

# Thermax

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

|                       |             |
|-----------------------|-------------|
| Bloomberg             | TMX IN      |
| Equity Shares (m)     | 119         |
| M.Cap.(INRb)/(USDb)   | 364.8 / 4.1 |
| 52-Week Range (INR)   | 5355 / 2930 |
| 1, 6, 12 Rel. Per (%) | -7/-11/-48  |
| 12M Avg Val (INR M)   | 609         |

## Financials Snapshot (INR b)

| Y/E MARCH   | FY26E | FY27E | FY28E |
|-------------|-------|-------|-------|
| Net Sales   | 108.5 | 122.3 | 139.4 |
| EBITDA      | 10.8  | 12.8  | 15.4  |
| PAT         | 7.0   | 8.1   | 9.7   |
| EPS (INR)   | 62.2  | 72.2  | 86.5  |
| GR. (%)     | 10.3  | 16.1  | 19.8  |
| BV/Sh (INR) | 485.6 | 542.7 | 614.2 |

## Ratios

|          |      |      |      |
|----------|------|------|------|
| ROE (%)  | 13.5 | 14.0 | 14.9 |
| RoCE (%) | 11.5 | 12.0 | 12.8 |

## Valuations

|               |      |      |      |
|---------------|------|------|------|
| P/E (X)       | 49.2 | 42.4 | 35.4 |
| P/BV (X)      | 6.3  | 5.6  | 5.0  |
| EV/EBITDA (X) | 32.2 | 27.1 | 22.2 |
| Div Yield (%) | 0.5  | 0.5  | 0.5  |

## Shareholding pattern (%)

| As On    | Sep-25 | Jun-25 | Sep-24 |
|----------|--------|--------|--------|
| Promoter | 62.0   | 62.0   | 62.0   |
| DII      | 14.0   | 11.8   | 12.7   |
| FII      | 18.9   | 21.5   | 20.9   |
| Others   | 5.2    | 4.8    | 4.4    |

FII Includes depository receipts

**CMP: INR3,061 TP: INR3,000 (-2%) Sell**

## Legacy projects impacted performance

Thermax's (TMX) 2QFY26 results came in sharply below our expectations on lower-than-expected order inflows, execution and margins. As highlighted earlier ([link](#)), we were concerned about the impact of legacy projects and US tariffs on the industrial infra and chemical segment's margins and this impact was more severe than our expectations in 2QFY26. The order prospect pipeline remains strong across metals and mining, refineries, thermal and fertilizer, and TMX expects healthy inflow ramp-up in 2HFY26. We do expect TMX to benefit from its strong product portfolio and improved margins in industrial product division. However, the lingering impact of legacy margins can continue to impact performance for the next 2-3 quarters. We cut our estimates by 9%/10%/9% for FY26/27/28 and revise our SoTP-based TP to INR3,000 on two-year forward earnings (from INR3,450 earlier). Reiterate Sell.

## Weak set of results

Revenue declined 5% YoY to INR24.7b (vs. our est. INR28.9b), primarily driven by a 24% YoY decline in the Industrial Infra segment. Gross margin expanded ~230bp YoY but contracted ~360bp QoQ to 47.1%. Lower margins in the Industrial Infra division led to an overall EBITDA margin contraction of ~360bp YoY to 7.0%, with EBITDA at INR1.7b (-38% YoY), missing our estimate by 38%. The decline in profitability was impacted by project cost overruns in the Industrial Infra segment and a higher-than-expected tax rate, resulting in an adjusted PAT of INR1.2b (-40% YoY, 33% below our estimate), while PAT margin contracted 280bp YoY to 4.8%. Order inflows for the quarter stood at INR35.5b, up 6% YoY, taking the total order book to INR123b, up 6% YoY. For 1HFY26, revenue/EBITDA/PAT declined 4%/5%/12% YoY to INR46.2b/INR4.0b/INR2.7b, with margins contracting marginally by 10bp YoY to 8.6%. For 1HFY26, OCF declined by 88% to INR0.6b and FCF outflow was INR3.3b vs. INR0.2b in 1HFY25.

## Segment-wise performance led by the industrial product and green solutions division amid margin moderation

Among segments, industrial product/green solutions revenue grew 12%/10% YoY, while growth remained weak in the industrial infra and chemical segments. Industrial product EBIT margin stood at 9.9% (vs. 10.8% in 2QFY25). Industrial Infra margins decreased to 1.6% from 7.1% in 2QFY25, mainly due to project cost overruns and the absence of one-off PSI income. Chemical segment EBIT margins were weak at 9.8% (vs. 16.1% YoY), due to higher fixed costs compared to revenue growth, higher input costs, and a change in the product mix. Green Solutions PBT margin improved to 6.1% from 1.9% in 2QFY25, aided by operational efficiency and insurance claim proceeds received by one of its subsidiaries.

### Industrial Products: Strong outlook

During 2Q, the division witnessed inflow growth of 18% YoY. Growth was driven by strong traction in water desalination, environmental equipment, and heating solutions, along with emerging opportunities in data centers and clean air systems. Although margins softened to 9.9% (from 10.8% YoY) due to an unfavorable product mix, we expect revenue growth and margin trajectory to improve going forward. We bake in 16% revenue CAGR over FY25-28 and 11.5% EBIT margin each for FY26/27/28.

### Industrial Infra drags down performance; margin pressure persists

Revenue declined 24% YoY for the quarter. The underperformance was driven by execution of legacy low-margin FGD and refinery projects, cost overruns, and subdued conversion of large project inquiries. Order inflows fell 16% YoY to INR14.6b, as the company focused on improving order quality by refraining from low-margin, long-duration government projects. While the backlog mix is gradually improving toward higher-margin international and private-sector orders, recovery is expected to be gradual. We expect 3% revenue CAGR over FY25-28 and EBIT margins of 3.0%/4.0%/5.0% for FY26/27/28, reflecting slow normalization in project execution and limited near-term margin levers.

### Green Solutions gains traction; profitability improves YoY

During 2Q, the order inflows increased 418% YoY to INR3b, supported by growth in biomass-based energy solutions, hybrid renewable projects, and an accounting change at TOESL. Within the segment, FEPL continued the execution of two solar projects – one in ISDs and another in Gujarat - and is targeting break-even next year as part of its planned INR7.5b investment. Execution is also progressing well on key projects, including the 140 MW hybrid project at Jafrabad and wind installations in Tamil Nadu. With expanding capacity and improving profitability, we expect revenue CAGR of 9% over FY25-28 and EBIT margins of 18%/13%/13% each for FY26/27/28, reflecting gradual scaling and operational leverage benefits.

### Chemicals: Gradual recovery; margins under pressure

Revenue was flat YoY for the quarter, with margins moderating to 9.8% from 16.1% in 2QFY25 due to higher input costs, elevated fixed expenses, and an unfavorable product mix. Demand was initially weak amid competitive pricing from Chinese suppliers but began recovering from Sep'25, supported by higher plant utilization and improving traction in construction chemicals and specialty resins. The order book stood at around INR2.0b, which is expected to rise to INR2.3-2.5b in 3Q, with profitability likely to revert to mid-teens as volumes normalize. We expect 19% revenue CAGR over FY25-28 and EBIT margins of 11%/13%/14% for FY26/27/28. We expect margins to remain impacted in the near term due to tariff issues.

### Strong pipeline yet to reflect in order book

The order pipeline remains healthy, with broad-based demand across industries and geographies. The company continues to see a reasonable pipeline of good projects across segments, particularly in power, metals, refining, petrochemical, and fertilizers, along with emerging applications such as data centers. International opportunities remain encouraging, led by strong traction in HRSG and other process

equipment orders from the Middle East. The company targets over 20% growth in order inflows for FY26, supported by improved project quality and disciplined bidding practices. We bake in a CAGR of 16% in order inflows over FY25-28.

### Financial outlook

We expect a CAGR of 10%/19%/15% in revenue/EBITDA/PAT over FY25-28. We build in 1) 16% CAGR in order inflows, 2) a gradual recovery in EBIT margins of the Industrial Infra and chemical divisions to 5.0% and 14.0%, respectively, by FY28E, and 3) control over working capital and NWC (at 10 days).

### Valuation and view

The stock is currently trading at 49.2x/42.4x/35.4x on FY26E/FY27E/FY28E EPS. **We reiterate our Sell rating with a revised TP of INR3,000, based on 38x two-year forward EPS for the core business.** Slightly lower multiple bakes in impact of legacy orders and weak inflow growth for the company. With the value of investments in subsidiaries, we believe that stock is currently factoring in a possible revival in order inflows as well as margin improvement.

### Key risks and concerns

A slowdown in order inflows, a spike in commodity prices, a slower-than-expected revival in private sector capex, and increased competition are the key risks to our estimates.

### Consolidated - Quarterly Earning Model

(INR m)

| Y/E March                             | FY25          |               |               |               | FY26E         |               |               |               | FY25            | FY26E           | FY26E         | Est        |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|-----------------|---------------|------------|
|                                       | 1Q            | 2Q            | 3Q            | 4Q            | 1Q            | 2Q            | 3QE           | 4QE           |                 |                 | 2QE           | Var (%)    |
| <b>Net Sales</b>                      | <b>21,844</b> | <b>26,116</b> | <b>25,078</b> | <b>30,849</b> | <b>21,502</b> | <b>24,739</b> | <b>27,144</b> | <b>35,109</b> | <b>1,03,887</b> | <b>1,08,494</b> | <b>28,863</b> | <b>-14</b> |
| YoY Change (%)                        | 13.0          | 13.4          | 7.9           | 11.6          | -1.6          | -5.3          | 8.2           | 13.8          | 11.4            | 4.4             | 10.5          |            |
| Gross profit                          | 9,556         | 11,711        | 11,083        | 13,401        | 10,898        | 11,641        | 12,079        | 14,204        | 45,752          | 48,822          | 13,277        |            |
| Total Expenditure                     | 20,433        | 23,336        | 23,188        | 27,853        | 19,251        | 23,019        | 24,211        | 31,192        | 94,809          | 97,673          | 26,100        |            |
| <b>EBITDA</b>                         | <b>1,412</b>  | <b>2,780</b>  | <b>1,890</b>  | <b>2,997</b>  | <b>2,251</b>  | <b>1,720</b>  | <b>2,933</b>  | <b>3,916</b>  | <b>9,078</b>    | <b>10,821</b>   | <b>2,763</b>  | <b>-38</b> |
| YoY Change (%)                        | 6.8           | 35.8          | 0.8           | 9.7           | 59.5          | -38.1         | 55.2          | 30.7          | 13.8            | 19.2            | -0.6          |            |
| Margins (%)                           | 6.5           | 10.6          | 7.5           | 9.7           | 10.5          | 7.0           | 10.8          | 11.2          | 8.7             | 10.0            | 9.6           |            |
| Depreciation                          | 360           | 421           | 351           | 453           | 489           | 515           | 467           | 443           | 1,585           | 1,913           | 491           | 5          |
| Interest                              | 275           | 294           | 287           | 313           | 302           | 322           | 358           | 413           | 1,168           | 1,395           | 340           | -5         |
| Other Income                          | 841           | 598           | 315           | 769           | 656           | 854           | 332           | 365           | 2,522           | 2,207           | 538           | 59         |
| <b>PBT before EO expense</b>          | <b>1,617</b>  | <b>2,663</b>  | <b>1,568</b>  | <b>3,000</b>  | <b>2,117</b>  | <b>1,738</b>  | <b>2,440</b>  | <b>3,425</b>  | <b>8,847</b>    | <b>9,720</b>    | <b>2,470</b>  | <b>-30</b> |
| <b>PBT</b>                            | <b>1,617</b>  | <b>2,663</b>  | <b>1,568</b>  | <b>3,000</b>  | <b>2,117</b>  | <b>1,738</b>  | <b>2,440</b>  | <b>3,425</b>  | <b>8,847</b>    | <b>9,720</b>    | <b>2,470</b>  | <b>-30</b> |
| Tax                                   | 519           | 683           | 425           | 951           | 600           | 543           | 683           | 895           | 2,578           | 2,722           | 692           |            |
| Rate (%)                              | 32.1          | 25.6          | 27.1          | 31.7          | 28.4          | 31.2          | 28.0          | 26.1          | 29.1            | 28.0            | 28.0          |            |
| Minority Interest & P/L of Asso. Cos. | 4             | 0             | 5             | -7            | 2             | 1             | 0             | -3            | 2               |                 | 0             |            |
| <b>Reported PAT</b>                   | <b>1,094</b>  | <b>1,980</b>  | <b>1,137</b>  | <b>2,056</b>  | <b>1,515</b>  | <b>1,194</b>  | <b>1,757</b>  | <b>2,533</b>  | <b>6,268</b>    | <b>6,998</b>    | <b>1,779</b>  | <b>-33</b> |
| <b>Adj PAT</b>                        | <b>1,094</b>  | <b>1,980</b>  | <b>1,137</b>  | <b>2,056</b>  | <b>1,515</b>  | <b>1,194</b>  | <b>1,757</b>  | <b>2,533</b>  | <b>6,268</b>    | <b>6,998</b>    | <b>1,779</b>  | <b>-33</b> |
| YoY Change (%)                        | 17.4          | 24.9          | -19.0         | 5.3           | 38.4          | -39.7         | 54.5          | 23.2          | 6.7             | 10.3            | -10.2         |            |
| Margins (%)                           | 5.0           | 7.6           | 4.5           | 6.7           | 7.0           | 4.8           | 6.5           | 7.2           | 6.0             | 6.5             | 6.2           |            |

| INR m                    | FY25          |               |               |               | FY26E         |               |               |               | FY25            | FY26E           |
|--------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|-----------------|
|                          | 1Q            | 2Q            | 3Q            | 4Q            | 1Q            | 2Q            | 3QE           | 4QE           |                 |                 |
| <b>Segmental revenue</b> |               |               |               |               |               |               |               |               |                 |                 |
| Industrial Products      | 9,608         | 10,576        | 10,801        | 14,304        | 9,544         | 11,888        | 13,502        | 17,852        | 45,290          | 52,785          |
| Industrial Infra         | 9,251         | 12,426        | 11,317        | 14,152        | 8,904         | 9,487         | 9,980         | 13,208        | 47,146          | 41,578          |
| Green Solutions          | 1,737         | 1,751         | 1,892         | 1,519         | 1,732         | 1,917         | 2,277         | 2,376         | 6,899           | 8,303           |
| Chemical                 | 1,708         | 1,903         | 1,916         | 2,101         | 1,732         | 1,910         | 2,262         | 3,101         | 7,628           | 9,005           |
| Less: Intersegmental     | -460          | -541          | -849          | -1,226        | -410          | -463          | -877          | -1,428        | -3,076          | -3,177          |
| <b>Total revenues</b>    | <b>21,844</b> | <b>26,116</b> | <b>25,078</b> | <b>30,849</b> | <b>21,502</b> | <b>24,739</b> | <b>27,144</b> | <b>35,109</b> | <b>1,03,887</b> | <b>1,08,494</b> |
| <b>Segmental EBIT</b>    |               |               |               |               |               |               |               |               |                 |                 |
| Industrial Products      | 867           | 1,145         | 1,215         | 2,063         | 777           | 1,173         | 1,539         | 2,582         | 5,290           | 6,070           |
| Margin (%)               | 9.0           | 10.8          | 11.3          | 14.4          | 8.1           | 9.9           | 11.4          | 14.5          | 11.7            | 11.5            |
| Industrial Infra         | -184          | 882           | 13            | 389           | 710           | -148          | 250           | 436           | 1,101           | 1,247           |
| Margin (%)               | -2.0          | 7.1           | 0.1           | 2.8           | 8.0           | -1.6          | 2.5           | 3.3           | 2.3             | 3.0             |
| Green Solutions          | 230           | 216           | 180           | 148           | 332           | 362           | 410           | 391           | 774             | 1,494           |
| Margin (%)               | 13.2          | 12.3          | 9.5           | 9.8           | 19.2          | 18.9          | 18.0          | 16.5          | 11.2            | 18.0            |
| Chemical                 | 304           | 306           | 264           | 349           | 161           | 187           | 271           | 371           | 1,223           | 991             |
| Margin (%)               | 17.8          | 16.1          | 13.8          | 16.6          | 9.3           | 9.8           | 12.0          | 12.0          | 16.0            | 11.0            |



## Conference call highlights

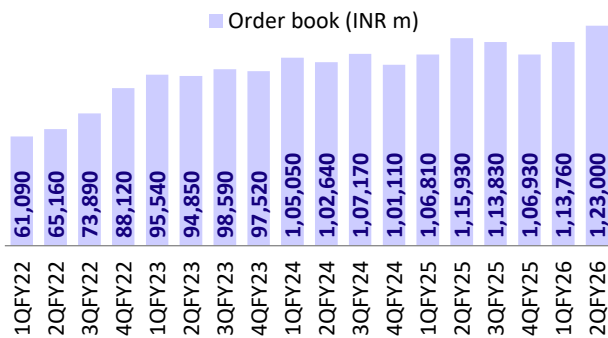
- **Order Pipeline** – The company reported a healthy domestic order book in 1HFY26, and expects more than 20% growth for FY26, excluding TOESL reclassification. Management highlighted a strong pipeline across power, metals, refining, petrochemical, and fertilizer sectors, with steady traction internationally in HRSGs, oil and gas boilers, and data-center power projects. Conversion of pending large inquiries is expected in 2HFY26, with 3Q and 4Q described as strong quarters ahead.
- **Industrial Products** – The industrial products portfolio, which includes heating, water, environment, and cooling systems, continued to see broad-based growth. Water and Enviro businesses now operate at low double-digit margins and are expanding internationally, while heating and cooling maintain mid-to-high-teens profitability. Water desalination, zero-liquid discharge, and clean-air solutions contributed to growth, and heating recorded its highest-ever monthly order intake in Sep'25. Cooling demand from data centers strengthened, and management plans to increase the share of services from low double digits to the teens over time.
- **Industrial Infra** – 2QFY26 was termed the “kitchen-sink quarter,” as TMX absorbed most of the remaining hits on legacy projects. Of the total backlog of about INR5.7b, largely comprising PSU and Bio-CNG jobs, around 62% is planned for execution in 2HFY26, while the balance 38% will spill over into FY27. Low-margin FGD and refinery projects, including the NRL project (INR1.8b backlog), are being completed, and the company has now turned selective on new tenders. A key highlight was an international boiler order from a Middle Eastern oil & gas customer, where TMX is the only qualified Indian vendor. Future projects are expected to carry 5–8% domestic and 10%+ international margins, as the company rebuilds its order book around higher-quality, profitable work.
- **Bio-CNG Projects** – The company has not taken any new Bio-CNG orders for two years, except one earlier commitment. Ongoing projects are expected to be handed over by 4QFY26, with Thermax currently producing the highest CBG volumes among operational Indian plants. Technology performance has

stabilized at lower-than-expected yields, resulting in single-digit profitability. Management cited policy gap - digestate utilization, green-credit framework, electricity tariffs, and rice-straw pricing—as key hurdles to commercial viability.

- **Green Solutions** – The company revised TOESL’s accounting to include long-term contract value in the order book, aligning orders with revenue recognition. The company plans to invest around INR7.5b in this segment and expand its green-energy portfolio to about a gigawatt before bringing in an external partner. FEPL renewable capacity stands near 300 MW and is targeted to reach 500–650 MW by FY27. FEPL is executing two solar projects – one in ISDs and one in Gujarat, and expects to achieve breakeven next year. The focus remains on disciplined execution and selective expansion in renewables.
- **Chemicals** – The chemicals division faced weak international demand and pricing pressure from Chinese competition in 1HFY26. The company is carrying about INR150m in growth-related costs, including INR45m of incremental depreciation. Utilization dropped to 40% but began recovering in Sep’25, supported by improving volumes in construction chemicals. The quarterly order book stands at about INR2b and is expected to rise to INR2.3-2.5b in 3Q, with profitability expected to return to the teens.
- **Subsidiaries** – TBWES is seeing strong momentum and is expected to report significant growth in 2HFY26, driven by domestic and international boiler orders. The company remains constructive on coal-based and HRSG opportunities but is not participating in BTG contracts. FEPL’s solar operations are being scaled cautiously, with a focus on project quality amid supply-side constraints. ECPL’s renewable projects are progressing toward planned capacity, while TOESL’s reclassification aligns order intake with revenue, without impacting earnings.
- **Guidance** – The company guided for a strong recovery in 2HFY26, led by improved execution and higher order conversion across core businesses. Management expects revenue and profit growth in FY26 despite the one-off impact taken in 2Q on legacy projects. Order inflows are projected to grow by over 20% YoY, supported by a healthier mix of industrial and international projects with better profitability. The company anticipates a significant pickup in revenues in 3Q and 4Q, similar to the robust performance seen in 4QFY25, and expects to enter FY27 with a stronger and higher-quality backlog, driven by larger contributions from industrial products, TBWES, chemicals, and energy solutions.

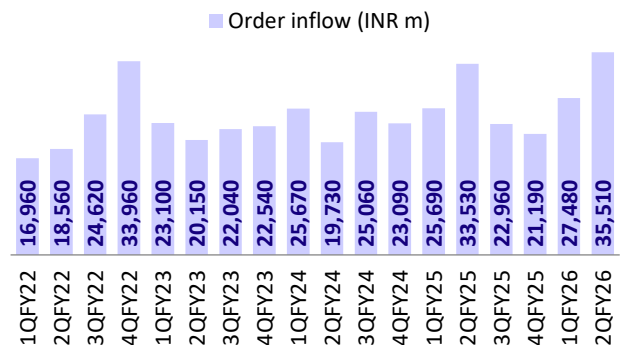
## Key Exhibits

**Exhibit 1: Inquiry pipeline remains strong and broad-based (INR m)**



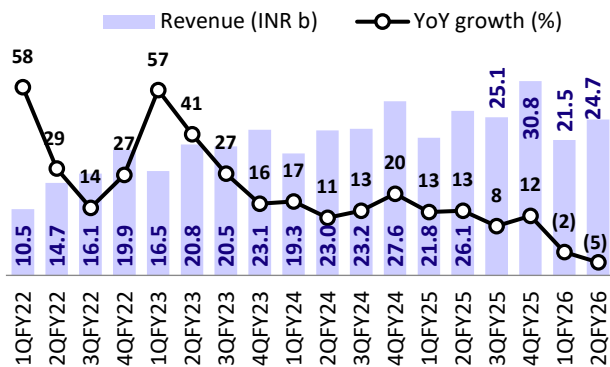
Source: Company, MOFSL

**Exhibit 2: Ordering increased 6% YoY (INR m)**



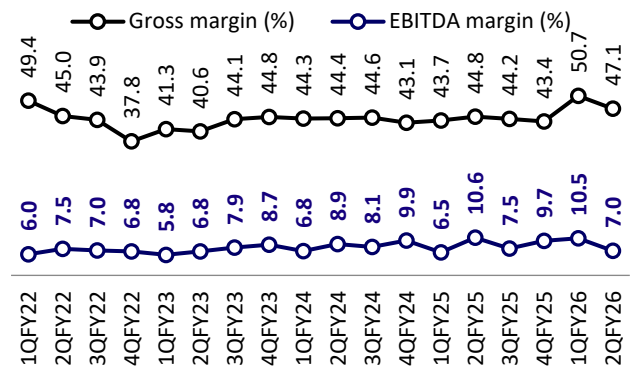
Source: Company, MOFSL

**Exhibit 3: Revenue declined 5% YoY in 2QFY26**



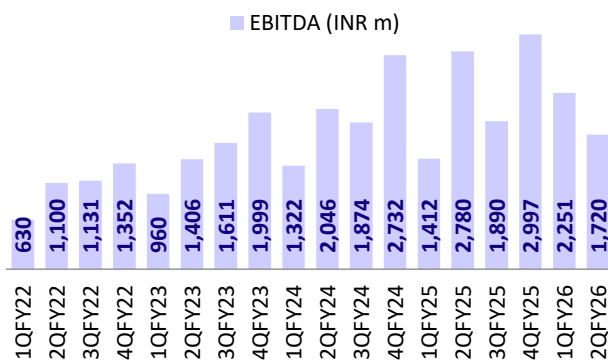
Source: Company, MOFSL

**Exhibit 4: EBITDA margin hit by Industrial Infra segment**



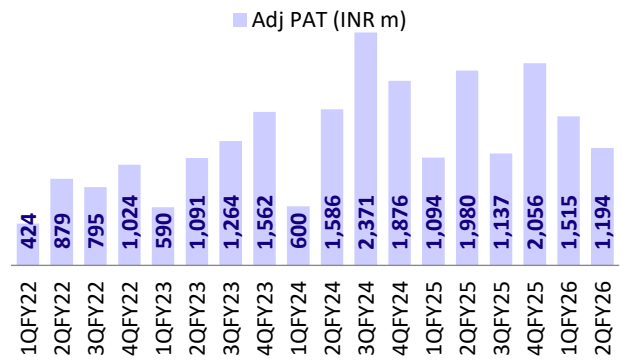
Source: Company, MOFSL

**Exhibit 5: EBITDA declined 38% YoY in 2QFY26, while margin contracted 360bp (INR m)**



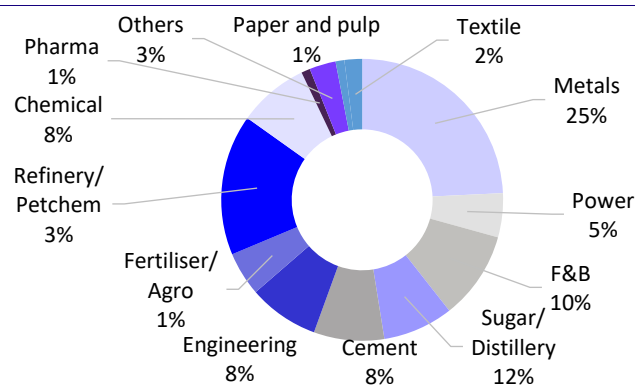
Source: Company, MOFSL

**Exhibit 6: PAT declined 40% YoY due to project cost overruns (INR m)**



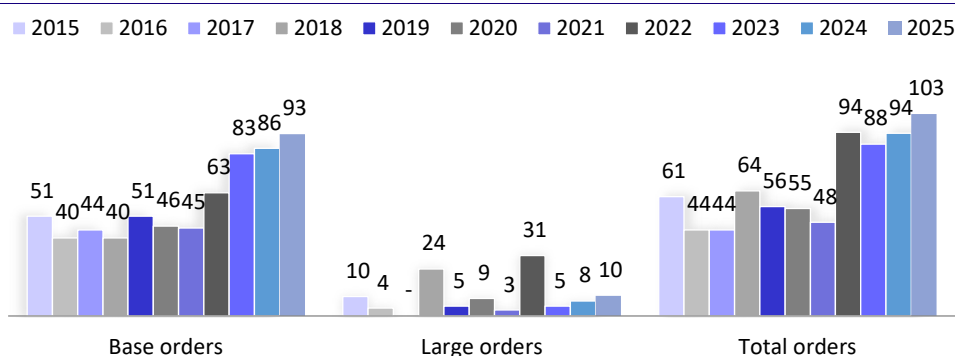
Source: Company, MOFSL

**Exhibit 7: 2QFY26 order inflow breakup – INR35.5b**



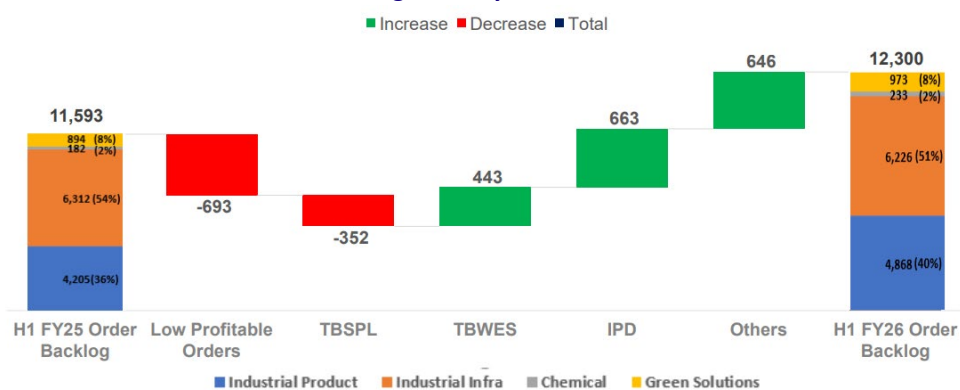
Source: Company, MOFSL

**Exhibit 8: Large orders tapered off; pick-up expected in FY26**



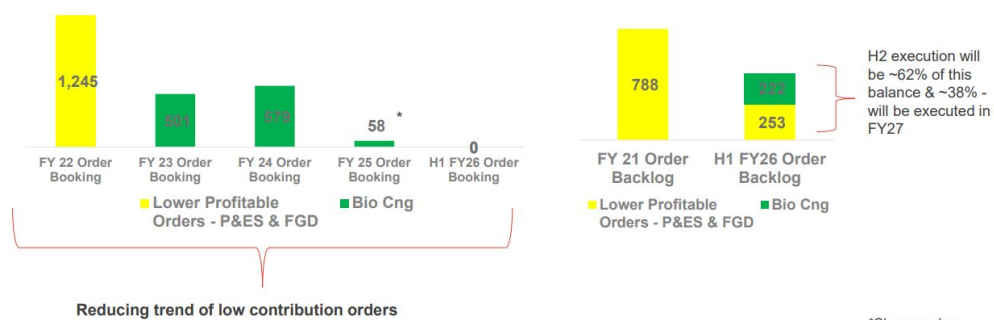
Source: Company, MOFSL

**Exhibit 9: Trends in the order backlog vs. last year**



Source: Company, MOFSL

**Exhibit 10: Lower-profitability projects are coming down**



Source: Company, MOFSL

**Exhibit 11: TOESL – key financials (INR m)**

| Consol - TOESL Income statement (INR m) | FY21         | FY22         | FY23         | FY24         | FY25         |
|---|--------------|--------------|--------------|--------------|--------------|
| <b>Total Income</b>                     | <b>1,274</b> | <b>2,180</b> | <b>3,486</b> | <b>4,575</b> | <b>5,623</b> |
| Expenditure                             | 1,040        | 1,974        | 3,217        | 3,720        | 5,024        |
| <b>EBITDA</b>                           | <b>235</b>   | <b>206</b>   | <b>269</b>   | <b>855</b>   | <b>599</b>   |
| EBITDA %                                | 18           | 9            | 8            | 19           | 11           |
| Depreciation                            | 5            | 5            | 7            | 5            | 7            |
| EBIT                                    | 230          | 201          | 262          | 850          | 592          |
| Interest                                | 18           | 22           | 52           | 92           | 104          |
| <b>PBT</b>                              | <b>212</b>   | <b>179</b>   | <b>210</b>   | <b>758</b>   | <b>489</b>   |
| Tax                                     | 40           | 48           | 50           | 91           | 126          |
| Tax%                                    | 19           | 27           | 24           | 12           | 26           |
| <b>PAT</b>                              | <b>172</b>   | <b>131</b>   | <b>160</b>   | <b>668</b>   | <b>363</b>   |
| <b>Balance sheet</b>                    | <b>FY21</b>  | <b>FY22</b>  | <b>FY23</b>  | <b>FY24</b>  | <b>FY25</b>  |
| Share capital                           | 423          | 723          | 723          | 1,083        | 1,083        |
| Reserves                                | 531          | 663          | 819          | 1,079        | 1,442        |
| Net worth                               | 954          | 1,386        | 1,542        | 2,161        | 2,524        |
| Debt                                    | 117          | 578          | 909          | 1,196        | 1,056        |
| <b>Total liabilities</b>                | <b>1,071</b> | <b>1,964</b> | <b>2,451</b> | <b>3,357</b> | <b>3,580</b> |
| Net block                               | 17           | 68           | 17           | 34           | 36           |
| Cash and inv in subsidiary              | 327          | 328          | 341          | 532          | 592          |
| Net WC and other assets                 | 727          | 1,568        | 2,094        | 2,791        | 2,952        |
| <b>Total assets</b>                     | <b>1,071</b> | <b>1,964</b> | <b>2,451</b> | <b>3,357</b> | <b>3,580</b> |
| RoE                                     | 18.0         | 9.5          | 10.4         | 30.9         | 14.4         |
| RoCE                                    | 17.4         | 7.5          | 8.1          | 22.3         | 12.3         |

Source: Company, MOFSL

**Exhibit 12: FEPL – key financials (INR m)**

| Consol - FEPL Income statement (INR m) | FY21        | FY22        | FY23         | FY24          | FY25          |
|--|-------------|-------------|--------------|---------------|---------------|
| <b>Total Income</b>                    | <b>28</b>   | <b>266</b>  | <b>193</b>   | <b>911</b>    | <b>1,098</b>  |
| Expenditure                            | 17          | 252         | 347          | 556           | 385           |
| <b>EBITDA</b>                          | <b>10</b>   | <b>13</b>   | <b>-154</b>  | <b>355</b>    | <b>713</b>    |
| EBITDA %                               | 37          | 5           | -80          | 39            | 65            |
| Depreciation                           | 15          | 2           | 16           | 247           | 419           |
| EBIT                                   | -5          | 11          | -170         | 108           | 294           |
| Interest                               | 17          | 1           | 35           | 435           | 712           |
| <b>PBT</b>                             | <b>-21</b>  | <b>10</b>   | <b>-205</b>  | <b>-327</b>   | <b>-418</b>   |
| Tax                                    | -           | -           | 4            | 3             | -1            |
| Tax%                                   | -           | -           | -2           | -1            | 0             |
| <b>PAT</b>                             | <b>-21</b>  | <b>10</b>   | <b>-209</b>  | <b>-330</b>   | <b>-417</b>   |
| <b>Balance sheet</b>                   | <b>FY21</b> | <b>FY22</b> | <b>FY23</b>  | <b>FY24</b>   | <b>FY25</b>   |
| Share capital                          | 135         | 395         | 1,534        | 4,040         | 4,193         |
| Reserves                               | -340        | -67         | -336         | -264          | -571          |
| Net worth                              | -205        | 327         | 1,198        | 3,776         | 3,622         |
| Debt                                   | 195         | 41          | 5,994        | 8,890         | 15,066        |
| <b>Total liabilities</b>               | <b>-10</b>  | <b>368</b>  | <b>7,193</b> | <b>12,666</b> | <b>18,688</b> |
| Net block                              | 2           | 338         | 5,018        | 11,860        | 17,406        |
| Cash                                   | 108         | 393         | 1,234        | 333           | 437           |
| Net WC and other assets                | -120        | -362        | 940          | 473           | 845           |
| <b>Total assets</b>                    | <b>-10</b>  | <b>368</b>  | <b>7,193</b> | <b>12,666</b> | <b>18,688</b> |
| RoE                                    | 10.4        | 3.0         | -17.4        | -8.8          | -11.5         |
| RoCE                                   | 48.2        | 2.9         | -2.4         | 0.9           | 1.6           |

Source: Company, MOFSL

## Financial outlook

### Exhibit 13: We expect 10% revenue CAGR to be driven by a 16% order inflow CAGR over FY25-28

|                            | 2022          | 2023          | 2024            | 2025            | 2026E           | 2027E           | 2028E           |
|----------------------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Industry Products</b>   |               |               |                 |                 |                 |                 |                 |
| <b>Revenue</b>             | <b>25,757</b> | <b>33,375</b> | <b>40,552</b>   | <b>45,290</b>   | <b>52,785</b>   | <b>60,948</b>   | <b>70,460</b>   |
| Growth (%)                 |               | 29.6          | 21.5            | 11.7            | 16.5            | 15.5            | 15.6            |
| Order inflow               | 28,910        | 41,720        | 43,290          | 50,140          | 57,661          | 66,310          | 77,583          |
| Growth (%)                 | (22.4)        | 44.3          | 3.8             | 15.8            | 15.0            | 15.0            | 17.0            |
| Order backlog              | 20,014        | 28,420        | 35,000          | 41,550          | 48,109          | 55,155          | 63,962          |
| Growth (%)                 | (46.2)        | 42.0          | 23.2            | 18.7            | 15.8            | 14.6            | 16.0            |
| <b>EBIT</b>                | <b>1,815</b>  | <b>2,739</b>  | <b>3,970</b>    | <b>5,290</b>    | <b>6,070</b>    | <b>7,009</b>    | <b>8,103</b>    |
| EBIT Margin (%)            | 7.0           | 8.2           | 9.8             | 11.7            | 11.5            | 11.5            | 11.5            |
| <b>Industrial Infra</b>    |               |               |                 |                 |                 |                 |                 |
| <b>Revenue</b>             | <b>29,879</b> | <b>39,280</b> | <b>44,552</b>   | <b>47,146</b>   | <b>41,578</b>   | <b>46,212</b>   | <b>51,348</b>   |
| Growth (%)                 |               | 31.5          | 13.4            | 5.8             | (11.8)          | 11.1            | 11.1            |
| Order inflow               | 58,220        | 37,790        | 40,990          | 43,100          | 47,314          | 53,229          | 58,464          |
| Growth (%)                 | 816.9         | (35.1)        | 8.5             | 5.1             | 9.8             | 12.5            | 9.8             |
| Order backlog              | 63,717        | 63,080        | 56,820          | 54,340          | 60,075          | 67,092          | 74,207          |
| Growth (%)                 | 345.3         | (1.0)         | (9.9)           | (4.4)           | 10.6            | 11.7            | 10.6            |
| <b>EBIT</b>                | <b>1,310</b>  | <b>2,168</b>  | <b>2,089</b>    | <b>1,101</b>    | <b>1,247</b>    | <b>1,848</b>    | <b>2,567</b>    |
| EBIT Margin (%)            | 4.4           | 5.5           | 4.7             | 2.3             | 3.0             | 4.0             | 5.0             |
| <b>Green Solutions</b>     |               |               |                 |                 |                 |                 |                 |
| <b>Revenue</b>             | <b>2,168</b>  | <b>3,627</b>  | <b>5,071</b>    | <b>6,899</b>    | <b>8,303</b>    | <b>8,090</b>    | <b>8,882</b>    |
| Growth (%)                 |               | 67.3          | 39.8            | 36.1            | 20.3            | (2.6)           | 9.8             |
| Order inflow               | 1,270         | 1,950         | 2,410           | 2,250           | 4,500           | 9,000           | 10,350          |
| Growth (%)                 |               | 53.5          | 23.6            | (6.6)           | 100.0           | 100.0           | 15.0            |
| Order backlog              | 3,566         | 5,920         | 7,910           | 8,820           | 5,018           | 5,928           | 7,396           |
| Growth (%)                 |               | 66.0          | 33.6            | 11.5            | (43.1)          | 18.1            | 24.8            |
| <b>EBIT</b>                | <b>161</b>    | <b>150</b>    | <b>449</b>      | <b>774</b>      | <b>1,494</b>    | <b>1,052</b>    | <b>1,155</b>    |
| EBIT Margin (%)            | 7.4           | 4.1           | 8.9             | 11.2            | 18.0            | 13.0            | 13.0            |
| <b>Chemical segment</b>    |               |               |                 |                 |                 |                 |                 |
| <b>Revenues</b>            |               |               |                 |                 |                 |                 |                 |
| <b>Revenue</b>             | <b>5,385</b>  | <b>6,728</b>  | <b>6,634</b>    | <b>7,628</b>    | <b>9,005</b>    | <b>10,676</b>   | <b>12,832</b>   |
| Growth (%)                 | 25.4          | 24.9          | (1.4)           | 15.0            | 18.0            | 18.6            | 20.2            |
| Order inflow               | 5,690         | 6,430         | 6,840           | 7,880           | 9,062           | 10,874          | 13,593          |
| Growth (%)                 | 33.9          | 13.0          | 6.4             | 15.2            | 15.0            | 20.0            | 25.0            |
| Order backlog              | 1,282         | 1,090         | 1,380           | 2,220           | 2,277           | 2,476           | 3,237           |
| Growth (%)                 | 62.3          | (15.0)        | 26.6            | 60.9            | 2.6             | 8.7             | 30.7            |
| <b>EBIT</b>                | <b>624</b>    | <b>865</b>    | <b>1,238</b>    | <b>1,223</b>    | <b>991</b>      | <b>1,388</b>    | <b>1,796</b>    |
| EBIT Margin (%)            | 11.6          | 12.8          | 18.7            | 16.0            | 11.0            | 13.0            | 14.0            |
| <b>Sum of all segments</b> |               |               |                 |                 |                 |                 |                 |
| <b>Revenues</b>            | <b>61,283</b> | <b>80,898</b> | <b>93,235</b>   | <b>1,03,887</b> | <b>1,08,494</b> | <b>1,22,304</b> | <b>1,39,383</b> |
| Growth (%)                 | 27.9          | 32.0          | 15.2            | 11.4            | 4.4             | 12.7            | 14.0            |
| <b>EBIT</b>                | <b>4,353</b>  | <b>6,409</b>  | <b>9,566</b>    | <b>10,015</b>   | <b>11,114</b>   | <b>12,799</b>   | <b>15,117</b>   |
| Margin (%)                 | 7.1           | 7.9           | 10.3            | 9.6             | 10.2            | 10.5            | 10.8            |
| <b>Order inflow</b>        | <b>94,090</b> | <b>87,890</b> | <b>93,530</b>   | <b>1,03,370</b> | <b>1,18,537</b> | <b>1,39,414</b> | <b>1,59,990</b> |
| Growth (%)                 | 96.7          | (6.6)         | 6.4             | 10.5            | 14.7            | 17.6            | 14.8            |
| <b>Order backlog</b>       | <b>88,580</b> | <b>98,510</b> | <b>1,01,110</b> | <b>1,06,930</b> | <b>1,15,479</b> | <b>1,30,650</b> | <b>1,48,802</b> |
| Growth (%)                 | 69            | 11            | 2.6             | 5.8             | 8.0             | 13.1            | 13.9            |

Source: Company, MOFSL

### Exhibit 14: We cut our estimates by 9%/10%/9% for FY26/FY27/FY28E to factor in 1HFY26 performance

| (INR M)    | FY26E    |          |         | FY27E    |          |         | FY28E    |          |         |
|------------|----------|----------|---------|----------|----------|---------|----------|----------|---------|
|            | Rev      | Old      | Chg (%) | Rev      | Old      | Chg (%) | New      | Old      | Chg (%) |
| Net Sales  | 1,08,494 | 1,15,184 | (5.8)   | 1,22,304 | 1,27,128 | (3.8)   | 1,39,383 | 1,42,394 | (2.1)   |
| EBITDA     | 10,821   | 11,728   | (7.7)   | 12,778   | 13,706   | (6.8)   | 15,352   | 15,913   | (3.5)   |
| EBITDA (%) | 10.0     | 10.2     | -20 bps | 10.4     | 10.8     | -30 bps | 11.0     | 11.2     | -20 bps |
| Adj. PAT   | 6,998    | 7,651    | (8.5)   | 8,125    | 8,990    | (9.6)   | 9,736    | 10,656   | (8.6)   |
| EPS (INR)  | 62.2     | 68.0     | (8.5)   | 72.2     | 79.8     | (9.6)   | 86.5     | 94.6     | (8.6)   |

Source: MOFSL

## Financials and Valuation

### Consolidated - Income Statement

(INR m)

| Y/E March                           | FY21          | FY22          | FY23          | FY24          | FY25            | FY26E           | FY27E           | FY28E           |
|-------------------------------------|---------------|---------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|
| <b>Total Income from Operations</b> | <b>47,913</b> | <b>61,283</b> | <b>80,898</b> | <b>93,235</b> | <b>1,03,887</b> | <b>1,08,494</b> | <b>1,22,304</b> | <b>1,39,383</b> |
| Change (%)                          | -16.4         | 27.9          | 32.0          | 15.2          | 11.4            | 4.4             | 12.7            | 14.0            |
| Raw Materials                       | 25,386        | 34,850        | 46,247        | 52,196        | 58,135          | 59,672          | 67,267          | 76,661          |
| <b>Gross Profit</b>                 | <b>22,526</b> | <b>26,433</b> | <b>34,651</b> | <b>41,039</b> | <b>45,752</b>   | <b>48,822</b>   | <b>55,037</b>   | <b>62,723</b>   |
| Employee Cost                       | 7,588         | 8,129         | 9,542         | 11,483        | 12,689          | 12,953          | 14,022          | 15,191          |
| Other Expenses                      | 11,387        | 14,090        | 19,134        | 21,582        | 23,985          | 25,048          | 28,237          | 32,180          |
| <b>Total Expenditure</b>            | <b>44,361</b> | <b>57,070</b> | <b>74,923</b> | <b>85,261</b> | <b>94,809</b>   | <b>97,673</b>   | <b>1,09,527</b> | <b>1,24,031</b> |
| % of Sales                          | 92.6          | 93.1          | 92.6          | 91.4          | 91.3            | 90.0            | 89.6            | 89.0            |
| <b>EBITDA</b>                       | <b>3,552</b>  | <b>4,214</b>  | <b>5,976</b>  | <b>7,974</b>  | <b>9,078</b>    | <b>10,821</b>   | <b>12,778</b>   | <b>15,352</b>   |
| Margin (%)                          | 7.4           | 6.9           | 7.4           | 8.6           | 8.7             | 10.0            | 10.4            | 11.0            |
| Depreciation                        | 1,146         | 1,132         | 1,169         | 1,481         | 1,585           | 1,913           | 2,376           | 2,626           |
| <b>EBIT</b>                         | <b>2,406</b>  | <b>3,081</b>  | <b>4,807</b>  | <b>6,493</b>  | <b>7,493</b>    | <b>8,907</b>    | <b>10,402</b>   | <b>12,726</b>   |
| Int. and Finance Charges            | 206           | 252           | 376           | 876           | 1,168           | 1,395           | 1,515           | 1,595           |
| Other Income                        | 1,077         | 1,270         | 1,602         | 2,326         | 2,522           | 2,207           | 2,397           | 2,391           |
| <b>PBT bef. EO Exp.</b>             | <b>3,277</b>  | <b>4,100</b>  | <b>6,033</b>  | <b>7,943</b>  | <b>8,847</b>    | <b>9,720</b>    | <b>11,284</b>   | <b>13,522</b>   |
| EO Items                            | -525          | 0             | 0             | 755           | 0               | 0               | 0               | 0               |
| <b>PBT after EO Exp.</b>            | <b>2,752</b>  | <b>4,100</b>  | <b>6,033</b>  | <b>8,698</b>  | <b>8,847</b>    | <b>9,720</b>    | <b>11,284</b>   | <b>13,522</b>   |
| Total Tax                           | 686           | 978           | 1,524         | 2,258         | 2,578           | 2,722           | 3,160           | 3,786           |
| Tax Rate (%)                        | 24.9          | 23.9          | 25.3          | 26.0          | 29.1            | 28.0            | 28.0            | 28.0            |
| Minority Interest                   | 0             | 0             | 2             | 8             | 2               | 0               | 0               | 0               |
| <b>Reported PAT</b>                 | <b>2,066</b>  | <b>3,122</b>  | <b>4,507</b>  | <b>6,432</b>  | <b>6,267</b>    | <b>6,998</b>    | <b>8,125</b>    | <b>9,736</b>    |
| <b>Adjusted PAT</b>                 | <b>2,460</b>  | <b>3,122</b>  | <b>4,507</b>  | <b>5,873</b>  | <b>6,267</b>    | <b>6,998</b>    | <b>8,125</b>    | <b>9,736</b>    |
| Change (%)                          | 15.8          | 26.9          | 44.4          | 30.3          | 6.7             | 11.7            | 16.1            | 19.8            |
| Margin (%)                          | 5.1           | 5.1           | 5.6           | 6.3           | 6.0             | 6.5             | 6.6             | 7.0             |

### Consolidated - Balance Sheet

(INR m)

| Y/E March                           | FY21          | FY22          | FY23          | FY24          | FY25          | FY26E         | FY27E         | FY28E         |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Equity Share Capital                | 225           | 225           | 225           | 225           | 225           | 225           | 225           | 225           |
| Total Reserves                      | 32,289        | 34,700        | 38,446        | 44,173        | 49,144        | 54,453        | 60,888        | 68,935        |
| <b>Net Worth</b>                    | <b>32,514</b> | <b>34,925</b> | <b>38,671</b> | <b>44,398</b> | <b>49,369</b> | <b>54,678</b> | <b>61,114</b> | <b>69,161</b> |
| Minority Interest                   | 0             | 0             | 22            | 0             | 57            | 57            | 57            | 57            |
| Total Loans                         | 3,051         | 3,554         | 8,105         | 12,560        | 16,933        | 17,933        | 19,933        | 19,933        |
| Deferred Tax Liabilities            | -1,540        | -1,271        | -1,057        | -963          | -1,243        | -1,243        | -1,243        | -1,243        |
| <b>Capital Employed</b>             | <b>34,024</b> | <b>37,208</b> | <b>45,741</b> | <b>55,995</b> | <b>65,116</b> | <b>71,425</b> | <b>79,861</b> | <b>87,908</b> |
| Gross Block                         | 20,168        | 20,442        | 22,145        | 30,206        | 40,017        | 45,017        | 50,017        | 55,017        |
| Less: Accum. Deprn.                 | 7,777         | 8,525         | 9,694         | 11,175        | 12,760        | 14,673        | 17,049        | 19,675        |
| <b>Net Fixed Assets</b>             | <b>12,390</b> | <b>11,917</b> | <b>12,451</b> | <b>19,031</b> | <b>27,257</b> | <b>30,344</b> | <b>32,968</b> | <b>35,342</b> |
| Capital WIP                         | 242           | 474           | 4,338         | 5,248         | 5,608         | 6,169         | 6,786         | 7,465         |
| <b>Total Investments</b>            | <b>2,375</b>  | <b>14,765</b> | <b>16,370</b> | <b>17,681</b> | <b>17,879</b> | <b>17,879</b> | <b>17,879</b> | <b>17,879</b> |
| <b>Curr. Assets, Loans&amp;Adv.</b> | <b>48,452</b> | <b>46,153</b> | <b>54,141</b> | <b>58,485</b> | <b>68,092</b> | <b>73,136</b> | <b>85,472</b> | <b>99,298</b> |
| Inventory                           | 4,047         | 7,270         | 7,556         | 7,649         | 7,203         | 7,522         | 8,480         | 9,664         |
| Account Receivables                 | 13,380        | 15,972        | 18,766        | 22,671        | 25,654        | 26,791        | 30,201        | 34,419        |
| Cash and Bank Balance               | 19,392        | 9,535         | 11,316        | 9,753         | 11,545        | 14,082        | 18,901        | 23,430        |
| Loans and Advances                  | 943           | 1,087         | 1,476         | 1,852         | 2,722         | 2,843         | 3,204         | 3,652         |
| Other Current Assets                | 10,690        | 12,288        | 15,027        | 16,560        | 20,968        | 21,898        | 24,685        | 28,132        |
| <b>Curr. Liability &amp; Prov.</b>  | <b>29,434</b> | <b>36,101</b> | <b>41,559</b> | <b>44,450</b> | <b>53,721</b> | <b>56,103</b> | <b>63,244</b> | <b>72,076</b> |
| Other Current Liabilities           | 27,224        | 33,709        | 39,128        | 40,972        | 49,576        | 51,774        | 58,365        | 66,515        |
| Provisions                          | 2,210         | 2,392         | 2,431         | 3,478         | 4,145         | 4,329         | 4,879         | 5,561         |
| <b>Net Current Assets</b>           | <b>19,018</b> | <b>10,051</b> | <b>12,581</b> | <b>14,035</b> | <b>14,371</b> | <b>17,033</b> | <b>22,227</b> | <b>27,222</b> |
| <b>Appl. of Funds</b>               | <b>34,024</b> | <b>37,208</b> | <b>45,741</b> | <b>55,995</b> | <b>65,116</b> | <b>71,425</b> | <b>79,861</b> | <b>87,908</b> |

## Financials and Valuation

### Ratios

| Y/E March                     | FY21         | FY22         | FY23        | FY24        | FY25        | FY26E       | FY27E       | FY28E       |
|-------------------------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Basic (INR)</b>            |              |              |             |             |             |             |             |             |
| <b>EPS</b>                    | <b>21.9</b>  | <b>27.7</b>  | <b>40.0</b> | <b>52.2</b> | <b>56.4</b> | <b>62.2</b> | <b>72.2</b> | <b>86.5</b> |
| Cash EPS                      | 32.0         | 37.8         | 50.4        | 65.3        | 70.4        | 79.1        | 93.3        | 109.8       |
| BV/Share                      | 288.8        | 310.2        | 343.4       | 394.3       | 438.4       | 485.6       | 542.7       | 614.2       |
| DPS                           | 7.0          | 9.0          | 10.0        | 10.0        | 10.0        | 15.0        | 15.0        | 15.0        |
| Payout (%)                    | 45.9         | 32.5         | 25.0        | 17.5        | 17.7        | 24.1        | 20.8        | 17.3        |
| <b>Valuation (x)</b>          |              |              |             |             |             |             |             |             |
| <b>P/E</b>                    | <b>140.1</b> | <b>110.4</b> | <b>76.5</b> | <b>58.7</b> | <b>54.3</b> | <b>49.2</b> | <b>42.4</b> | <b>35.4</b> |
| Cash P/E                      | 95.6         | 81.0         | 60.7        | 46.9        | 43.4        | 38.7        | 32.8        | 27.9        |
| P/BV                          | 10.6         | 9.9          | 8.9         | 7.8         | 7.0         | 6.3         | 5.6         | 5.0         |
| EV/Sales                      | 6.9          | 5.5          | 4.2         | 3.7         | 3.4         | 3.2         | 2.8         | 2.4         |
| EV/EBITDA                     | 92.4         | 80.4         | 57.1        | 43.6        | 38.6        | 32.2        | 27.1        | 22.2        |
| Dividend Yield (%)            | 0.2          | 0.3          | 0.3         | 0.3         | 0.3         | 0.5         | 0.5         | 0.5         |
| FCF per share                 | 60.9         | 21.4         | (16.9)      | (41.8)      | 12.7        | 21.4        | 32.2        | 48.2        |
| <b>Return Ratios (%)</b>      |              |              |             |             |             |             |             |             |
| RoE                           | 7.8          | 9.3          | 12.2        | 14.1        | 13.5        | 13.5        | 14.0        | 14.9        |
| RoCE                          | 7.7          | 9.0          | 11.2        | 12.6        | 11.5        | 11.5        | 12.0        | 12.8        |
| RoIC                          | 12.7         | 19.2         | 27.5        | 26.0        | 19.9        | 20.2        | 21.5        | 24.3        |
| <b>Working Capital Ratios</b> |              |              |             |             |             |             |             |             |
| Fixed Asset Turnover (x)      | 2.4          | 3.0          | 3.7         | 3.1         | 2.6         | 2.4         | 2.4         | 2.5         |
| Asset Turnover (x)            | 1.4          | 1.6          | 1.8         | 1.7         | 1.6         | 1.5         | 1.5         | 1.6         |
| Inventory (Days)              | 31           | 43           | 34          | 30          | 25          | 25          | 25          | 25          |
| Debtor (Days)                 | 102          | 95           | 85          | 89          | 90          | 90          | 90          | 90          |
| Creditor (Days)               | 207          | 201          | 177         | 160         | 174         | 174         | 174         | 174         |
| <b>Leverage Ratio (x)</b>     |              |              |             |             |             |             |             |             |
| Current Ratio                 | 1.6          | 1.3          | 1.3         | 1.3         | 1.3         | 1.3         | 1.4         | 1.4         |
| Interest Cover Ratio          | 11.7         | 12.2         | 12.8        | 7.4         | 6.4         | 6.4         | 6.9         | 8.0         |
| Net Debt/Equity               | (0.6)        | (0.6)        | (0.5)       | (0.3)       | (0.3)       | (0.3)       | (0.3)       | (0.3)       |

### Consolidated - Cash flow Statement

(INR m)

| Y/E March                        | FY21          | FY22          | FY23          | FY24          | FY25           | FY26E         | FY27E         | FY28E         |
|----------------------------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|
| OP/(Loss) before Tax             | 2,752         | 4,101         | 6,033         | 8,698         | 8,845          | 9,720         | 11,284        | 13,522        |
| Depreciation                     | 1,146         | 1,132         | 1,169         | 1,481         | 1,585          | 1,913         | 2,376         | 2,626         |
| Interest & Finance Charges       | 118           | 135           | 260           | 837           | 1,415          | 1,395         | 1,515         | 1,595         |
| Direct Taxes Paid                | -938          | -1,030        | -1,512        | -1,863        | -1,861         | -2,722        | -3,160        | -3,786        |
| (Inc)/Dec in WC                  | 4,734         | -5            | -628          | -4,760        | 1,291          | -125          | -376          | -465          |
| <b>CF from Operations</b>        | <b>7,811</b>  | <b>4,333</b>  | <b>5,321</b>  | <b>4,392</b>  | <b>11,275</b>  | <b>10,181</b> | <b>11,640</b> | <b>13,492</b> |
| Others                           | -117          | -1,084        | -726          | -1,919        | -846           | -2,207        | -2,397        | -2,391        |
| <b>CF from Operating incl EO</b> | <b>7,695</b>  | <b>3,248</b>  | <b>4,596</b>  | <b>2,473</b>  | <b>10,428</b>  | <b>7,974</b>  | <b>9,242</b>  | <b>11,101</b> |
| (Inc)/Dec in FA                  | -834          | -838          | -6,499        | -7,185        | -9,002         | -5,561        | -5,617        | -5,679        |
| <b>Free Cash Flow</b>            | <b>6,861</b>  | <b>2,411</b>  | <b>-1,904</b> | <b>-4,712</b> | <b>1,426</b>   | <b>2,413</b>  | <b>3,626</b>  | <b>5,423</b>  |
| (Pur)/Sale of Investments        | -5,789        | -4,263        | -993          | 1,222         | -2,661         | 0             | 0             | 0             |
| Others                           | 266           | 885           | 696           | 872           | -743           | 2,207         | 2,397         | 2,391         |
| <b>CF from Investments</b>       | <b>-6,357</b> | <b>-4,216</b> | <b>-6,797</b> | <b>-5,092</b> | <b>-12,406</b> | <b>-3,354</b> | <b>-3,220</b> | <b>-3,288</b> |
| Issue of Shares                  | 0             | 0             | 379           | 598           | 70             | 0             | 0             | 0             |
| Inc/(Dec) in Debt                | 891           | 762           | 4,481         | 4,306         | 4,336          | 1,000         | 2,000         | 0             |
| Interest Paid                    | -118          | -135          | -256          | -821          | -1,758         | -1,395        | -1,515        | -1,595        |
| Dividend Paid                    | 0             | -788          | -1,021        | -1,128        | -1,352         | -1,689        | -1,689        | -1,689        |
| Others                           |               | -45           | -98           | -102          | -61            | 0             | 0             | 0             |
| <b>CF from Fin. Activity</b>     | <b>772</b>    | <b>-206</b>   | <b>3,485</b>  | <b>2,854</b>  | <b>1,236</b>   | <b>-2,084</b> | <b>-1,204</b> | <b>-3,284</b> |
| <b>Inc/Dec of Cash</b>           | <b>2,110</b>  | <b>-1,173</b> | <b>1,284</b>  | <b>235</b>    | <b>-742</b>    | <b>2,536</b>  | <b>4,819</b>  | <b>4,530</b>  |
| Opening Balance                  | 4,761         | 19,392        | 9,535         | 11,316        | 9,753          | 11,545        | 14,082        | 18,901        |
| <b>Closing Balance</b>           | <b>19,392</b> | <b>9,535</b>  | <b>11,316</b> | <b>9,753</b>  | <b>11,546</b>  | <b>14,082</b> | <b>18,901</b> | <b>23,430</b> |

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|----------------------------------|--|
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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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