

Exhibit 3: Trend in modules and polymer products revenues



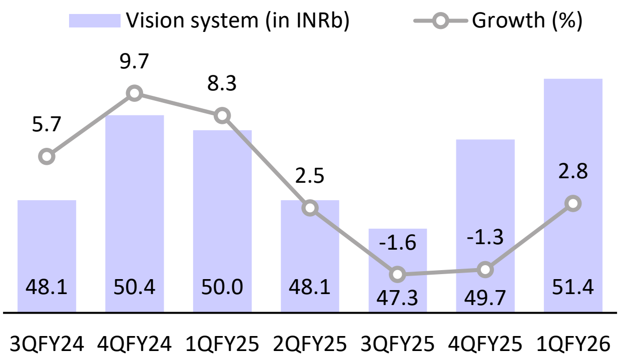
Source: Revenues in INRb, Company, MOFSL

Exhibit 4: Modules and polymer products EBITDA margin



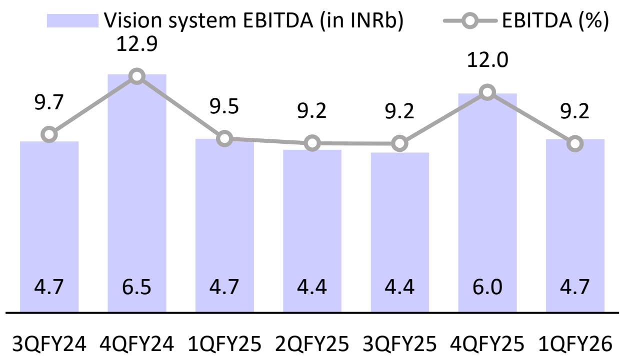
Source: EBITDA in INRb, Company, MOFSL

Exhibit 5: Trend in vision systems revenues



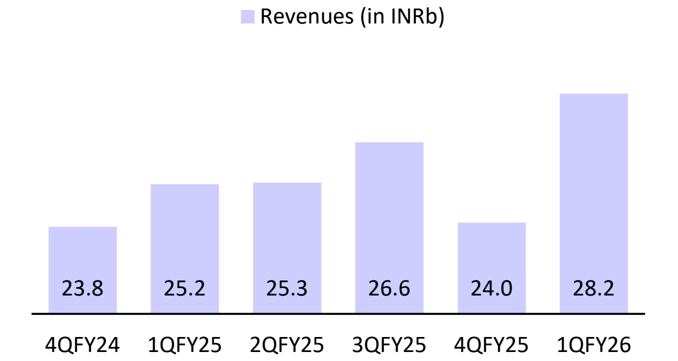
Source: Company, MOFSL

Exhibit 6: Vision systems EBITDA margin



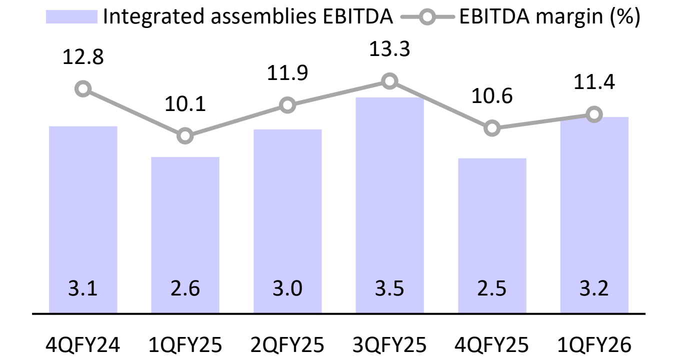
Source: Company, MOFSL

Exhibit 7: Trend in integrated assemblies revenue



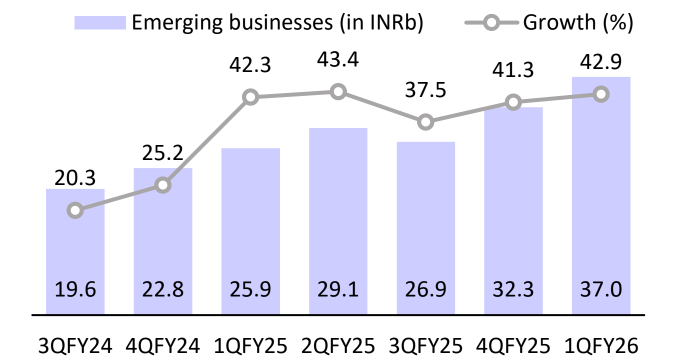
Source:, Company, MOFSL

Exhibit 8: Integrated assemblies EBITDA margin



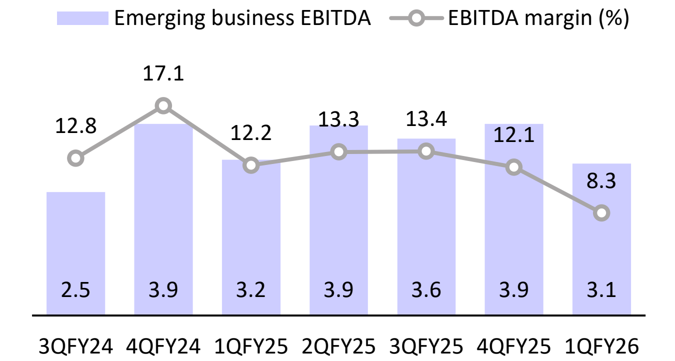
Source: EBITDA in INRb, Company, MOFSL

Exhibit 9: Trend in emerging businesses revenue



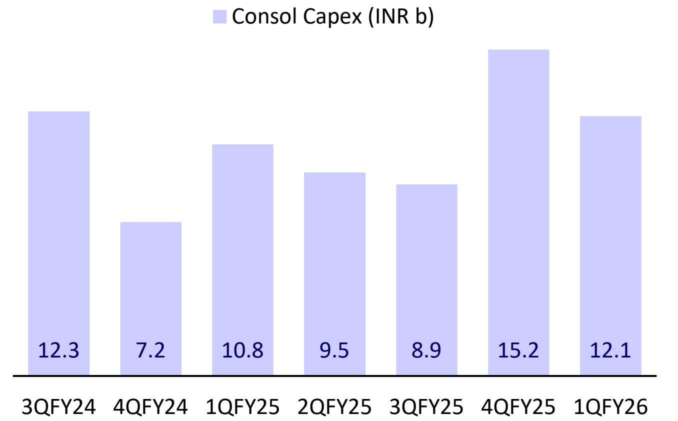
Source: Company, MOFSL

Exhibit 10: Emerging businesses EBITDA margin



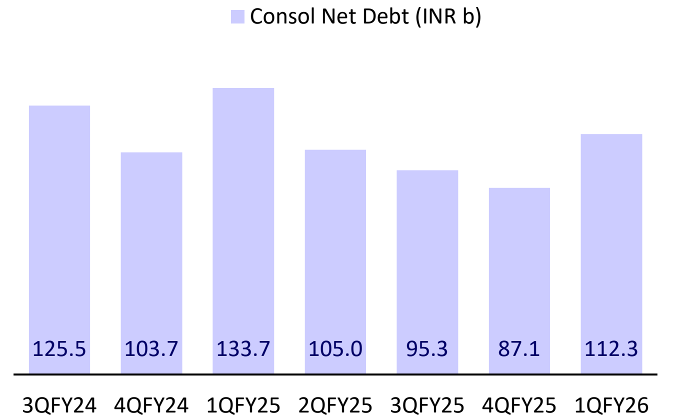
Source: EBITDA in INR b, Company, MOFSL

Exhibit 11: Trend in Capex (INR b)



Source: Company, MOFSL

Exhibit 12: Trend in net debt (excl. lease liabilities, INR b)



Source: Company, MOFSL

Valuation and view

- **Well-diversified business model:** Over the years, SAMIL has developed a well-diversified business model that focuses on its principle of 3CX10 (vs. 3CX15 earlier) – this implies no country, customer, or client should account for more than 10% of its revenue. This has helped the company achieve steady growth regardless of the end-market demand environment (achieved 9% revenue CAGR vs. 3% compounded volume decline in the global auto industry over the last five years). It is among the top 3 players globally for exterior rear-view mirrors, a market leader in PV wiring harness in India, and a major player in wiring harness for CVs in North America and Europe. Additionally, the company is a critical supplier of polymer parts to luxury OEMs worldwide, one of the leading lighting suppliers in India, and one of the largest shock absorber exporters from India.
- **To be a key beneficiary of evolving megatrends in Autos:** SAMIL is emerging as one of the major beneficiaries of the rising premiumization trend and EV transition, which in turn should drive higher content going forward. Following are some of the indicators of increasing content per vehicle for SAMIL: when transitioning to sedans and SUVs, content surges 1.4-1.5x for wiring harnesses, 1.4-1.7x for bumpers, 1.2-2.5x for door panels, and 1.7-3.0x for rear-view mirrors. Similarly, transitioning from ICE to EVs results in a 2.4x increase in the content for 4W wiring harnesses, an 8x increase for 2W wiring harnesses, a 1.5x increase for bumpers, a 3.3x increase for door panels, and a 1.4x increase for mirrors. These favorable trends have led to a notable ramp-up in its order book.
- **Closure of recent acquisitions provides huge growth opportunities:** Taking advantage of the global macro headwinds and at the customer's behest, SAMIL has acquired 15 entities since Sep'22, whose combined pro forma net revenue stood at USD2.8b. Apart from this, these entities offer multiple synergy benefits, which include the company's entry into the Japanese supplier network (Yachio + Ichikoh), evolution as a cockpit assembler (SAS), complimentary new segment addition (Yachio + Dr. Schneider), and strong opportunities in aerospace and medical equipment (Cirma, AD Industries, Irillic, and SMAST). These acquisitions provide SAMIL with significant growth opportunities in the long run, in our view.
- **Aggressive targets indicate ambitions; disciplined approach has been the key:** SAMIL has a track record of setting ambitious five-year targets since 2000. Its 2025 targets include revenue of USD36b, RoCE and dividend payout of 40%, and 3CX10. While most of its targets until 2015 have been achieved, it missed its 2020 target by a margin and is likely to miss its target even in 2025. However, management has always refrained from acquiring entities solely to meet its targets, as was evident immediately after Covid. Thus, while its aggressive targets highlight management's growth aspirations, its disciplined approach would help generate long-term shareholder returns, in our view. The same can also be highlighted by the fact that it has acquired 15 entities since Sep'22, after patiently waiting throughout the entire Covid period for the right opportunity.
- **Valuation and view:** Given the weak 1Q performance and an adverse near-term macro in key regions, we have lowered our earnings estimates by 9%/2% for FY26/FY27. Management has alluded to its next five-year revenue growth aspiration, which now stands at a whopping USD108b. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-

autos, and successful integration of recent acquisitions. While the ongoing tariff issue may lead to some near-term slowdown in some of its key geographies, we expect SAMIL to be the least impacted by these tariffs as it has all its facilities close to its customers and can effectively realign supplies as per customer needs. Further, this is likely to lead to industry consolidation, with players like SAMIL likely to emerge as key beneficiaries in the long run. Given the long-term growth opportunities, we reiterate our BUY rating with a revised TP of INR114, based on 24x June-27E EPS.

Exhibit 13: Our revised estimates (consolidated)

(INR M)	FY25E			FY26E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	1,247,489	1,207,555	3.3	1,326,118	1,283,921	3.3
EBITDA	106,107	108,802	-2.5	126,585	126,178	0.3
EBITDA (%)	8.5	9.0	-50bp	9.5	9.8	-30bp
Adj. PAT	35,456	38,991	-9.1	49,064	50,104	-2.1
EPS (INR)	3.3	3.7	-9.1	4.6	4.7	-2.1

Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement								(INR M)
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**
Total Income from Operations	**607,290**	**582,250**	**637,740**	**787,881**	**984,947**	**1,136,626**	**1,247,489**	**1,326,118**
Change (%)	-4.4	-4.1	9.5	23.5	25.0	15.4	9.8	6.3
Raw Materials	349,687	325,979	367,363	453,174	544,147	610,522	697,597	719,430
Employees Cost	143,726	140,996	153,746	179,314	235,385	283,870	298,063	312,966
Other Expenses	67,335	63,135	69,637	93,032	115,209	136,715	145,722	167,137
Total Expenditure	**560,748**	**530,110**	**590,746**	**725,519**	**894,741**	**1,031,107**	**1,141,382**	**1,199,533**
% of Sales	92.3	91.0	92.6	92.1	90.8	90.7	91.5	90.5
EBITDA	**46,542**	**46,880**	**46,994**	**62,362**	**90,206**	**105,519**	**106,107**	**126,585**
Margin (%)	7.7	8.1	7.4	7.9	9.2	9.3	8.5	9.5
Depreciation	27,210	30,260	29,582	31,358	38,105	44,934	49,934	54,974
EBIT	**19,332**	**16,620**	**17,412**	**31,003**	**52,101**	**60,585**	**56,172**	**71,611**
Interest Charges	5,928		5,426	7,809	18,112	18,824	15,192	12,369
PBT bef. EO Exp.	**15,649**	**16,620**	**14,082**	**24,835**	**38,336**	**47,338**	**45,248**	**65,438**
Tax Rate (%)	44.0	33.6	43.1	29.6	27.4	23.6	27.0	27.0
MI and Income from associates	669	440	-290	2,178	658	-1,848	-1,428	-1,294
Reported PAT	**8,099**	**10,590**	**8,304**	**15,306**	**27,162**	**38,030**	**34,459**	**49,064**
Adjusted PAT	**8,099**	**10,590**	**8,237**	**15,344**	**25,108**	**38,030**	**35,456**	**49,064**
Change (%)	-49.8	30.8	-22.2	86.3	63.6	51.5	-6.8	38.4

Consolidated - Balance Sheet								(INR M)
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**
Equity Share Capital	3,158	4,518	4,518	6,776	6,776	7,115	10,673	10,673
Total Reserves	81,394	121,088	201,365	217,739	254,773	341,688	3,62,252	3,96,597
Net Worth	**112,609**	**125,606**	**205,882**	**224,515**	**261,549**	**348,804**	**3,72,925**	**4,07,270**
Minority Interest	35,650	40,233	17,763	19,254	20,606	22,482	26,252	30,586
Total Loans	119,651	107,580	127,609	121,657	173,513	146,437	1,42,937	1,31,937
Deferred Tax Liabilities	-5,030	-10,224	-11,486	-13,645	-20,746	-24,413	-24,413	-24,413
Capital Employed	**262,881**	**263,195**	**339,768**	**351,781**	**434,922**	**493,309**	**5,17,700**	**5,45,380**
Net Fixed Assets	**139,871**	**192,782**	**175,128**	**188,750**	**237,877**	**259,358**	**2,69,424**	**2,69,449**
Goodwill	24,060	24,718	33,743	37,726	57,501	65,540	65,540	65,540
Capital WIP	8,154	8,769	13,097	14,779	24,978	26,457	26,457	26,457
Total Investments	**1,614**	**2,581**	**7,212**	**6,834**	**8,976**	**72,906**	**1,06,906**	**1,60,906**
Curr. Assets, Loans&Adv.	**163,943**	**178,716**	**194,908**	**227,640**	**350,435**	**432,388**	**4,04,860**	**4,05,853**
Inventory	51,566	49,956	64,417	78,228	91,386	107,873	1,14,307	1,23,392
Account Receivables	51,784	56,931	65,731	85,135	156,371	174,307	1,46,966	1,58,647
Cash and Bank Balance	48,688	59,367	48,775	45,381	67,432	56,426	82,312	58,139
Loans and Advances	11,905	12,463	15,985	18,897	35,246	93,782	61,275	65,674
Curr. Liability & Prov.	**187,047**	**207,430**	**211,447**	**253,091**	**394,549**	**410,751**	**4,02,897**	**4,30,236**
Account Payables	103,091	111,407	124,775	141,363	226,172	236,692	2,60,361	2,86,397
Other Current Liabilities	81,151	89,575	81,567	106,258	156,687	164,114	1,28,865	1,29,306
Provisions	2,805	6,449	5,104	5,471	11,690	9,945	13,671	14,533
Net Current Assets	**-23,104**	**-28,714**	**-16,538**	**-25,451**	**-44,115**	**21,637**	**1,962**	**-24,384**
Other non-current asset	112,286	63,060	127,126	129,145	149,705	47,410	47,410	47,410
Appl. of Funds	**262,881**	**263,195**	**339,768**	**351,781**	**434,922**	**493,309**	**5,17,700**	**5,45,380**

Financials and valuations

Ratios								
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**
Basic (INR)								
EPS	**0.8**	**1.0**	**0.8**	**1.4**	**2.4**	**3.6**	**3.3**	**4.6**
BV/Share	10.6	11.8	19.3	21.0	24.5	32.7	34.9	38.2
DPS	0.4	0.6	0.3	0.4	0.5	1.1	1.0	1.4
Payout (%)	68.1	64.0	35.4	28.8	20.0	30.0	30.0	30.0
Valuation (x)								
P/E	123.1	94.2	121.1	65.0	39.7	26.2	28.1	20.3
P/BV	8.9	7.9	4.8	4.4	3.8	2.9	2.7	2.4
EV/Sales	2.5	1.7	1.6	1.3	1.1	0.9	0.8	0.8
EV/EBITDA	29.4	20.7	22.2	16.2	11.4	9.6	9.3	7.9
Dividend Yield (%)	0.5	0.7	0.3	0.4	0.5	1.1	1.0	1.5
FCF per share (Eco. Int. basis)	3.9	2.9	0.0	2.3	3.3	1.7	8.3	6.4
Return Ratios (%)								
RoE	7.3	8.9	5.0	7.1	10.3	12.5	9.8	12.6
RoCE (post-tax)	4.7	4.2	3.8	6.7	10.0	10.9	8.9	10.7
RoIC	5.4	5.6	4.3	7.9	12.2	13.8	12.8	17.4
Working Capital Ratios								
Fixed Asset Turnover (x)	2.7	2.4	2.4	2.3	2.1	2.0	2.0	1.9
Inventory (Days)	31	31	37	36	34	35	33	34
Debtor (Days)	31	36	38	39	58	56	43	44
Creditor (Days)	62	70	71	65	84	76	76	79
Leverage Ratio (x)								
Current Ratio	0.9	0.9	0.9	0.9	0.9	1.1	1.0	0.9
Interest Cover Ratio	3.3	NA	3.2	4.0	2.9	3.2	3.7	5.8
Net Debt/Equity	0.6	0.4	0.3	0.3	0.4	0.0	-0.1	-0.2

Consolidated - Cash Flow Statement								(INR M)
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**
OP/(Loss) before Tax	21,129	16,129	19,088	24,048	38,402	52,613	45,248	65,438
Depreciation	27,780	29,764	29,964	31,358	38,105	44,934	49,934	54,974
Interest & Finance Charges	5,626	4,544	4,346	7,809	18,112	18,824	15,192	12,369
Direct Taxes Paid	-10,776	-5,600	-8,324	-8,535	-14,353	-18,198	-12,217	-17,668
(Inc)/Dec in WC	16,202	6,432	-20,797	-6,846	-674	-20,783	45,561	2,173
Others	3,561	-757	351	-1,405	-3,902	-14,528	5,198	5,629
CF from Operating incl EO	**63,521**	**50,512**	**24,627**	**46,431**	**75,689**	**62,862**	**1,48,916**	**1,22,916**
(Inc)/Dec in FA	-21,943	-19,325	-24,363	-21,829	-40,101	-44,330	-60,000	-55,000
Free Cash Flow	**41,578**	**31,187**	**264**	**24,602**	**35,589**	**18,532**	**88,916**	**67,916**
(Pur)/Sale of Investments	-1,210	-45	-123	-279	-1,958	-1,869	-34,000	-54,000
Others	753	436	1,367	-340	-24,559	-2,417	0	0
CF from Investments	**-22,399**	**-18,934**	**-23,119**	**-22,448**	**-66,618**	**-48,616**	**-94,000**	**-1,09,000**
Issue of Shares	0	0	0	-1,453	236	63,762	0	0
Inc/(Dec) in Debt	-6,214	-11,324	2,456	-10,562	40,377	-56,568	-3,500	-11,000
Interest Paid	-5,667	-4,141	-5,528	-8,083	-15,096	-18,311	-15,192	-12,369
Dividend Paid	-12,794	-1,576	-6,457	-3,308	-6,751	-7,463	-10,338	-14,719
Others	-3,157	-3,859	-2,570	-3,972	-5,786	-6,672	0	0
CF from Fin. Activity	-27,832	-20,900	-12,099	-27,377	12,980	-25,252	-29,030	-38,089
Inc/Dec of Cash	**13,290**	**10,678**	**-10,591**	**-3,395**	**22,052**	**-11,006**	**25,886**	**-24,173**
Opening Balance	35,399	48,688	59,367	48,775	45,381	67,432	56,426	82,312
Closing Balance	**48,688**	**59,367**	**48,775**	**45,381**	**67,432**	**56,426**	**82,312**	**58,139**

NOTES

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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

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