8 November 2025

3QCY25 Result Update| Sector: Capital Goods

ABB India

Estimate changes	↓
TP change	↓
Rating change	⟷

Bloomberg	ABB IN
Equity Shares (m)	212
M.Cap.(INRb)/(USDb)	1063 / 12
52-Week Range (INR)	7960 / 4590
1, 6, 12 Rel. Per (%)	-5/-11/-34
12M Avg Val (INR M)	2110

Financials Snapshot (INR b)

Y/E DEC	CY25E	CY26E	CY27E
Net Sales	130.5	146.3	167.1
EBITDA	20.3	22.9	27.1
PAT	16.8	18.9	22.1
EPS (INR)	79.1	89.3	104.4
GR. (%)	-10.6	12.9	16.8
BV/Sh (INR)	366.0	398.9	435.6
Ratios			
ROE (%)	22.6	23.4	25.0
RoCE (%)	22.8	23.5	25.2
Valuations			
P/E (X)	63.4	56.1	48.0
P/BV (X)	13.7	12.6	11.5
EV/EBITDA (X)	51.4	45.3	38.1
Div Yield (%)	0.8	1.0	1.2

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	75.0	75.0	75.0
DII	8.3	7.7	5.4
FII	8.3	9.3	12.3
Others	8.4	8.1	7.3

FII Includes depository receipts

CMP: INR5,017 TP: INR5,800 (+16%) Buy

In-line performance; recovery still some time away

ABB's 3QCY25 performance was in line with our estimates. The company remains affected by lower ordering as well as margin pressure due to Quality Control Order (QCO) implementation, higher RM costs, and increased competition. Overall order inflows were down 3% YoY, while base ordering has remained strong. ABB continues to benefit from a growing addressable market from data centers, electronics, and renewables, while government and private sector ordering is yet to pick up. Due to lower-than-expected capex from the government and private sectors, we project the current trend of weakness in order inflows will continue for a few more quarters. This can hurt execution growth too for a few more quarters. Along with this, higher costs related to QCO implementation can affect margins too for a few more quarters. However, we expect these adversities to bottom out in 2-3 quarters. We project ABB to benefit from demand improvement across key capex areas. To bake in the 9MCY25 performance, we cut our CY26/27 estimates for ABB by 6%/7% and revise our TP to INR5,800, based on Dec'27 estimates. We reiterate our BUY rating, as we expect the company to benefit in the long run from improved ordering and higher margins.

Results broadly in line

ABB's results came in line across all metrics. Revenue grew 14% YoY to INR33.1b. EBITDA margin came in ahead of our estimates. However, the margin contracted 350bp YoY to 15.1% due to higher material costs and reliance on imports to support delivery commitments in the wake of QCO compliance. Overall, PAT came slightly ahead of our estimates. However, PAT declined 7% YoY to INR4.1b due to margin contraction over the past year. Order inflows dipped 3% YoY to INR32.3b, primarily due to the timing of large orders. Base orders remained strong, rising 13% YoY, which lifted the overall order book to INR99b. For 9MCY25, revenue increased 9% YoY. EBITDA/PAT declined 9%/8% YoY, while EBITDA margin in 9MCY25 contracted 320bp YoY to 15.5%. ABB's cash position continues to remain strong at INR50b at the end of 3QCY25.

Overall ordering momentum remains weak

Base orders grew 13% YoY, reflecting broad-based demand across business divisions, while overall orders declined 3% YoY due to the timing of large orders. The order backlog stood at INR99b, providing healthy revenue visibility, with about 30% of the order book comprising large, long-cycle system orders and the balance being shorter-cycle product and service orders. Growth in base orders was supported by strong activity in Motion and Robotics and Discrete Automation, driven by demand from renewables, buildings and infrastructure, data centers, and process industries. Ordering was impacted by the deferment of large project decisions, and private capex activity remained selective.

Research analyst – **Teena Virmani** (Teena.Virmani@MotilalOswal.com)
Vatsal Magajwala (Vatsal.Magajwala@MotilalOswal.com); **Perit Jain** (Perit.Jain@MotilalOswal.com)

Margin performance can remain weak in the near term vs. last year

EBITDA margin stood at 15.1% for the quarter, improving from 13.0% in 2QCY25 but lower than 18.6% in 3QCY24. The sequential improvement was driven by stronger execution, higher service contribution, and operating leverage, while the YoY moderation reflected an unfavorable product mix, pricing pressure, and cost impact from QCO-related imports and forex fluctuations. ABB quantified these headwinds as roughly 1% from mix, 1.0–1.5% from pricing, 0.75–0.8% from QCO, and 0.6% from forex, together resulting in about a 3% YoY impact. We expect near-term margin performance to remain affected by these negatives, as QCO implementation timelines are still not over yet, especially for the motion and electrification segments. We thus expect an EBITDA margin of 15.5%/15.7%/16.2% for CY25/CY26/CY27.

Electrification segment: QCO and forex weigh on profitability

The electrification segment witnessed 19% YoY revenue growth in 3QCY25, while PBIT margin contracted 120bp YoY to 19.6% due to higher reliance on imports to comply with QCO guidelines, material cost impact, and forex volatility during the quarter. Order inflow for the segment declined 2% YoY owing to a high base of large orders last year. Demand remains strong across key industries such as renewables, data centers, smart buildings, and infrastructure. Weakness in inflows can weigh on execution growth, and QCO compliance continues to weigh on margins for this segment. We thus expect the segment's revenue/orders to clock a CAGR of 17%/ 18% over CY25-27, with PBIT margin to be in the range of 19-20%.

Motion & Robotics: Performance led by an uptick in demand for drives and automation

Motion and Robotics segments grew 14% YoY, supported by healthy execution in motors, drives, and automation systems. PBIT margin declined 780bp YoY to 14.5% due to an unfavorable product mix, pricing pressure, and higher import and forex costs arising from QCO-related sourcing. Order inflows increased across Motion and Robotics, aided by a large Motion order of about INR1.5b and total Robotics orders of INR2b, primarily from automotive and electronics customers. Demand remained strong in select segments such as cement, steel, and oil & gas in Motion and automotive and electronics in Robotics, with growing participation in EV-related and process automation applications. We expect both these segments together to clock a revenue and order inflows CAGR of 13% each over CY25-27 on stronger execution, with PBIT margin ranging around 16-18%.

Process Automation: Sequential recovery amid delayed project decisions

Process automation segment revenue stood at INR6b, flat YoY but improving QoQ (up 22%), supported by execution of existing orders and stronger service contributions. PBIT margins improved 50bp QoQ, mainly due to a higher share of service and retrofit execution. Order inflows declined 4% YoY but increased 2% QoQ, as large project decisions were delayed, while service and base orders provided stability. Demand was led by metals, energy, and marine industries, while customers in process sectors deferred major greenfield expansions amid macro uncertainty. We expect the segment's revenue/orders to clock a CAGR of 6%/15% over CY25-27, with PBIT margins to be in the range of 17.0-18.5%.

Financial outlook

We broadly maintain our estimates for CY25 and cut our estimates by 6%/7% for CY26/27 to bake in lower margins for the Electrification and Motion segments, which are currently affected by QCO implementation as well as competitive pricing. We thus expect revenue/EBITDA/PAT CAGR of 13%/16%/15% over CY25-27.

Valuation and recommendation

We believe that in the near term, ABB can underperform due to pressure on margins as well as sluggish ordering activity across the private and government sectors. However, in the long run, we expect ABB to improve upon margins once QCO implementation is over in the next few quarters and revenues once ordering activity starts ramping up. **We thus reiterate our BUY rating** with a revised DCF-based TP of INR5,800, implying a target multiple of 55x Dec'27 earnings. Scope of re-rating back to higher multiples, as seen earlier for ABB, will emerge once inflows and margins start showing an improving trend.

Key risks and concerns

Slowdown in order inflows, pricing pressure across segments, increased competition, supply chain issues, and geopolitical risks could affect our estimates and valuations.

Standalone - Quarterly Earnings Model (INR m)

Y/E December	CY24				CY25E				CY24	CY25E	CY25E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	Var (%)
Net Sales	**30,804**	**28,309**	**29,122**	**33,649**	**31,596**	**31,754**	**33,107**	**38,276**	**1,21,883**	**1,34,733**	**33,412**	**-1**
YoY Change (%)	27.8	12.8	5.2	22.0	2.6	12.2	13.7	13.7	16.7	10.5	14.7	
Total Expenditure	25,152	22,884	23,719	27,076	25,773	27,614	28,103	32,724	98,831	1,14,214	28,634	
EBITDA	**5,652**	**5,425**	**5,402**	**6,573**	**5,823**	**4,141**	**5,004**	**5,552**	**23,052**	**20,519**	**4,778**	**5**
YoY Change (%)	98.1	55.6	23.2	57.6	3.0	-23.7	-7.4	-15.5	54.7	-11.0	-11.6	
Margins (%)	18.3	19.2	18.6	19.5	18.4	13.0	15.1	14.5	18.9	15.2	14.3	
Depreciation	314	310	328	337	338	355	366	306	1,289	1,365	336	
Interest	38	45	30	51	47	42	56	-0	165	145	36	
Other Income	871	868	929	866	923	998	840	908	3,534	3,668	874	
PBT before EO expense	**6,171**	**5,938**	**5,973**	**7,051**	**6,361**	**4,741**	**5,421**	**6,154**	**25,133**	**22,677**	**5,279**	**3**
PBT	**6,171**	**5,938**	**5,973**	**7,051**	**6,361**	**4,741**	**5,421**	**6,154**	**25,133**	**22,677**	**5,279**	**3**
Tax	1,575	1,511	1,568	1,732	1,620	1,220	1,332	1,542	6,387	5,715	1,330	
Rate (%)	25.5	25.5	26.3	24.6	25.5	25.7	24.6	25.1	25.4	25.2	25.2	
Reported PAT	**4,596**	**4,426**	**4,405**	**5,319**	**4,741**	**3,521**	**4,089**	**4,612**	**18,746**	**16,962**	**3,949**	**4**
Adj PAT	**4,596**	**4,426**	**4,405**	**5,319**	**4,741**	**3,521**	**4,089**	**4,612**	**18,746**	**16,962**	**3,949**	**4**
YoY Change (%)	87.4	49.6	21.7	54.1	3.2	-20.5	-7.2	-13.3	50.2	-9.5	-10.3	
Margins (%)	14.9	15.6	15.1	15.8	15.0	11.1	12.4	12.0	15.4	12.6	11.8	

INR m	CY24 1Q	CY24 2Q	CY24 3Q	CY24 4Q	CY25E 1Q	CY25E 2Q	CY25E 3Q	CY25E 4QE	CY24	CY25E	CY25E 3QE	Est Var (%)
Segmental revenue												
Robotics & Motion	11,219	11,601	11,908	12,590	12,454	13,242	13,557	13,312	47,318	52,565	13,456	1
YoY Change (%)	7.9	11.6	8.3	23.2	11.0	14.1	13.9	5.7	12.6	11.1	13.0	
Electrification Products	12,963	11,214	11,540	15,028	13,577	13,786	13,783	20,588	50,744	61,733	15,002	-8
YoY Change (%)	29.7	11.5	10.7	33.0	4.7	22.9	19.4	37.0	21.5	21.7	30.0	
Process Automation	7,263	6,327	5,963	6,277	5,865	4,921	6,013	4,824	25,830	21,622	5,247	15
YoY Change (%)	72.9	24.2	-11.7	-0.5	-19.3	-22.2	0.8	-23.2	15.5	-16.3	-12.0	
Unallocated and others (incl. excise duty)	26	44	47	60	51	38	13	76	176	178	44	-72
Less: inter-segmental	-667	-877	-335	-306	-351	-232	-258	-524	-2,185	-1,365	-337	
Total revenues	**30,804**	**28,309**	**29,122**	**33,649**	**31,596**	**31,754**	**33,107**	**38,276**	**1,21,883**	**1,34,733**	**33,412**	**-1**
Segmental EBIT												
Robotics & Motion	2,332	2,613	2,659	2,485	2,596	1,942	1,962	2,611	10,089	9,112	2,287	-14
Margin (%)	20.8	22.5	22.3	19.7	20.8	14.7	14.5	19.6	21.3	17.3	17.0	-250bp
Electrification Products	3,078	2,594	2,397	3,548	3,356	2,214	2,708	2,835	11,618	11,112	2,400	13
Margin (%)	23.7	23.1	20.8	23.6	24.7	16.1	19.6	13.8	22.9	18.0	16.0	360bp
Process Automation	1,181	1,023	1,145	1,221	962	842	1,056	815	4,570	3,676	897	18
Margin (%)	16.3	16.2	19.2	19.4	16.4	17.1	17.6	16.9	17.7	17.0	17.1	50bp
Total	**6,590**	**6,230**	**6,202**	**7,254**	**6,914**	**4,998**	**5,726**	**6,261**	**26,276**	**23,899**	**5,585**	**3**

CONFERENCE CALL

Key highlights from the management commentary

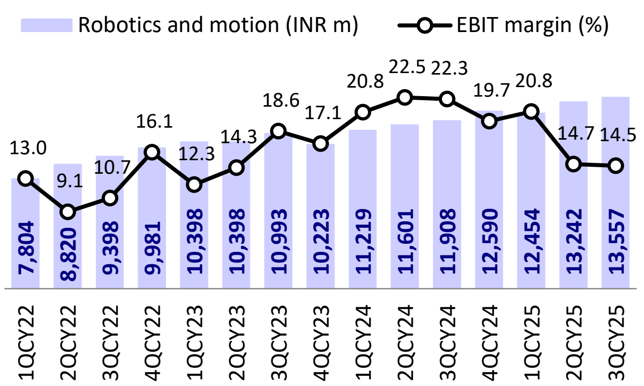
- **Order Inflows and Order Book:** Base orders grew 13% YoY, reflecting healthy growth across all business divisions, while total orders declined 3% YoY due to the absence of large orders in the current quarter. The order backlog stood at INR99b, providing good visibility for the coming quarters. The backlog comprises about 30% large orders and 70% smaller orders that are executed on a month-to-month basis. ABB stated that there are no slow-moving or non-moving orders and that all backlogs are lined up for execution over the next few quarters.
- **Material Costs:** The costs increased due to changes in product mix, competition intensity, and the introduction of QCO certification requirements. The company noted that the post-Covid pricing premium that existed in prior quarters has now dried up, contributing to a higher material cost ratio. The increase also reflects portfolio shifts and a slowdown in certain customer decisions affecting mix and pricing.
- **Margins:** Profit before tax margin stood at 16.4%, compared with 20.5% in 3QCY24 and 14.9% in 2QCY25. The company attributed the decline to the mix of revenues, competitive pricing, forex impact, and QCO-related costs. The impact on margins was quantified as approximately 1% from mix, 1–1.5% from pricing, 0.75–0.8% from QCO, and 0.6% from forex, resulting in a gap of about 3% versus earlier quarters.
- **Prospect Pipeline:** The company reported high engagement in data centers, electronics, and renewables, which continue to provide long-term growth opportunities. It observed moderate growth in mid-tier sectors and low growth in others that tend to rotate over time. Within renewables, the company highlighted opportunities in battery energy storage systems (BESS) and green hydrogen, while rail and metro projects continue to receive strong investment support. Co-location data centers were reported as growing strongly, while hyperscale data centers saw sluggish demand in the quarter.
- **Competition from Chinese Players:** The company mentioned that with the recent improvement in India–China trade relations, more business exchanges

are taking place between the two countries. It stated that the impact of Chinese imports into India remains unclear and that customers in process industries are evaluating how this may affect pricing and demand conditions. The company added that the extent to which Chinese imports may enter the market could influence the future demand curve of domestic industries.

- **NVIDIA Opportunity:** The company confirmed its global engagement with NVIDIA to develop solid-state drives and power solutions for AI data centers. It stated that all technologies developed by ABB globally are available to customers in India, provided there are no geographic restrictions on their application.
- **Pricing Impact:** The company stated that competition has intensified across multiple segments, and the price premium of 1–1.5% enjoyed earlier is no longer available. It also noted that market dynamics have slowed decision-making in certain orders, which has limited pricing flexibility in the near term.
- **Forex Losses:** The company reported a foreign exchange impact of about 0.6% on profitability. It stated that, unlike the previous quarter, there were no significant forex one-offs during 3QCY25. The forex exposure primarily affected divisions with high import content, such as Motion and Electrification.
- **QCO Impact:** The QCO introduced by the Indian government requires BIS certification for locally manufactured components. Due to limited testing capacity and long certification timelines, the company has been using imported components that are already certified globally. This has led to higher material costs and forex exposure. The company estimated the margin impact at 0.75–0.8% and expects the issue to continue for the next three to four quarters. It added that the deadlines for implementation are subject to government extensions due to industry-wide certification bottlenecks.
- **US Tariff Impact:** The company indicated that the US tariff measures have created challenges for India's textile sector, but India is diversifying its export markets and the government is supporting the sector through initiatives such as the PLI scheme and GST rationalization.
- **Guidance:** For the near term, the company stated that tailwinds include private consumption, government capital expenditure, and moderating inflation, while headwinds include trade uncertainty, prolonged geopolitical tensions, and foreign exchange volatility. It noted that QCO-related challenges are expected to take three to four quarters to resolve. The company reiterated that PAT margins remain within the 12–15% operating band.

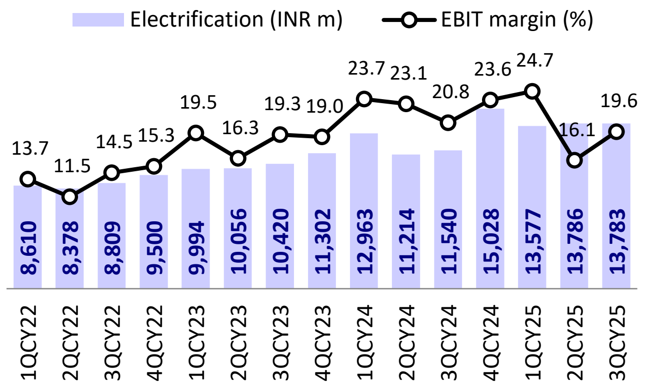
Key Exhibits

Exhibit 1: Robotics & motion segment margin contracted YoY due to forex loss, unfavorable material cost, pricing pressure, and a change in revenue mix



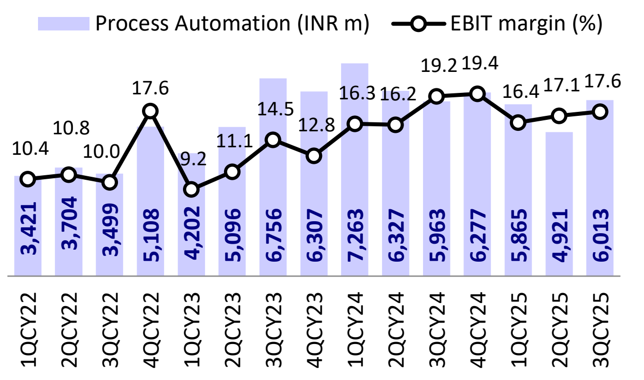
Source: Company, MOFSL

Exhibit 2: The electrification segment's margin contracted YoY due to higher reliance on imports to comply with QCO guidelines, material cost impact, and forex volatility



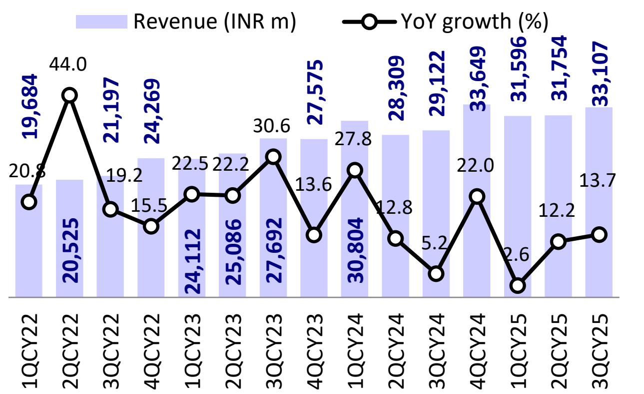
Source: Company, MOFSL

Exhibit 3: Process automation revenue was flat YoY, while margins contracted due to a change in revenue mix



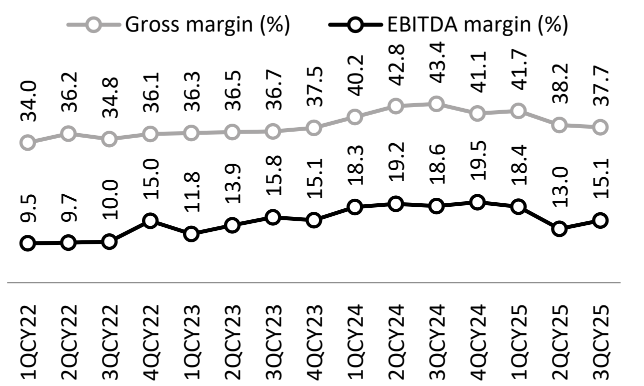
Source: Company, MOFSL

Exhibit 4: Overall revenue up 14% YoY, on strong execution of backlog across divisions



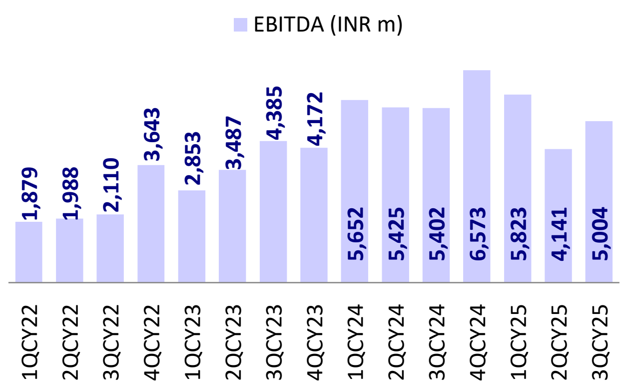
Source: Company, MOFSL

Exhibit 5: EBITDA margin contracted due to unfavourable material costs, forex volatility, and QCO-driven uptick in imports



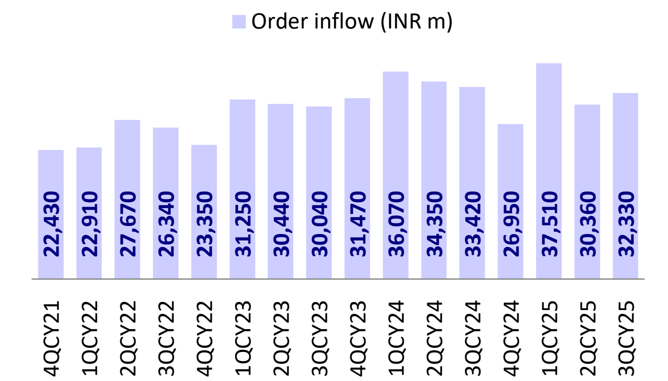
Source: Company, MOFSL

Exhibit 6: EBITDA grew 21% sequentially to INR5.0b, YoY impact due to unfavourable material costs, forex volatility, and QCO-driven uptick in imports



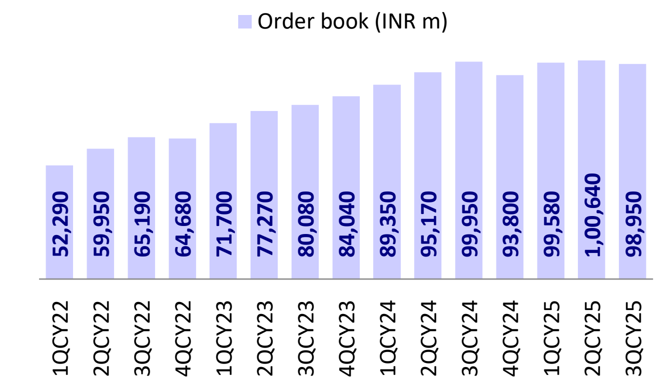
Source: Company, MOFSL

Exhibit 7: Order inflows decreased 3% YoY due to the timing of large orders



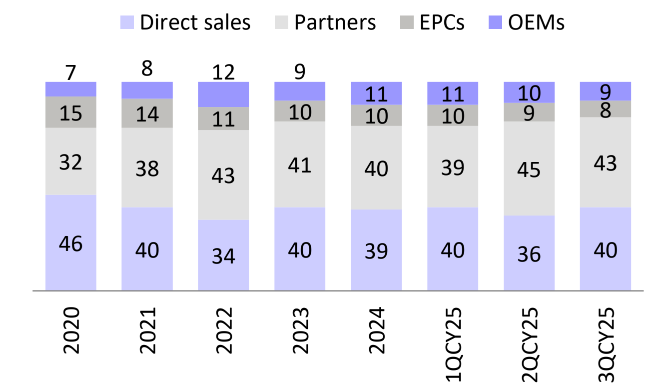
Source: Company, MOFSL

Exhibit 8: Order book was flat YoY with an increased share of base orders



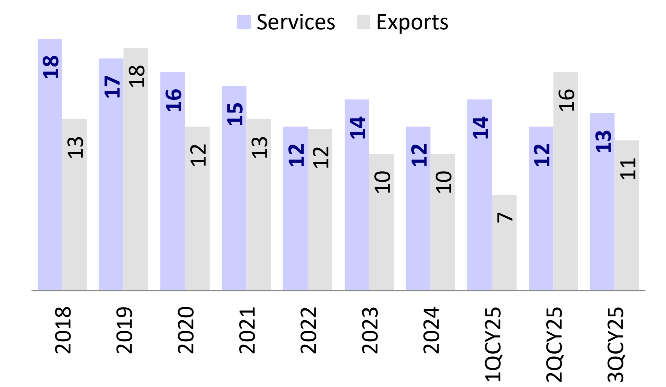
Source: Company, MOFSL

Exhibit 9: Breakup of revenue by channels (%) led by direct sales and partners in 3QCY25



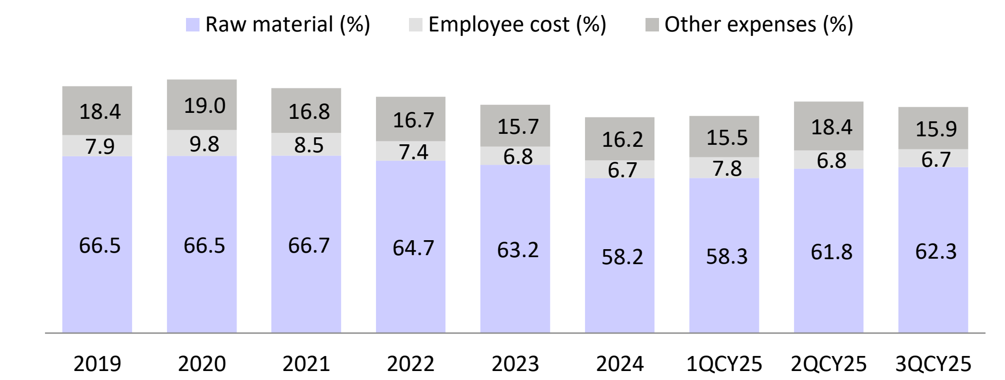
Source: Company, MOFSL

Exhibit 10: Reduced share of services in revenue was seen in 3QCY25 (%)



Source: Company, MOFSL

Exhibit 11: Higher raw material expenses during the quarter led to margin contraction



Source: Company, MOFSL

Exhibit 1: Segregation of market segments based on high (>15%), moderate (8% to 15%), and low (<8%) growth rates

High	Moderate	Low
Data Center	Water & wastewater	Power distribution
Electronics	Railways & Metro	Cement
Renewables	Buildings & infrastructure	Metals & Mining
	Oil, gas & chemicals	Pulp & Paper
	Food & beverage	Marine & Ports
	Pharma & healthcare	Textiles
	Automotive	
	Rubber & plastics	

Source: Company, MOFSL

Exhibit 12: ABB has lagged behind the parent entity in 3QCY25 in terms of segmental margins, mainly due to unfavorable material costs, forex volatility, and a QCO-driven uptick in imports (Segment-wise margins % - Parent vs. ABB India)

Electrification	2019	2020	2021	2022	2023	2024	1QCY25	2QCY25	3QCY25
Parent (A)	13.3%	14.1%	16.1%	16.5%	20.1%	22.7%	23.2%	23.9%	24.5%
ABB India (B)	9.8%	4.1%	11.1%	13.8%	18.5%	22.9%	24.7%	16.1%	19.6%
Net margin difference (A-B)	**3.5%**	**10.0%**	**5.0%**	**2.7%**	**1.6%**	**-0.2%**	**-1.5%**	**7.8%**	**4.9%**
Motion									
Parent (A)	16.6%	16.8%	17.1%	17.3%	18.9%	19.4%	19.6%	19.8%	20.1%
ABB India (B)	9.2%	5.3%	12.5%	12.3%	15.9%	22.1%	21.9%	16.4%	15.5%
Net margin difference (A-B)	**7.4%**	**11.5%**	**4.6%**	**5.0%**	**3.0%**	**-2.7%**	**-2.3%**	**3.4%**	**4.6%**
Process Automation									
Parent (A)	11.7%	7.8%	12.8%	14.0%	14.5%	15.1%	15.8%	15.9%	15.5%
ABB India (B)	6.1%	-5.4%	9.1%	12.8%	12.3%	17.7%	16.4%	17.2%	17.5%
Net margin difference (A-B)	**5.6%**	**13.2%**	**3.7%**	**1.2%**	**2.2%**	**-2.6%**	**-0.6%**	**-1.3%**	**-2.0%**
Robotics and Discrete Automation									
Parent (A)	11.9%	8.2%	10.8%	10.7%	14.7%	10.2%	9.9%	9.1%	9.2%
ABB India (B)	8.8%	3.2%	7.9%	12.5%	12.7%	13.5%	13.2%	6.5%	8.0%
Net margin difference (A-B)	**3.1%**	**5.0%**	**2.9%**	**-1.8%**	**2.0%**	**-3.3%**	**-3.3%**	**2.6%**	**1.2%**

Source: Company, MOFSL

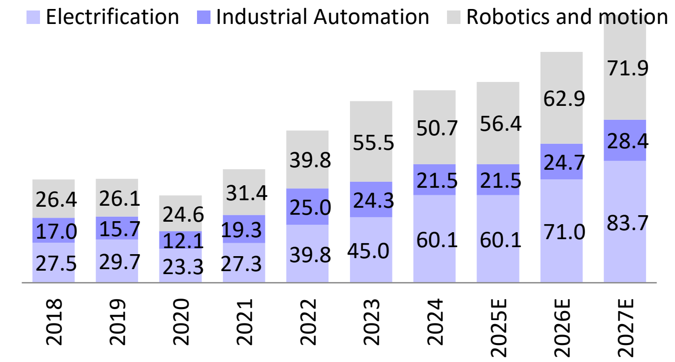
Exhibit 13: We trim our estimates by 1%/6%/7% for CY25/CY26/CY27 to bake in lower margins for the Electrification and Motion segments

(INR M)		CY25E							
	Rev	Old	Chg (%)	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	1,30,484	1,34,733	(3.2)	1,46,252	1,53,089	(4.5)	1,67,058	1,75,207	(4.7)
EBITDA	20,284	20,519	(1.1)	22,902	24,569	(6.8)	27,091	29,220	(7.3)
EBITDA (%)	15.5	15.2	30bp	15.7	16.0	-30bp	16.2	16.7	-50bp
Adj. PAT	16,768	16,962	(1.1)	18,931	20,156	(6.1)	22,118	23,703	(6.7)
EPS (INR)	79.1	80.0	(1.1)	89.3	95.1	(6.1)	104.4	111.9	(6.7)

Source: MOFSL

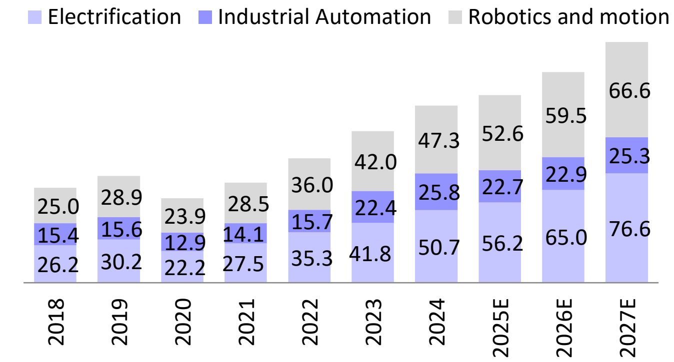
Financial outlook

Exhibit 14: We expect 15% order inflow CAGR over CY25-CY27 (INR b)



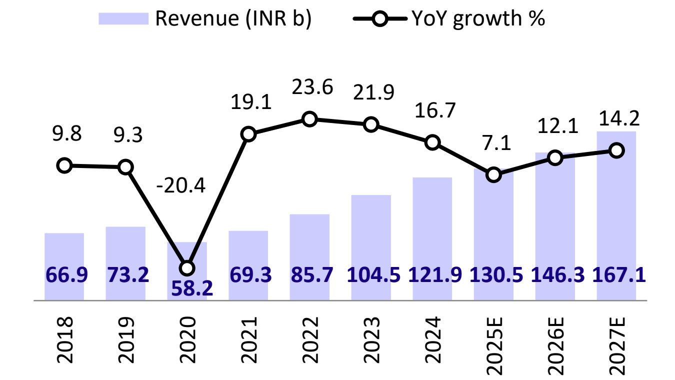
Source: Company, MOFSL

Exhibit 15: Revenue is expected to clock 13% CAGR over CY25-27 (INR b)



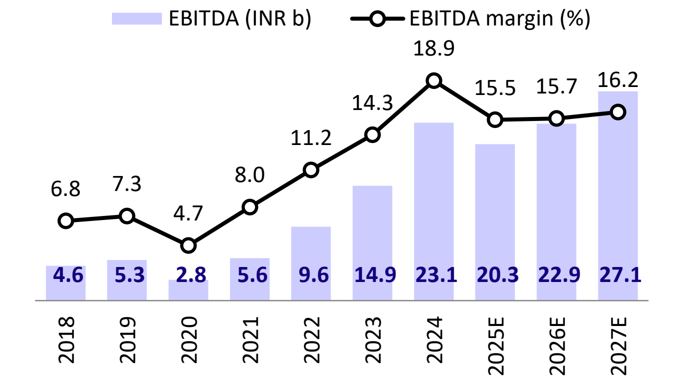
Source: Company, MOFSL

Exhibit 16: Revenue growth has been strong over the last few years on healthy inflows (INR b)



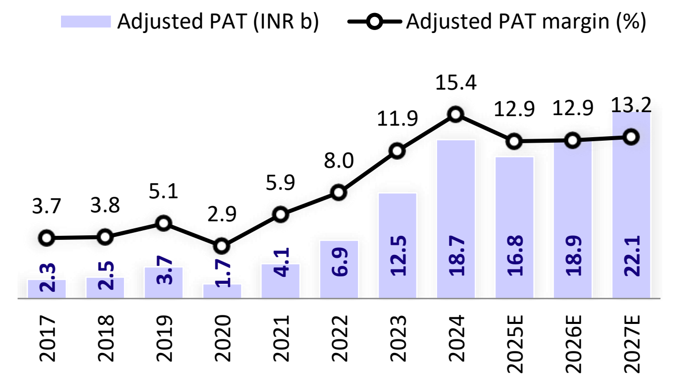
Source: Company, MOFSL

Exhibit 17: We expect ABB to clock 16% EBITDA CAGR over CY25-CY27 (INR b)



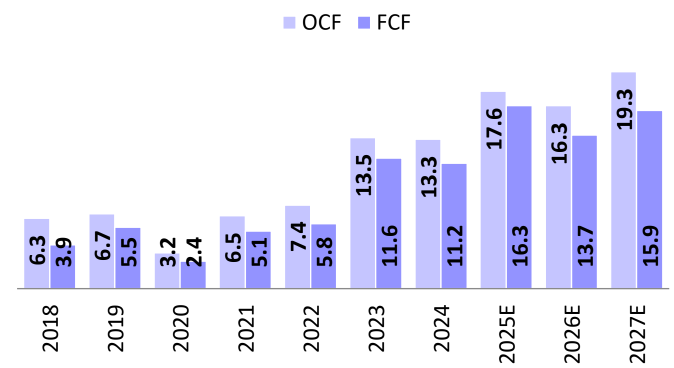
Source: Company, MOFSL

Exhibit 18: PAT is expected to post a 15% CAGR over CY25-CY27 (INR b)



Source: Company, MOFSL

Exhibit 19: FCF and OCF to remain strong on stable working capital (INR b)



Source: Company, MOFSL

Financials and Valuation

Standalone - Income Statement							(INR m)
Y/E Dec	CY21	CY22	CY23	CY24	CY25E	CY26E	CY27E
Total Income from Operations	**69,340**	**85,675**	**1,04,465**	**1,21,883**	**1,30,484**	**1,46,252**	**1,67,058**
Change (%)	19.1	23.6	21.9	16.7	7.1	12.1	14.2
Raw Materials	46,263	55,426	66,025	70,903	79,595	89,214	1,01,739
Gross Profit	**23,077**	**30,249**	**38,440**	**50,980**	**50,889**	**57,038**	**65,320**
Employee Cost	5,882	6,353	7,152	8,219	9,213	9,917	11,227
Other Expenses	11,627	14,277	16,391	19,709	21,391	24,219	27,002
Total Expenditure	**63,773**	**76,057**	**89,567**	**98,831**	**1,10,199**	**1,23,350**	**1,39,968**
% of Sales	92.0	88.8	85.7	81.1	84.5	84.3	83.8
EBITDA	**5,567**	**9,619**	**14,898**	**23,052**	**20,284**	**22,902**	**27,091**
Margin (%)	8.0	11.2	14.3	18.9	15.5	15.7	16.2
Depreciation	1,027	1,047	1,199	1,289	1,365	1,466	1,676
EBIT	**4,540**	**8,572**	**13,699**	**21,763**	**18,920**	**21,436**	**25,415**
Int. and Finance Charges	107	131	127	165	187	188	189
Other Income	1,596	1,795	3,017	3,534	3,685	4,061	4,344
PBT bef. EO Exp.	**6,029**	**10,235**	**16,589**	**25,133**	**22,417**	**25,309**	**29,570**
EO Items							
PBT after EO Exp.	**6,029**	**10,235**	**16,589**	**25,133**	**22,417**	**25,309**	**29,570**
Total Tax	1,918	3,372	4,107	6,387	5,649	6,378	7,452
Tax Rate (%)	31.8	32.9	24.8	25.4	25.2	25.2	25.2
Reported PAT	**4,112**	**6,863**	**12,482**	**18,746**	**16,768**	**18,931**	**22,118**
Adjusted PAT	**4,112**	**6,863**	**12,482**	**18,746**	**16,768**	**18,931**	**22,118**
Change (%)	139.5	66.9	81.9	50.2	-10.6	12.9	16.8
Margin (%)	5.9	8.0	11.9	15.4	12.9	12.9	13.2

Standalone - Balance Sheet							(INR m)
Y/E Dec	CY21	CY22	CY23	CY24	CY25E	CY26E	CY27E
Equity Share Capital	424	424	424	424	424	424	424
Total Reserves	40,028	48,970	59,022	70,330	77,132	84,103	91,870
Net Worth	**40,452**	**49,394**	**59,446**	**70,754**	**77,556**	**84,527**	**92,294**
Total Loans	0	0	0	0	0	0	0
Deferred Tax Liabilities	-939	-898	-1,027	-985	-985	-985	-985
Capital Employed	**39,513**	**48,496**	**58,419**	**69,769**	**76,571**	**83,542**	**91,309**
Gross Block	11,764	13,432	15,624	17,061	18,326	20,946	24,405
Less: Accum. Deprn.	3,741	4,586	5,831	6,589	7,953	9,420	11,095
Net Fixed Assets	**8,024**	**8,846**	**9,793**	**10,472**	**10,373**	**11,526**	**13,309**
Goodwill on Consolidation	146	146	146	146	146	146	146
Capital WIP	769	693	599	948	948	948	948
Total Investments	**0**	**4,932**	**39,408**	**45,738**	**45,738**	**45,738**	**45,738**
Curr. Assets, Loans&Adv.	**70,248**	**77,668**	**59,038**	**65,625**	**76,609**	**89,205**	**1,03,986**
Inventory	10,091	14,207	15,608	17,780	16,075	17,994	20,418
Account Receivables	25,604	24,451	25,443	29,837	31,942	35,802	40,895
Cash and Bank Balance	26,877	31,491	8,769	9,356	19,187	24,764	30,421
Loans and Advances	796	921	1,859	1,101	1,321	1,585	1,902
Other Current Asset	6,880	6,599	7,359	7,551	8,084	9,061	10,350
Curr. Liability & Prov.	**39,781**	**43,788**	**50,566**	**53,159**	**57,242**	**64,021**	**72,818**
Other Current Liabilities	36,436	39,956	46,058	47,960	51,523	57,610	65,495
Provisions	3,345	3,832	4,508	5,200	5,720	6,411	7,323
Net Current Assets	**30,467**	**33,880**	**8,472**	**12,465**	**19,367**	**25,185**	**31,168**
Misc Expenditure	107	0	0	0	0	0	0
Appl. of Funds	**39,513**	**48,496**	**58,419**	**69,769**	**76,571**	**83,542**	**91,309**

Financials and Valuation

Ratios							
Y/E Dec	**CY21**	**CY22**	**CY23**	**CY24**	**CY25E**	**CY26E**	**CY27E**
Basic (INR)							
EPS	**19.4**	**32.4**	**58.9**	**88.5**	**79.1**	**89.3**	**104.4**
Cash EPS	24.2	37.3	64.6	94.6	85.6	96.3	112.3
BV/Share	190.9	233.1	280.5	333.9	366.0	398.9	435.6
DPS	5.2	4.5	29.3	33.5	40.2	48.2	57.9
Payout (%)	31.4	16.3	58.2	44.3	59.4	63.2	64.9
Valuation (x)							
P/E	258.4	154.8	85.1	56.7	63.4	56.1	48.0
Cash P/E	206.8	134.3	77.7	53.0	58.6	52.1	44.7
P/BV	26.3	21.5	17.9	15.0	13.7	12.6	11.5
EV/Sales	14.9	12.0	10.1	8.6	8.0	7.1	6.2
EV/EBITDA	186.0	107.2	70.7	45.7	51.4	45.3	38.1
Dividend Yield (%)	0.1	0.1	0.6	0.7	0.8	1.0	1.2
FCF per share	24.2	26.7	54.9	52.6	76.9	64.5	74.8
Return Ratios (%)							
RoE	10.7	15.3	22.9	28.8	22.6	23.4	25.0
RoCE	10.9	15.5	23.1	29.0	22.8	23.5	25.2
RoIC	25.9	49.4	98.1	138.9	115.9	140.7	144.6
Working Capital Ratios							
Fixed Asset Turnover (x)	5.9	6.4	6.7	7.1	7.1	7.0	6.8
Asset Turnover (x)	1.8	1.8	1.8	1.7	1.7	1.8	1.8
Inventory (Days)	53	61	55	53	45	45	45
Debtor (Days)	135	104	89	89	89	89	89
Creditor (Days)	0	0	0	0	0	0	0
Leverage Ratio (x)							
Current Ratio	1.8	1.8	1.2	1.2	1.3	1.4	1.4
Interest Cover Ratio	42.4	65.4	108.2	132.3	101.2	114.0	134.2
Net Debt/Equity	-0.7	-0.7	-0.8	-0.8	-0.8	-0.8	-0.8

Standalone – Cash flow Statement							(INR m)
Y/E Dec	**CY21**	**CY22**	**CY23**	**CY24**	**CY25E**	**CY26E**	**CY27E**
OP/(Loss) before Tax	7,072	13,503	16,589	25,133	22,417	25,309	29,570
Depreciation	1,027	1,047	1,199	1,289	1,365	1,466	1,676
Interest & Finance Charges	-579	-1,137	-2,644	-3,268	-3,498	-3,873	-4,155
Direct Taxes Paid	-1,131	-2,467	-3,667	-6,626	-5,649	-6,378	-7,452
(Inc)/Dec in WC	1,015	-194	1,696	-3,690	2,929	-241	-326
CF from Operations	**7,405**	**10,752**	**13,173**	**12,838**	**17,564**	**16,283**	**19,313**
Others	-912	-3,427	285	451	0	0	0
CF from Operating incl EO	**6,492**	**7,326**	**13,458**	**13,288**	**17,564**	**16,283**	**19,313**
(Inc)/Dec in FA	-1,358	-1,660	-1,831	-2,137	-1,265	-2,620	-3,459
Free Cash Flow	**5,134**	**5,666**	**11,627**	**11,151**	**16,299**	**13,664**	**15,854**
(Pur)/Sale of Investments	0	19,741	-16	0	0	0	0
Others	950	180	2,827	3,463	0	0	0
CF from Investments	**-409**	**18,262**	**981**	**1,326**	**-1,265**	**-2,620**	**-3,459**
Issue of Shares	0	0	0	0	0	0	0
Inc/(Dec) in Debt	-124	0	0	0	0	0	0
Interest Paid	-85	-300	-364	-439	3,498	3,873	4,155
Dividend Paid	-1,060	-1,102	-2,331	-7,265	-9,967	-11,960	-14,352
CF from Fin. Activity	**-1,268**	**-1,402**	**-2,695**	**-7,704**	**-6,469**	**-8,087**	**-10,197**
Inc/Dec of Cash	**4,815**	**24,186**	**11,744**	**6,910**	**9,831**	**5,577**	**5,657**
Opening Balance	22,066	26,877	31,491	8,769	9,356	19,187	24,764
Other Bank Balances	-4	-19,573	-34,466	-6,323			
Closing Balance	**26,877**	**31,491**	**8,769**	**9,356**	**19,187**	**24,764**	**30,421**

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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

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Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
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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.
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