13 November 2025

2QFY26 Results Update | Sector: Consumer

# Page Industries

| | |
|---|---|
| Estimate change | ↓ |
| TP change | ↓ |
| Rating change | ↔ |

| | |
|---|---|
| Bloomberg | PAG IN |
| Equity Shares (m) | 11 |
| M.Cap.(INRb)/(USDb) | 441.5 / 5 |
| 52-Week Range (INR) | 50590 / 38850 |
| 1, 6, 12 Rel. Per (%) | -6/-20/-24 |
| 12M Avg Val (INR M) | 1206 |

**Financials & Valuations (INR b)**

| Y/E March | 2026E | 2027E | 2028E |
|---|---|---|---|
| Sales | 52.4 | 58.3 | 65.1 |
| Sales Gr. (%) | 6.2 | 11.3 | 11.7 |
| EBITDA | 11.5 | 12.9 | 14.5 |
| EBITDA Margin % | 22.0 | 22.1 | 22.3 |
| Adj. PAT | 8.0 | 9.0 | 10.2 |
| Adj. EPS (INR) | 715.4 | 803.0 | 911.2 |
| EPS Gr. (%) | 9.6 | 12.2 | 13.5 |
| BV/Sh.INR | 1518.4 | 1806.7 | 2133.7 |
| **Ratios** | | | |
| RoE (%) | 47.1 | 44.4 | 42.7 |
| RoCE (%) | 45.8 | 43.5 | 42.1 |
| Payout (%) | 75.0 | 75.0 | 75.0 |
| **Valuations** | | | |
| P/E (x) | 55.2 | 49.2 | 43.4 |
| P/BV (x) | 26.0 | 21.9 | 18.5 |
| EV/EBITDA (x) | 37.8 | 33.7 | 29.6 |
| Div. Yield (%) | 1.2 | 1.3 | 1.5 |

**Shareholding Pattern (%)**

| As On | Sep-25 | Jun-25 | Sep-24 |
|---|---|---|---|
| Promoter | 42.9 | 42.9 | 44.3 |
| DII | 29.2 | 28.5 | 29.5 |
| FII | 23.2 | 24.0 | 20.8 |
| Others | 4.7 | 4.6 | 5.4 |

FII includes depository receipts

**CMP: INR39,585 TP: INR47,500 (+20%) Buy**

## Uninspiring performance; growth recovery awaited

- Page Industries (PAGE) reported muted revenue growth of 4% YoY, with volume growth of 2.5% (est. 4%; 2% in 1QFY26) to 56.6m units. With trade inventory normalized, volume growth was expected to acceleration from 2Q onward. However, since the consumption environment was mostly subdued during the quarter, growth delivery was uninspiring. Festive demand was healthy, and we would monitor if these demand trends are sustained. The GST rate rationalization in Sep'25 had boosted consumer sentiment. Almost 90% of PAGE sales are from the below-INR1k price category. PAGE expects 2HFY26 to be better than 1HFY26.
- GM expanded 350bp YoY to 59.9% (beat), whereas EBITDA margin contracted 90bp YoY to 21.7% (miss) as operating expenses rose. An efficient raw material and product sourcing strategy and focused marketing initiatives aided EBITDA margins to an extent. PAGE did not increase prices in 2Q. It expects ad spends to be ~4-5% in FY26. That said, management has maintained its EBITDA margin guidance of 19-21% for FY26 despite achieving 21.5% in FY25.
- PAGE has launched a new product line with bonded technology in bras and men's innerwear in Sep'25, which are priced at a premium compared to Jockey's range. The initial consumer response has been encouraging.
- Although 1HFY26 recovery was below expectation, we believe that volume growth can improve in 2HFY26, backed by the festive season, wedding demand and expectations of consumption growth. Initiatives for products, marketing (particularly on social media platform) and new channel expansion are encouraging. Amid improving consumer sentiment, we continue to believe that PAGE will be able to capitalize on its growth opportunities. Benign input costs and cost efficiencies are likely to offset higher marketing/digital spending, which will help PAGE sustain its margin going forward. **We reiterate our BUY rating on the stock with a TP of INR47,500, premised on 55x Sep'27E EPS.**

### Muted quarter; profitability flat on a high base

- **Volume up 2.5%:** Sales grew 3.7% YoY to INR12.9b (est. INR13.1b) in 2Q. Sales volume was up 2.5% YoY (est. 4%, 2% in 1QFY26) at 56.6m pieces. Consumption environment remained mostly subdued in 2Q, while green shoots were visible in Sep'25 end. Product realization was up 1% YoY at INR228/piece, backed by premiumization and an increasing share of e-commerce. PAGE continues to focus on product innovation, cost optimization and various marketing initiatives without any price hikes.
- **Strong gross margin expansion**: Gross margin expanded ~350bp YoY to 59.9% (est. 59.7%), whereas EBITDA margin contracted to 90bp YoY 21.7% (est. 22.7%) given high operating expenses. Employee/other expenses rose 21%/14% YoY. An efficient raw material and product sourcing strategy, effective resource deployment and focused marketing initiatives aided EBITDA margins.

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- **Profitability remained flat YoY:** EBITDA was flat YoY at INR2.8b (est. INR3b). PBT was flat YoY at INR2.6b (est. INR2.7b). Adj. PAT was flat YoY at INR2b (est. INR2.1b). Overall the profitability remained flat YoY, albeit on a high base.
- In 1HFY26, revenue/EBITDA/PAT grew 3%/10%/10%.

## Highlights from the management commentary

- Consumption remained subdued through most of the bygone quarter. However, with the start of the festive season, we did see a good uptick in primary sales during latter half of Sep'25.
- The GST rate rationalization in Sep also boosted consumer sentiment. PAGE has passed on the rate benefit to consumers as applicable. Almost 90% of PAGE sales are from the below-INR1k category.
- The festive season has been better than the first half of 2QFY26. PAGE expects 2HFY26 to be better than 1HFY26.
- Over last year, PAGE reduced inventory at the partner level; hence, it saw some volume volatility between quarters. In addition, seasonality impacts quarterly volumes. That said, the company has stabilized now (in terms of ARS, etc.) and thus volume volatility is likely to normalize.
- FY26 EBITDA margin guidance remains broadly unchanged at 19-21%.
- Capex-linked incentives of INR500m will be realized in FY27 in P&L as subsidy received.

## Valuation and view

- We cut our EPS estimates by 2-3% for FY26 and FY27.
- Although 1HFY26 recovery was below expectation, we believe that volume growth can improve in 2HFY26, backed by the festive season, wedding demand and expectations of consumption growth.
- Initiatives for product, marketing (particularly on social media platform) and new channel expansion are encouraging. Given improving consumer sentiment, we continue to believe that PAGE will be able to capitalize on its growth opportunities. PAGE maintains its double-digit revenue growth guidance in the medium term.
- Inventory optimization through the ARS system, new product launches, capacity expansion, and digitalization initiatives will support growth, in our view. PAGE's brand equity keeps evolving into a lifestyle brand from only an innerwear brand. It will fit the brand across product lines. Benign input costs and cost efficiencies are likely to offset higher marketing/digital spending, which will help PAGE sustain its margin going forward.
- **We reiterate our BUY rating on the stock with a TP of INR47,500, premised on 55x Sep'27E EPS.**

**Quarterly Statement** (INR m)

| Y/E March | FY25 | | | | FY26E | | | | FY25 | FY26E | FY26E | Var. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | | 2QE | (%) |
| **Volume growth (%)** | **2.6** | **6.7** | **4.7** | **8.5** | **1.9** | **2.5** | **7.5** | **6.9** | **5.0** | **4.1** | **4.5** | |
| **Net Sales** | **12,775** | **12,454** | **13,131** | **10,981** | **13,166** | **12,909** | **14,327** | **11,975** | **49,340** | **52,376** | **13,144** | **-1.8%** |
| YoY change (%) | 3.9 | 10.7 | 6.9 | 10.6 | 3.1 | 3.7 | 9.1 | 9.1 | 8.0 | 6.2 | 5.5 | |
| **Gross Profit** | **6,918** | **7,031** | **7,399** | **6,689** | **7,784** | **7,736** | **8,510** | **7,342** | **28,036** | **31,373** | **7,716** | **0.3%** |
| Gross margin (%) | 54.1 | 56.5 | 56.3 | 60.9 | 59.1 | 59.9 | 59.4 | 61.3 | 56.8 | 59.9 | 58.7 | |
| **EBITDA** | **2,433** | **2,806** | **3,025** | **2,352** | **2,947** | **2,795** | **3,252** | **2,539** | **10,617** | **11,534** | **2,984** | **-6.3%** |
| Margins (%) | 19.0 | 22.5 | 23.0 | 21.4 | 22.4 | 21.7 | 22.7 | 21.2 | 21.5 | 22.0 | 22.7 | |
| YoY change | 2.0 | 20.1 | 31.7 | 43.1 | 21.1 | -0.4 | 7.5 | 7.9 | 23.5 | 8.6 | 6.3 | |
| Depreciation | 221 | 226 | 297 | 249 | 266 | 254 | 285 | 320 | 992 | 1,125 | 280 | |
| Interest | 117 | 109 | 119 | 118 | 127 | 125 | 125 | 129 | 464 | 506 | 120 | |
| Other Income | 129 | 146 | 140 | 201 | 148 | 195 | 190 | 217 | 616 | 750 | 155 | |
| **PBT** | **2,225** | **2,616** | **2,750** | **2,187** | **2,702** | **2,611** | **3,032** | **2,308** | **9,777** | **10,653** | **2,739** | **-4.7%** |
| Tax | 572 | 672 | 703 | 547 | 694 | 663 | 761 | 556 | 2,494 | 2,674 | 687 | |
| Rate (%) | 25.7 | 25.7 | 25.6 | 25.0 | 25.7 | 25.4 | 25.1 | 24.1 | 25.5 | 25.1 | 25.1 | |
| **PAT** | **1,652** | **1,944** | **2,047** | **1,640** | **2,008** | **1,948** | **2,271** | **1,752** | **7,282** | **7,979** | **2,051** | **-5.1%** |
| YoY change (%) | 4.3 | 29.3 | 34.3 | 51.6 | 21.5 | 0.2 | 11.0 | 6.8 | 27.9 | 9.6 | 5.5 | |

E: MOFSL Estimates

CONFERENCE CALL

## Highlights from management interaction

### Performance and outlook

- Consumption remained subdued through most of the bygone quarter. However, with the start of the festive season, we did see a good uptick in primary sales during latter half of Sep'25.
- The GST rate rationalization in Sep'25 also had a positive rub-off on consumer sentiment. PAGE has passed on the rate benefit to consumers as applicable. Almost 90% of PAGE sales are from less than INR1k category.
- PAGE has not been benefitted much from cost per se because even earlier, the costs were booked net off GST.
- The festive season has been better than first half of 2QFY26. PAGE expects 2HFY26 to be better than 1HFY26.
- Over last year, PAGE reduced inventory at partner level and hence, saw some volume volatility between quarters. In addition, seasonality impacts quarterly volumes. That said, the company has stabilized now (in terms of ARS, etc.) and thus volume volatility is likely to normalize.
- Primary sales are in line with secondary sales.
- PAGE expects double-digit sales growth in a normalized business environment.
- For FY26, PAGE plans two season launches for its JKY Groove - spring summer season saw healthy offtake. The second season with winter lineup will be launched in next two weeks. JKY Groove will operate in 150-200 EBOs (vs. 50 EBOs currently) and online channel across 50 cities.
- Jockey brand penetration in men's innerwear is in the range of 17.5-18%.
- PAGE launched a new product line with bonded technology in bras and men's innerwear in Sep'25 and the initial consumer response has been encouraging, despite higher price points compared to ASP of Jockey. The company will be expanding its reach gradually.
- The premium ranges outperforms the entry-level ranges across categories for PAGE.

- The company is working on various initiatives for tapping into the bottom-of-pyramid customer cohort.
- Women consumers are different from men and thus the women's innerwear category has much higher average order value.
- Modern retail, including ecommerce, continued to do well.
- PAGE's efforts to enhance operational efficiency while keeping product prices stable and focused marketing initiatives have contributed to steady profitability.
- Product prices in 2Q have remained unchanged.
- In athleisure, the company has revamped its designing and new products reach all the outlets in three months. Moreover, athleisure inventory levels are largely normalized.
- FY26 capex to be INR1400m and as of 1HFY26 ~INR570m has been used, largely for the Orissa plant.
- Capex-linked incentives of INR500m will be realized in FY27 in P&L as subsidy received.

## Costs and margins

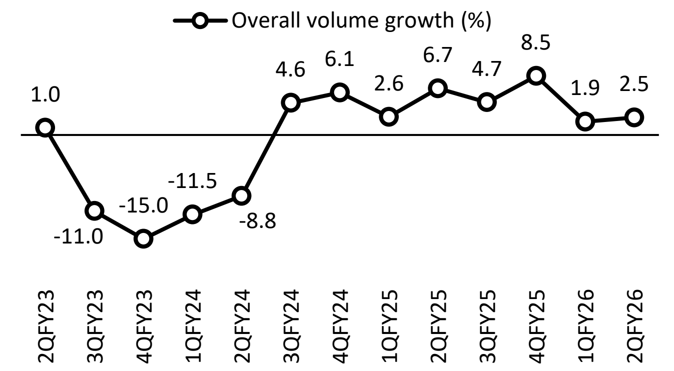
- The company is able to reduce its labor costs per minute and sewing efficiencies, which have been supporting YoY gross margin expansion.
- Employee expenses were high due to increments and increase in headcounts, and high marketing expenses weighed on 2QFY26 EBITDA margins.
- Ad spends are expected to be 4-5% for FY26.
- Marketing expenses were higher YoY but flat QoQ, leading to a rise in other expenses in 2QFY26.
- FY26 EBITDA margin guidance remains broadly unchanged at 19-21%.

## Distribution channels

- PAGE has a distribution network comprising 110,636 MBOs, 1,527 EBOs, and 1,327 LFS as of Sep'25.
- Speedo brand is available in 841 stores and 34 EBOs across 150+ cities.
- Online business, including quick commerce, continues to see robust growth.
- Inventory levels across distribution network remained healthy in 2QFY26.
- Women's innerwear segment has gained in terms of sales and distribution reach over the last 3-4 years and the gap vs. men's innerwear segment has narrowed significantly.
- PAGE has headroom for increasing penetration in T2 and 3 cities.
- Geographically, PAGE categorized the country internally in eight parts and then targets to grow in selected regions.
- The company has not lost any shelf share in the GT market, indicating no major competitive pressure from industry peers.

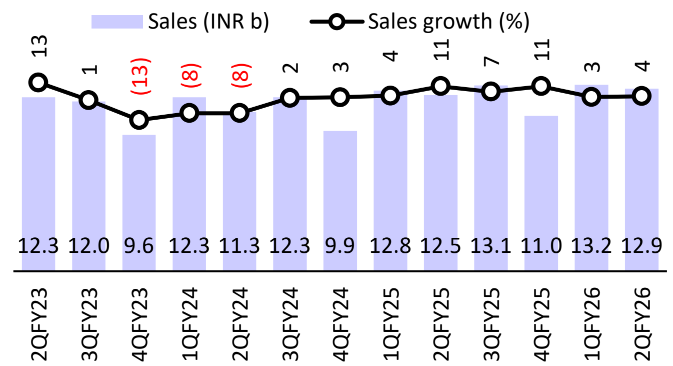
## Key exhibits

### Exhibit 1: Total volumes up 2.5% YoY in 2QFY26



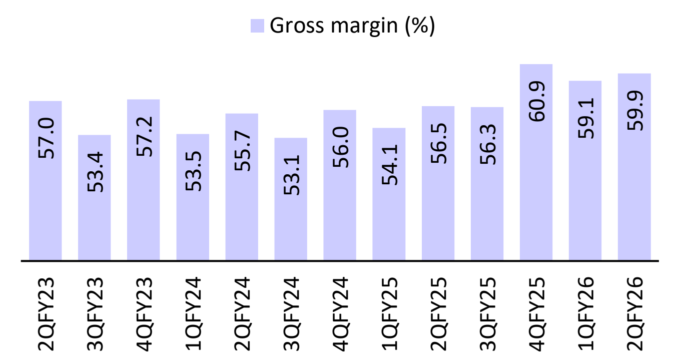

Source: Company, MOFSL

### Exhibit 2: Sales grew 4% YoY to INR12.9b



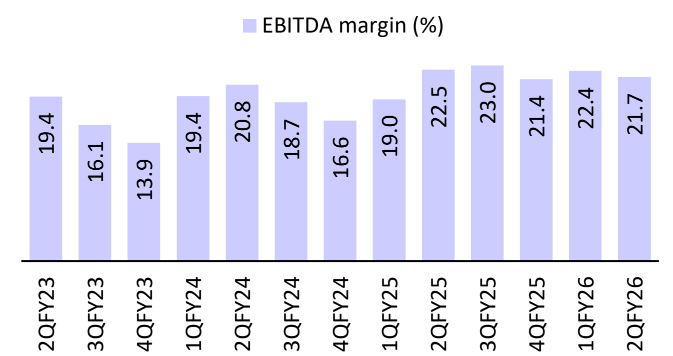

Source: Company, MOFSL

### Exhibit 3: Gross margin expanded ~350bp YoY to 59.9%



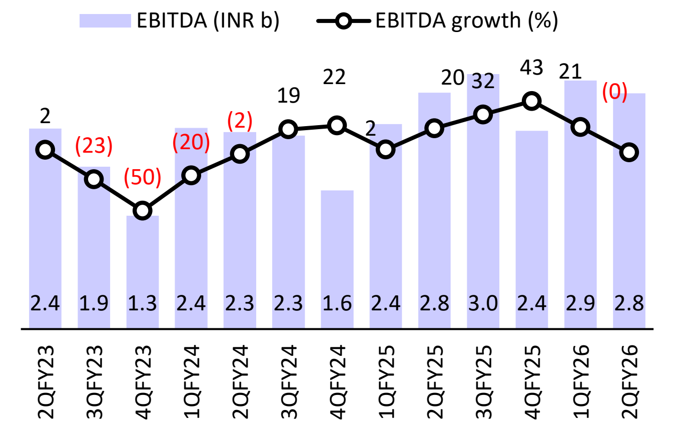

Source: Company, MOFSL

### Exhibit 4: EBITDA margin contracted ~90bp YoY to 21.7%



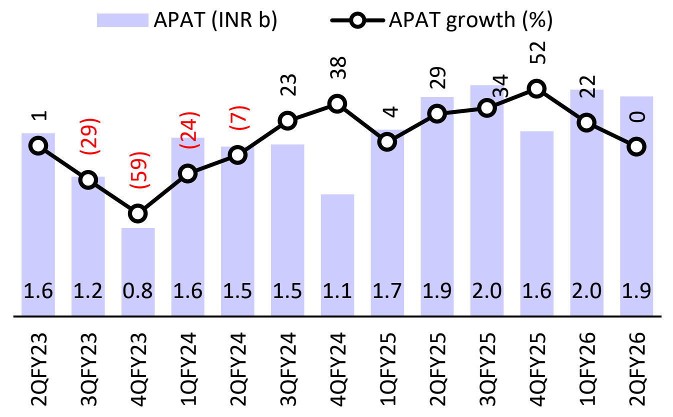

Source: Company, MOFSL

### Exhibit 5: EBITDA was flat YoY at INR2.8b in 2QFY26




Source: Company, MOFSL

### Exhibit 6: APAT flat YoY to INR1.9b in 2QFY26




Source: Company, MOFSL

## Valuation and view

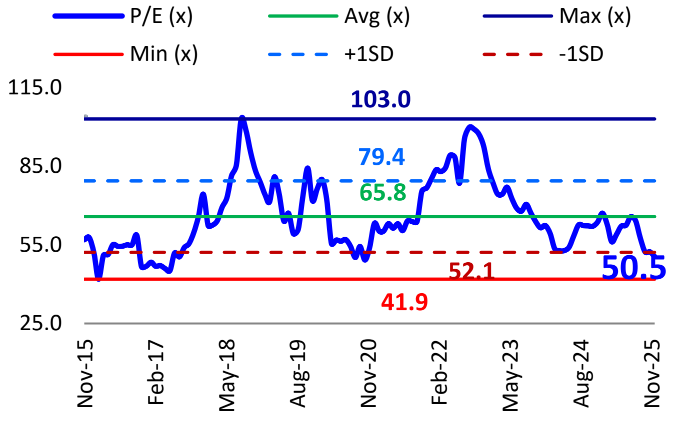
- We cut our EPS estimates by 2-3% for FY26 and FY27.
- Although 1HFY26 recovery was below expectation, we believe that volume growth can improve in 2HFY26, backed by the festive season, wedding demand and expectations of consumption growth.
- Initiatives for product, marketing (particularly on social media platform) and new channel expansion are encouraging. Given improving consumer sentiment, we continue to believe that PAGE will be able to capitalize on its growth opportunities. PAGE maintains its double-digit revenue growth guidance in the medium term.
- Inventory optimization through the ARS system, new product launches, capacity expansion, and digitalization initiatives will support growth, in our view. PAGE's brand equity keeps evolving into a lifestyle brand from only an innerwear brand. It will fit the brand across product lines. Benign input costs and cost efficiencies are likely to offset higher marketing/digital spending, which will help PAGE sustain its margin going forward.
- **We reiterate our BUY rating on the stock with a TP of INR47,500, premised on 55x Sep'27E EPS.**

**Exhibit 7: We cut our EPS estimates by 2-3% for FY26 and FY27**

| | New | | | Old | | | Change (%) | | |
|---|---|---|---|---|---|---|---|---|---|
| | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E |
| Sales | 52,376 | 58,281 | 65,094 | 52,905 | 59,782 | 67,493 | -1.0 | -2.5 | -3.6 |
| EBITDA | 11,534 | 12,881 | 14,525 | 11,830 | 13,500 | 15,250 | -2.5 | -4.6 | -4.8 |
| PAT | 7,979 | 8,956 | 10,163 | 8,090 | 9,266 | 10,453 | -1.4 | -3.3 | -2.8 |

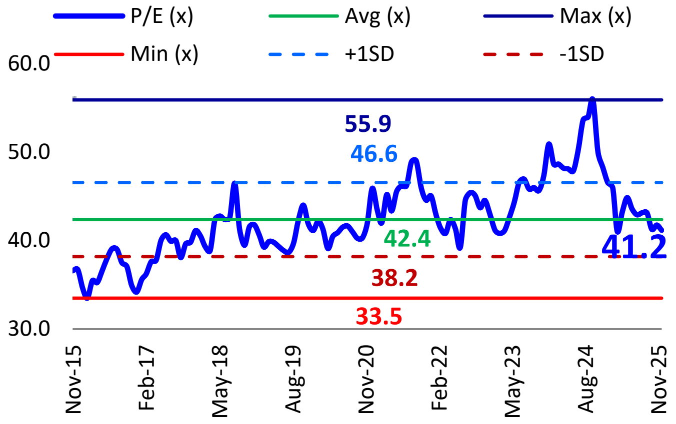
Source: Company, MOFSL

**Exhibit 8: PAGE's P/E (x)**




Source: Company, MOFSL

**Exhibit 9: Consumer sector P/E (x)**




Source: Company, MOFSL

# Financials and valuations

**Income Statement** (INR m)

| Y/E March | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|---|
| **Net Sales** | **29,454** | **28,330** | **38,865** | **47,142** | **45,692** | **49,340** | **52,376** | **58,281** | **65,094** |
| Change (%) | 3.3 | -3.8 | 37.2 | 21.3 | -3.1 | 8.0 | 6.2 | 11.3 | 11.7 |
| **Gross Profit** | **16,346** | **15,690** | **21,775** | **26,290** | **24,846** | **28,036** | **31,373** | **34,852** | **38,861** |
| Margin (%) | 55.5 | 55.4 | 56.0 | 55.8 | 54.4 | 56.8 | 59.9 | 59.8 | 59.7 |
| Other operating expenditure | 11,020 | 10,424 | 13,920 | 17,662 | 16,248 | 17,419 | 19,840 | 21,971 | 24,337 |
| **EBITDA** | **5,326** | **5,266** | **7,855** | **8,627** | **8,598** | **10,617** | **11,534** | **12,881** | **14,525** |
| Change (%) | -13.7 | -1.1 | 49.2 | 9.8 | -0.3 | 23.5 | 8.6 | 11.7 | 12.8 |
| Margin (%) | 18.1 | 18.6 | 20.2 | 18.3 | 18.8 | 21.5 | 22.0 | 22.1 | 22.3 |
| Depreciation | 614 | 629 | 655 | 781 | 908 | 992 | 1,125 | 1,255 | 1,390 |
| Int. and Fin. Ch. | 339 | 297 | 322 | 413 | 449 | 464 | 506 | 531 | 557 |
| Other Inc.- Rec. | 246 | 195 | 210 | 147 | 324 | 616 | 750 | 863 | 992 |
| **PBT** | **4,620** | **4,534** | **7,088** | **7,581** | **7,565** | **9,777** | **10,653** | **11,958** | **13,569** |
| Change (%) | -23.8 | -1.9 | 56.3 | 7.0 | -0.2 | 29.2 | 9.0 | 12.2 | 13.5 |
| Tax | 1,188 | 1,128 | 1,722 | 1,869 | 1,873 | 2,494 | 2,674 | 3,001 | 3,406 |
| Tax Rate (%) | 25.7 | 24.9 | 24.3 | 24.6 | 24.8 | 25.5 | 25.1 | 25.1 | 25.1 |
| **Adjusted PAT** | **3,432** | **3,406** | **5,365** | **5,712** | **5,692** | **7,282** | **7,979** | **8,956** | **10,163** |
| Change (%) | -12.9 | -0.8 | 57.5 | 6.5 | -0.4 | 27.9 | 9.6 | 12.2 | 13.5 |
| Margin (%) | 11.7 | 12.0 | 13.8 | 12.1 | 12.5 | 14.8 | 15.2 | 15.4 | 15.6 |
| **Reported PAT** | **3,432** | **3,406** | **5,365** | **5,712** | **5,692** | **7,282** | **7,979** | **8,956** | **10,163** |

**Balance Sheet** (INR m)

| Y/E March | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|---|
| Share Capital | 112 | 112 | 112 | 112 | 112 | 112 | 112 | 112 | 112 |
| Reserves | 8,087 | 8,737 | 10,775 | 13,599 | 15,858 | 13,960 | 16,825 | 20,040 | 23,688 |
| **Net Worth** | **8,199** | **8,849** | **10,886** | **13,710** | **15,969** | **14,072** | **16,936** | **20,151** | **23,799** |
| Loans | 1,764 | 1,270 | 1,099 | 4,064 | 1,848 | 2,621 | 2,831 | 3,058 | 3,302 |
| **Capital Employed** | **9,963** | **10,119** | **11,985** | **17,774** | **17,818** | **16,693** | **19,767** | **23,209** | **27,102** |
| Right of use assets | 1,045 | 976 | 910 | 1,451 | 1,675 | 2,450 | 2,572 | 2,701 | 2,836 |
| Gross Block | 4,319 | 4,505 | 5,067 | 5,685 | 5,861 | 8,200 | 9,100 | 10,100 | 11,100 |
| Less: Accum. Depn. | 1,309 | 1,618 | 1,953 | 2,285 | 2,658 | 3,074 | 4,199 | 5,454 | 6,845 |
| **Net Fixed Assets** | **3,010** | **2,887** | **3,114** | **3,401** | **3,203** | **5,126** | **4,901** | **4,645** | **4,255** |
| Capital WIP | 287 | 279 | 653 | 1,505 | 2,387 | 722 | 722 | 722 | 722 |
| Investments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Curr. Assets, L&A** | **10,787** | **12,835** | **16,356** | **20,521** | **19,468** | **18,042** | **22,391** | **27,188** | **32,755** |
| Inventory | 7,186 | 5,549 | 9,749 | 15,953 | 11,703 | 8,589 | 10,762 | 11,976 | 13,376 |
| Account Receivables | 738 | 1,371 | 1,651 | 1,461 | 1,586 | 1,916 | 2,439 | 2,714 | 3,032 |
| Cash and Bank Balance | 1,169 | 4,350 | 2,835 | 81 | 3,210 | 4,714 | 7,118 | 10,273 | 13,943 |
| Others | 1,694 | 1,564 | 2,122 | 3,026 | 2,968 | 2,823 | 2,071 | 2,226 | 2,404 |
| **Curr. Liab. and Prov.** | **5,165** | **6,879** | **9,084** | **9,154** | **9,008** | **9,731** | **10,903** | **12,132** | **13,550** |
| Account Payables | 938 | 2,175 | 3,628 | 2,876 | 2,200 | 2,549 | 4,018 | 4,471 | 4,994 |
| Other Liabilities | 3,953 | 4,504 | 5,198 | 5,955 | 6,526 | 6,888 | 6,311 | 7,022 | 7,843 |
| Provisions | 273 | 200 | 258 | 322 | 282 | 294 | 574 | 639 | 713 |
| **Net Curr. Assets** | **5,622** | **5,956** | **7,272** | **11,367** | **10,460** | **8,311** | **11,488** | **15,056** | **19,205** |
| Def. Tax Liability | 2 | -22 | -36 | -51 | -93 | -84 | -84 | -84 | -84 |
| **Appl. of Funds** | **9,963** | **10,119** | **11,985** | **17,774** | **17,818** | **16,693** | **19,767** | **23,209** | **27,102** |

E: MOFSL Estimates

# Financials and valuations

**Ratios**

| Y/E March | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|---|
| **Basic (INR)** | | | | | | | | | |
| **EPS** | **307.7** | **305.3** | **481.0** | **512.2** | **510.3** | **652.9** | **715.4** | **803.0** | **911.2** |
| Cash EPS | 362.7 | 361.8 | 539.7 | 582.2 | 591.7 | 741.9 | 816.2 | 915.5 | 1,035.8 |
| BV/Share | 735.1 | 793.3 | 976.0 | 1,229.2 | 1,431.7 | 1,261.6 | 1,518.4 | 1,806.7 | 2,133.7 |
| DPS | 161 | 250 | 300 | 260 | 370 | 900 | 459 | 515 | 584 |
| Payout incldg DDT (%) | 79.1 | 81.9 | 62.4 | 50.8 | 72.5 | 137.8 | 75.0 | 75.0 | 75.0 |
| **Valuation (x)** | | | | | | | | | |
| P/E | 128.4 | 129.4 | 82.2 | 77.2 | 77.4 | 60.5 | 55.2 | 49.2 | 43.4 |
| Cash P/E | 109.0 | 109.2 | 73.2 | 67.9 | 66.8 | 53.3 | 48.4 | 43.2 | 38.2 |
| EV/Sales | 15.0 | 15.5 | 11.3 | 9.4 | 9.6 | 8.9 | 8.3 | 7.4 | 6.6 |
| EV/EBITDA | 82.9 | 83.1 | 55.9 | 51.6 | 51.1 | 41.3 | 37.8 | 33.7 | 29.6 |
| P/BV | 53.8 | 49.8 | 40.5 | 32.2 | 27.6 | 31.3 | 26.0 | 21.9 | 18.5 |
| Dividend Yield (%) | 0.4 | 0.6 | 0.8 | 0.7 | 0.9 | 2.3 | 1.2 | 1.3 | 1.5 |
| **Return Ratios (%)** | | | | | | | | | |
| Asset Turn | 3.0 | 2.8 | 3.2 | 2.7 | 2.6 | 3.0 | 2.6 | 2.5 | 2.4 |
| Leverage | 1.2 | 1.1 | 1.1 | 1.3 | 1.1 | 1.2 | 1.2 | 1.2 | 1.1 |
| Net Margin | 11.7 | 12.0 | 13.8 | 12.1 | 12.5 | 14.8 | 15.2 | 15.4 | 15.6 |
| RoE | 41.9 | 38.5 | 49.3 | 41.7 | 35.6 | 51.8 | 47.1 | 44.4 | 42.7 |
| RoCE | 39.7 | 36.1 | 50.7 | 40.5 | 33.9 | 44.2 | 45.8 | 43.5 | 42.1 |
| RoIC | 42.2 | 49.8 | 77.9 | 47.9 | 40.7 | 61.1 | 67.3 | 72.1 | 79.8 |
| **Working Capital Ratios** | | | | | | | | | |
| Asset Turnover (x) | 3.2 | 2.8 | 3.5 | 3.2 | 2.6 | 2.9 | 2.9 | 2.7 | 2.6 |
| Debtor Days | 12 | 14 | 14 | 12 | 12 | 13 | 15 | 16 | 16 |
| Creditor Days | 13 | 20 | 27 | 25 | 20 | 18 | 23 | 27 | 27 |
| Inventory Days | 91 | 82 | 72 | 99 | 110 | 75 | 67 | 71 | 71 |
| **Leverage Ratio** | | | | | | | | | |
| Debt/Equity (x) | 0.2 | 0.1 | 0.1 | 0.3 | 0.1 | 0.2 | 0.2 | 0.2 | 0.1 |

**Cash Flow Statement** (INR m)

| Y/E March | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|---|
| Profit before Tax | 4,620 | 4,534 | 7,088 | 7,581 | 7,565 | 9,786 | 10,653 | 11,958 | 13,569 |
| Depreciation | 614 | 629 | 655 | 781 | 908 | 992 | 1,125 | 1,255 | 1,390 |
| Other Non Cash & Non operating activities | 179 | 304 | 186 | 308 | 295 | 64 | -244 | -332 | -435 |
| Incr in WC | 1,024 | 2,751 | -2,910 | -6,782 | 3,878 | 3,641 | -772 | -414 | -477 |
| Direct Taxes Paid | -1,270 | -1,259 | -1,750 | -1,904 | -1,841 | -2,447 | -2,674 | -3,001 | -3,406 |
| **CF from Operations** | **5,167** | **6,959** | **3,269** | **-16** | **10,805** | **12,036** | **8,087** | **9,466** | **10,641** |
| Incr in FA | -744 | -135 | -979 | -1,638 | -946 | -791 | -900 | -1,000 | -1,000 |
| **Free Cash Flow** | **4,423** | **6,824** | **2,290** | **-1,654** | **9,858** | **11,245** | **7,187** | **8,466** | **9,641** |
| Pur of Investments | 400 | -3,950 | 2,050 | 1,900 | 0 | 0 | 0 | 0 | 0 |
| Others | -319 | 3,967 | -1,891 | -1,259 | -515 | 359 | 628 | 734 | 857 |
| **CF from Invest.** | **-663** | **-119** | **-820** | **-997** | **-1,461** | **-431** | **-272** | **-266** | **-143** |
| Issue of Shares | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Incr in Debt | -470 | -321 | 0 | 1,916 | -2,474 | -700 | 210 | 226 | 245 |
| Dividend Paid | -2,716 | -2,787 | -3,347 | -2,900 | -3,458 | -9,146 | -5,115 | -5,741 | -6,515 |
| Others | -589 | -551 | -617 | -757 | -283 | -255 | -506 | -531 | -557 |
| **CF from Fin. Activity** | **-3,775** | **-3,659** | **-3,964** | **-1,741** | **-6,214** | **-10,101** | **-5,411** | **-6,045** | **-6,827** |
| **Incr/Decr of Cash** | **729** | **3,181** | **-1,515** | **-2,754** | **3,129** | **1,503** | **2,404** | **3,155** | **3,671** |
| Add: Opening Balance | 440 | 1,169 | 4,350 | 2,835 | 81 | 3,210 | 4,714 | 7,118 | 10,273 |
| **Closing Balance** | **1,169** | **4,350** | **2,835** | **81** | **3,210** | **4,714** | **7,118** | **10,273** | **13,943** |

E: MOSL Estimates

| 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 |

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