

# Siemens Energy India

BSE Sensex 81,538 S&P CNX 25,049



Bloomberg	ENRIN IN
Equity Shares (m)	356
M.Cap.(INRb)/(USDb)	756.9 / 8.2
52-Week Range (INR)	3625 / 2105
1, 6, 12 Rel. Per (%)	-14/-29/-
12M Avg Val (INR M)	2717

## Financials Snapshot (INR b)

Y/E SEP	FY26E	FY27E	FY28E
Net Sales	94.9	133.4	159.8
EBITDA	18.8	27.5	33.2
PAT	14.0	20.7	25.2
EPS (INR)	39.4	58.2	70.9
GR. (%)	27.6	47.7	21.8
BV/Sh (INR)	162.5	220.7	291.6

## Ratios

ROE (%)	24.3	26.4	24.3
RoCE (%)	25.6	27.4	25.0

## Valuations

P/E (X)	53.9	36.5	29.9
P/BV (X)	13.1	9.6	7.3
EV/EBITDA (X)	37.6	25.0	20.1

## Shareholding pattern (%)

As On	Dec-25	Sep-25
Promoter	75.0	75.0
DII	6.7	8.0
FII	7.2	6.2
Others	11.1	10.8

FII Includes depository receipts

**CMP: INR2,125 TP: INR3,400 (+60%) Buy**

## Comfortable valuations

Siemens Energy (ENRIN) in its annual report 2025 highlighted strong growth prospects in transformation capacity by 2032 in domestic markets and a healthy outlook for export markets. The company is expanding its capacity in transformers and high-voltage switchgear, which will enable it to target broader market demand in both domestic and export markets. We expect its power transmission segment to continue to grow at a higher pace than the power generation segment. We believe that the recent uptrend in commodity prices can have a near- to medium-term impact on margins until it is passed through. In terms of easing curbs on Chinese players to bid for government contracts, our interactions with industry participants indicate that Chinese players may be required to set up capacities in India if these proposals are accepted. Moreover, it will take time to get approval and quality certifications; thus, this move may not impact the industry immediately. We cut our FY26/27/28 estimates by 4%/5%/5% to bake in the impact of high RM prices and competition by FY28. We maintain BUY with a revised TP of INR3,400, based on 55x Dec'27E EPS.

## Strong opportunity pipeline to benefit power transmission segment

The company has highlighted a strong TAM of INR9.2t, driven by an expected increase in installed power generation capacity from 501GW in FY25 to 997GW by FY32, which would translate into almost doubling in transformation capacity from 1,382GVA to 2,412GVA at a CAGR of 10% over the same period. We expect this to benefit ENRIN's power transmission segment, which contributed 64%/54% of overall inflows/revenue in FY25. We expect a 13% CAGR in power transmission segment inflows over FY25-28. The power generation segment, contributing 46% of revenue, is growing at a relatively slower pace as growth in base industries remains weak. As highlighted earlier, management expects high-single-digit growth in the power generation business. We bake in a 10% CAGR in power generation segment inflows over FY25-28.

## Margins to get support from operating leverage despite rising RM prices and competition

The company delivered healthy profitability in FY25, with EBITDA margin of ~19%. This was aided by a 26% share of service revenue, a focus on high-value products in transmission, and growing exports. ENRIN's spending on software licenses and other licenses stood around 2.8% of sales. EBIT margin in power transmission/power generation segments stood at 19.2%/16.7% in FY25. We expect stable margins in power generation segment and expect power transmission margins to benefit from 1) better pricing, 2) operating leverage benefits as new capacity is commissioned, and 3) improved share of exports. However, in the near term, higher copper prices can impact margins until it is passed through. Transformer companies' orders have price-variation contracts linked to the IEEMA index, and the cost escalation for utility contracts is passed through with a time lag. Increasing competition domestically or from Chinese players can dent margins in the long term.

### Comfortable net working capital and healthy return ratios

ENRIN's net working capital cycle stood at 5 days in FY25, supported by receipt of pending receivables from Siemens Ltd. Operating cash flow stood at INR37b, and the company incurred a capex of INR2.2b. The company had a healthy closing cash balance of INR35b and generated RoE/RoCE of 25.1%/26.9% for FY25.

### Expanding capacity to capture domestic and export demand

The company is investing INR7.4b of capex to expand key parts of its portfolio - the transformer factory at Kalwa and high-voltage switchgear capacity at Chhatrapati Sambhaji Nagar. We expect these capacities to be commissioned between 4QFY26 and 1QFY27. This will enable ENRIN to cater to demand from domestic and export markets. It has also opened a new steam turbine service center in Raipur and is adding to its engineering centers in Bengaluru and other cities.

### Key order wins during the year

During FY25, the company reported several notable orders across its portfolio. In power transmission, key orders won include 1) large STATCOM contracts for grid stability, and 2) a major export order for 4x150 MVA, 345 kV transformers for a US semiconductor facility. On the power generation and industrial side, key order wins included 1) a 4.35MW waste-heat recovery project in the ferro-alloy segment, 2) fast-track restoration of a critical power plant, and 3) an electrical and automation package for electric propulsion ferries.

### Clean energy products and sustainability focus

The company's product range is aligned with the move to cleaner and more reliable energy. It is investing in SF6-free "Blue" switchgear, more efficient turbines, digital grid solutions and PEM electrolyzers for green hydrogen, which are becoming more important for utilities and large industrial customers. It has set simple but clear goals for its own footprint: become climate-neutral in operations by 2030, use only green electricity and send no waste from its factories to landfill.

### Financial outlook

We cut our FY26/27/28 estimates by 4%/5%/5% to bake in the impact of higher RM prices currently and competition by FY28. We expect a CAGR of 27%/30%/32% in revenue/EBITDA/PAT over FY25-28E. Power transmission segment growth will be supported by the commissioning of capacities by FY26-end/early FY27. We expect EBITDA margins of 19.8%/20.7%/20.8% for FY26E/FY27E/FY28E, aided by stable gross margin and operating leverage benefits as revenue scales up.

### Valuation and view

At the current market price of INR2,123, the stock is trading at 53.9x/36.5x/29.9x P/E on FY26/27/FY28E EPS. Most stocks in the transformer industry have corrected after the recent news flow related to the easing of Chinese curbs on bids. As per our discussion with various industry players, if implemented, it will take 2-3 years for the impact to be visible in the domestic market. ENRIN is trading at nearly 25% discount to Hitachi Energy. We revise our TP to INR3,400 (from INR3,800) and maintain BUY on ENRIN.

### Key risks and concerns

Key risks to our thesis could come from a slowdown in ordering and supply chain issues, thus impacting margin.

## Business segment outlook

The company has a broad and well-placed portfolio in power transmission and power generation. In power transmission, it is securing sizeable grid stability and export orders and sees a long runway as India aims to double its generation and transformation capacity by FY32. In power generation, order inflows are mainly for services, upgrades and solutions such as WHR and CAES on a large installed base of ENRIN's technology turbines.

**Exhibit 1: Key orders won in power transmission and power generation segments during FY25**

Segment	Key orders won	Outlook
Power transmission	❖ Large STATCOM orders for grid stability	❖ The company expects more STATCOM orders as renewable capacity rises and grid-stability needs increase
	❖ SF6-free Blue 145 kV circuit breaker for a state utility	❖ The company sees SF6-free Blue switchgear gradually gaining acceptance as utilities look to reduce greenhouse-gas emissions from grid equipment.
	❖ HVDC transformers & reactors for a power utility	❖ The company expects transformer demand should remain strong from both India's transmission build-out under NEP and global customers, given a worldwide shortage of T&D equipment.
	❖ Export order for 4×150 MVA, 345 kV power transformers for a US semiconductor facility	
	❖ Power transformers for a data center operator in the USA	
Power generation	❖ 4.35MW waste-heat recovery (WHR) project in the ferro-alloy segment	❖ The company expects growth to come mainly from services and upgrades to the existing steam and gas turbine base, with steady demand for long-term maintenance, plant restoration and modernization of older thermal units.
	❖ Fast-track restoration of a critical power plant for a large metropolitan	
	❖ Electrical and automation package for electric propulsion ferries	

Source: Company, MOFSL

**Exhibit 2: Key offerings in power transmission and power generation segments**

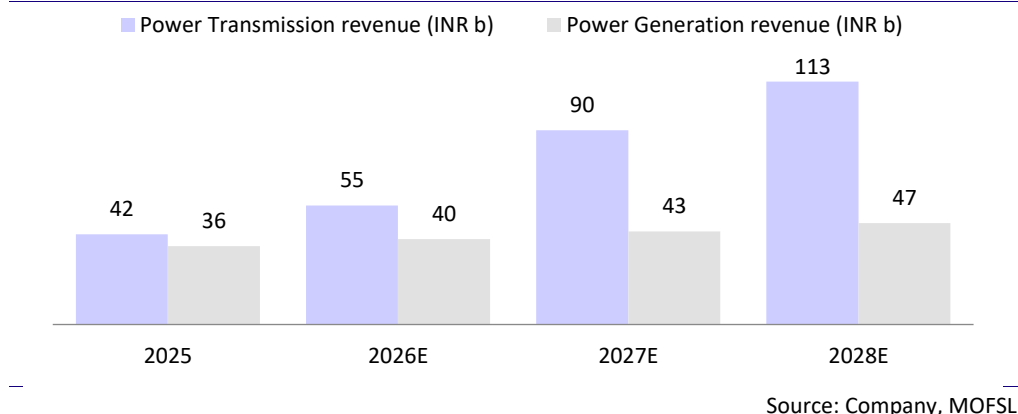
Segment	Power transmission	Power generation
Products	❖ AIS (up to 800 kV)	❖ Large gas turbines (up to 600 MW)
	❖ GIS (up to 420 kV)	❖ Industrial gas turbines (up to 100 MW)
	❖ Power transformers & Reactors (up to 765 kV)	❖ Steam turbines (10kW-250MW) & generators
Solutions	❖ EPC for high and extra high voltage projects related to AIS/GIS, FACTS and HVDC technology	❖ Waste-heat recovery (WHR), compressed air energy storage (CAES), modernisation and other efficiency-improvement solutions, plus EAD (electrification, automation, digitalisation) for power and industrial plants
Services	❖ Bay extensions, substation modernisation, asset consulting, retrofits, emergency/breakdown support, LTSAs, O&M contracts and spares	❖ Maintenance and overhaul contracts, plant restoration, modernisation and flexibilization of existing thermal assets
Outlook	❖ The market outlook for power transmission in India remains strong, driven by expansion of generation capacity, higher renewable integration, transmission upgrades and growing data-centre demand.	❖ Growth expected to come mainly from services and upgrades to the existing steam and gas turbine base, with industrial turbines and WHR adding incremental demand

Source: Company, MOFSL

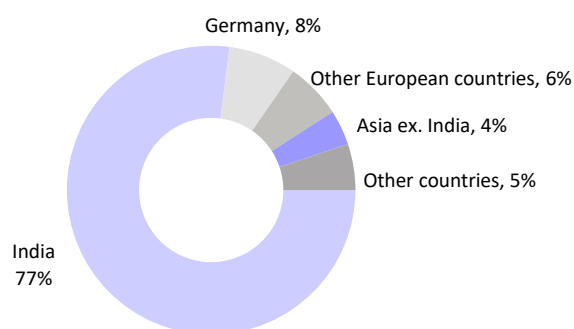
## Revenue mix across segments and geographies

The revenue mix shows a clear shift toward power transmission, with this segment expected to grow faster than power generation. Geographically, India remains the core market, but exports to Germany, other European countries, Asia ex-India and other regions already form 33% of total sales. By business type, products and projects still dominate revenue, while services contribute a healthy share of 26% of revenue and help support margins and earnings stability.

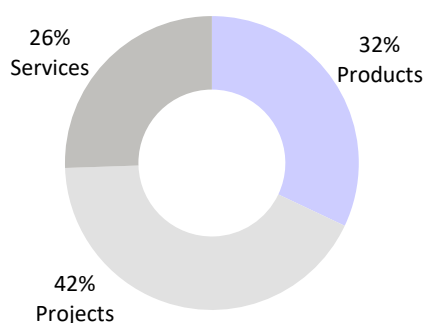
### Exhibit 3: Over FY25-28E, we expect 39% CAGR in power transmission and 9% CAGR in power generation



### Exhibit 4: Exports form 23% of total sales in FY25



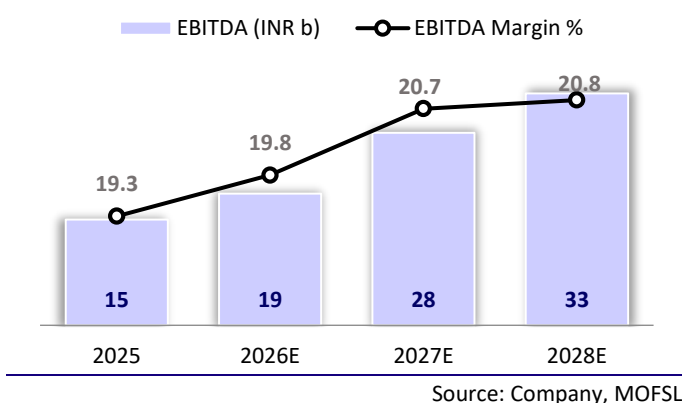
### Exhibit 5: Services contributed 26% of revenue in FY25



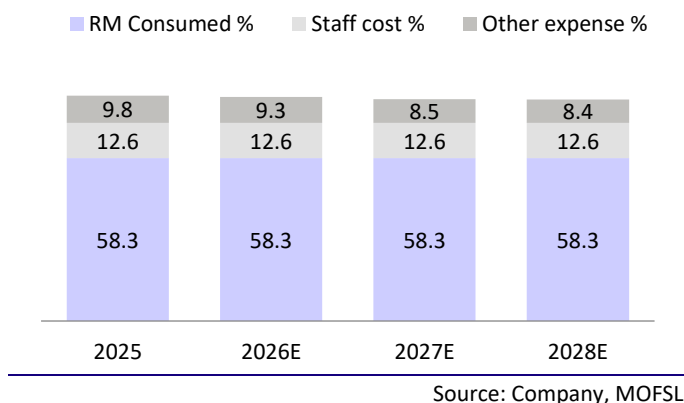
## Margin aided by operating leverage

The company's margins are supported by operating leverage as revenue scales up, with raw-material and staff costs expected to remain broadly stable as a share of sales and other expenses likely to trend down over time. As a result, EBITDA margins are expected to improve gradually. License fees, which are paid only to Siemens Energy Global GmbH & Co. KG (SEGG), are planned to stay below 5% of turnover in FY26, so their impact on margins should be limited.

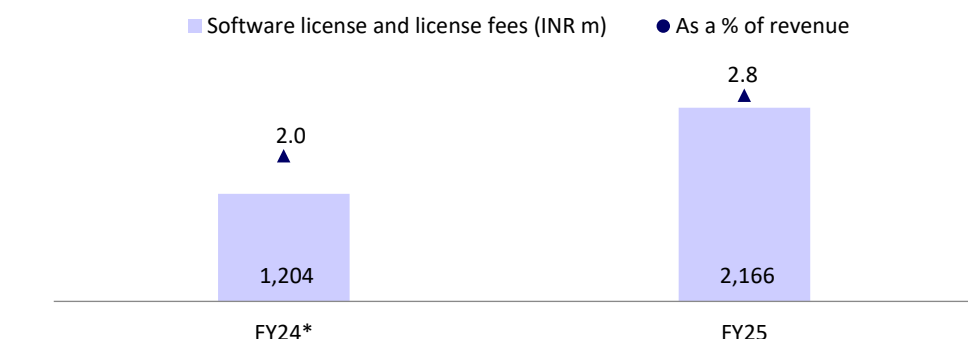
**Exhibit 6: We expect EBITDA margins to improve 150bp over FY25-28E, driven by operating leverage**



**Exhibit 7: We expect raw material and staff costs to remain broadly stable over FY25-28E**



**Exhibit 8: Software licenses and other licenses stood at 2.8% of sales in FY25; ENRIN expects software licenses and other licenses to stay below 5% of turnover in FY26**



Source: Company, MOFSL

Note: \* indicates the period from Feb 07, 2024 to Sep 30, 2024

**Exhibit 9: Commodity exposure and hedging**

			% of exposure hedged through commodity derivatives				
			Domestic market		International market		
Commodity	Exposure (INR m)	Exposure (MT)	OTC	Exchange	OTC	Exchange	Total
Copper	183	213	92	0	0	0	92
Aluminum	1,352	5,490	80	0	0	0	80
Silver	0	0	0	0	0	0	0

Source: Company, MOFSL

**Exhibit 10: Efforts made towards technology absorption in FY25**

Sr no	Component/product
1	Design and development of SF6 free 55kV Circuit Breaker for Railway applications
2	Localization / alternative source development of various components for High Voltage switching products, GIS components, motors, density monitor, bus ducts, Circuit Breaker Drives for Global portfolio etc
3	Product localization and type testing of GIS products
4	Development using alternative process for various components (casting, fabrication etc.) for steel structures, casting components
5	Localization of steam turbine and generator spares. Generator rotor manufacturing localization
6	24x7 Customer Complaint Management System during execution and warranty phase for customer
7	Digital Twin for Thermal Power Plants based on physics model and machine learning models, with focus on performance improvement
8	Plant Information System for Digital Control System Assets to accelerate the support extended to customer through the remote expert center
9	Engineering Document Data Management through SAP and linked with customer sales order. System generated purchase requisition and project tracking through SAP
10	MiraQL roll to improve traceability and transparency of the components quality data like inspection reports, raw material chemical and mechanical property data
11	Integrated Plant Load Management System providing Grid Reliability implementation in large industries like integrated steel plants, petrochemical industries and paper industries
12	Design automation for engineering activities
13	Standardization of Casing Hydro Test Arrangement Drawings
14	Superior journal area repair technology to restore the original geometry and performance of the rotors typically involving modern additive processes and post processing as required
15	Segment specific local solution development to cater the Waste Heat Recovery applications
16	Control valve design for other OEM fleet for upgradation and servicing
17	Development of special turbine application for air compressor
18	Special control valve configuration to handle high volumetric steam flow
19	Solution development for upgradation of extraction condensing type steam turbine

Source: Company, MOFSL

**Exhibit 11: Benefits of technology absorption**

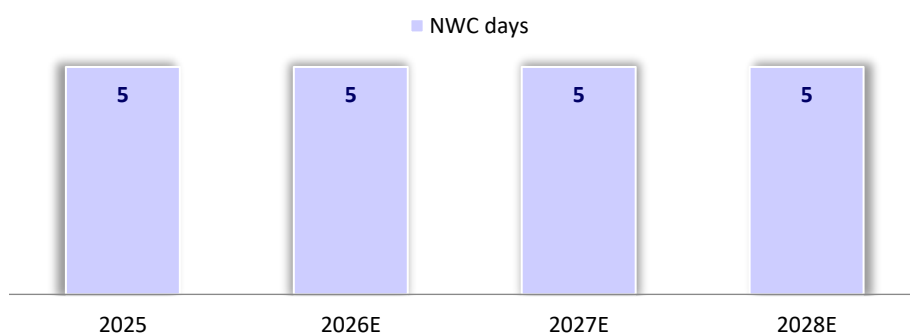
Sr no	Component/product
1	Indigenization of solutions and reduced import dependence
2	Improved cost competitiveness, raw material optimization and optimized delivery with flexibility to address customer demand
3	Portfolio addition to address new applications and export markets
4	Enabling remote diagnostics and early fault detection for improved product reliability and availability
5	Enhanced quality management system enabling early identification of deviations
6	Standardization and automation of Engineering processes resulting in saving human efforts and time

Source: Company, MOFSL

## Comfortable net working capital cycle

Net working capital days have come down from ~150 in FY24 to about 5 in FY25, largely driven by the collection of receivables from Siemens Ltd. Trade receivables from Siemens Ltd reduced from ~INR22.9b in FY24 to ~INR4.5b in FY25, leading to a working capital release. Capex, including the planned expansion in transformers and switchgear, is modest as a share of sales, so cash flows remain comfortable.

### Exhibit 12: We expect NWC days to be in a stable range (days)



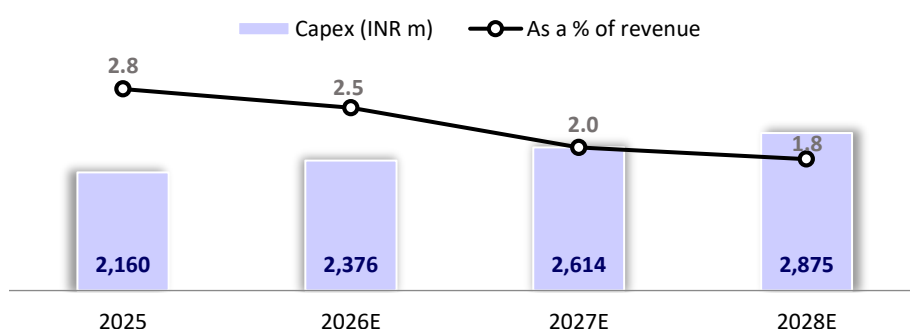
Source: Company, MOFSL

### Exhibit 13: The company has received a large part of its receivables from Siemens Ltd

Trade & other receivables (INR m)	FY24*	FY25
Siemens Aktiengesellschaft	1	0
Siemens Limited	22,882	4,459
Siemens Brasil Ltda.	107	0
Siemens Energy Global GmbH & Co. KG	1,151	1,386
Siemens Energy B.V.	0	73
Siemens Energy, Inc.	517	516
Siemens Energy Sdn. Bhd.	432	97
Others	1,716	2,432
<b>Total</b>	<b>26,806</b>	<b>8,963</b>

Source: Company, MOFSL; Note: \* indicates the period from Feb 07, 2024 to Sep 30, 2024

### Exhibit 14: We expect capex as a % of revenue to remain modest at ~2-2.5%



Source: Company, MOFSL

### Exhibit 15: Larger portion of capital employed is toward power transmission segment and other un-allocable items

	Power transmission		Power generation		Un-allocable corporate items		Total	
INR m	FY25	FY24	FY25	FY24	FY25	FY24	FY25	FY24
Assets	35,807	27,702	20,132	18,052	39,513	24,723	95,452	70,477
Liabilities	25,191	16,773	25,968	20,869	480	667	51,639	38,309
Capital expenditure	1,558	425	857	1,378	40	126	2,455	1,929

Source: Company, MOFSL



## Approval for higher allocation for related-party transactions

Related-party transactions (RPTs) remain controlled, with FY25 RPTs at INR11.8b, largely relating to sale and purchase of goods and services and technology license fees. For FY26, the company has sought shareholder approval for a higher overall RPT limit of INR17.5b, in line with the expected scale of transactions with group companies. Management continues to state that all RPTs are conducted at arm's length and are integral to the company's operating model.

### Exhibit 16: Siemens Energy's RPTs (INR m)

Revenue from contracts with customers	FY24*	FY25
Siemens Limited	237	384
Siemens Financial Services Pvt Ltd	0	41
Siemens Energy Global GmbH & Co.	3,422	5,834
Siemens Energy, Inc.	961	1,907
Siemens Energy Sdn. Bhd.	911	529
Others	3,446	7,553
<b>Total</b>	<b>8,977</b>	<b>16,248</b>
Purchase of goods and services	FY24*	FY25
Siemens Aktiengesellschaft	242	158
Siemens Limited	31	2,000
Siemens Technology and Services Pvt Ltd	391	746
Siemens Energy Global GmbH & Co.	2,547	4,535
Siemens Energy, Inc.	891	1,446
Others	1,509	1,588
<b>Total</b>	<b>5,611</b>	<b>10,473</b>
License Fees	FY24*	FY25
Siemens Aktiengesellschaft	147	220
Siemens Energy Global GmbH & Co. KG	479	707
<b>Total</b>	<b>626</b>	<b>927</b>
Software License Fees and other information technology related costs	FY24*	FY25
Siemens Aktiengesellschaft	178	385
Siemens Limited	160	380
Siemens Pte. Ltd	49	80
Siemens Energy Global GmbH & Co. K	0	50
Others	11	61
<b>Total</b>	<b>398</b>	<b>956</b>
Trade & other receivables	FY24*	FY25
Siemens Aktiengesellschaft	1	0
Siemens Limited	22,882	4,459
Siemens Brasil Ltda.	107	0
Siemens Energy Global GmbH & Co. KG	1,151	1,386
Siemens Energy B.V.	0	73
Siemens Energy, Inc.	517	516
Siemens Energy Sdn. Bhd.	432	97
Others	1,716	2,432
<b>Total</b>	<b>26,806</b>	<b>8,963</b>
Trade payables & other liabilities	FY24*	FY25
Siemens Aktiengesellschaft	193	812
Siemens Technology and Services Private Limited	31	64
Siemens Pte. Ltd.	0	45
Siemens S.R.L.	11	13
C&S Electric Limited	13	1
Siemens Energy Global GmbH & Co. KG	1,118	3,196
Siemens Energy, Inc.	1,001	1,699
Others	462	533
<b>Total</b>	<b>2,829</b>	<b>6,363</b>

Source: Company, MOFSL; Note: \* indicates the period from Feb 07, 2024 to Sep 30, 2024



**Exhibit 17: Summary of RPTs and proposed limits (INR m)**

Nature of transactions	FY24-25*	FY25-26**
Sale of goods and services	5,836	9,000
Reimbursement of expenses received	300	500
Commission income received	11	50
Purchase of goods and services	4,585	6,500
Purchase of property, plant and equipment/capital work in progress	321	450
License fees paid for technology know-how	707	1,000
<b>Total</b>	<b>11,760</b>	<b>17,500</b>

Source: Company, MOFSL; Note: \* indicates the period from October 1, 2024 to Feb 28, 2025; \*\* indicates Proposed

**Exhibit 18: We cut our estimates by 4%/5%/5% to bake in the impact of higher RM prices and competition by FY28**

(INR m)	FY26E			FY27E			FY28E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	94,947	94,947	0.0	1,33,356	1,33,356	0.0	1,59,781	1,59,781	0.0
EBITDA	18,837	19,667	(4.2)	27,544	28,896	(4.7)	33,172	34,862	(4.8)
EBITDA (%)	19.8	20.7	-90 bp	20.7	21.7	-100 bp	20.8	21.8	-100 bp
Adj. PAT	14,033	14,661	(4.3)	20,731	21,768	(4.8)	25,248	26,565	(5.0)
EPS (INR)	39	41	(4.3)	58	61	(4.8)	71	75	(5.0)

Source: Company, MOFSL

## Valuation and view

At the current market price of INR2,123, the stock is trading at 53.9x/36.5x/29.9x P/E on FY26/27/FY28E EPS. Most stocks in the transformer industry have corrected after the recent news flow related to the easing of Chinese curbs in bids. ENRIN is trading at nearly 25% discount to Hitachi Energy. We revise our TP to INR3,400 (from INR3,800) and maintain BUY on ENRIN.

**Exhibit 19: Relative valuation of transformer players in India**

Companies	CMP (INR)	Mcap (INR b)	EPS (INR)			P/E (X)			ROE (%)			EBITDA margin (%)			FY25-28E CAGR		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	Rev	EBITDA	PAT
Siemens Energy India*	2,123	756	30.9	39.4	58.2	68.7	53.9	36.5	25.1	24.3	26.4	19.3	19.8	20.7	29.4	40.9	43.8
Hitachi Energy	16,504	736	203.2	266.4	334.5	81.2	61.9	49.3	17.8	18.9	19.3	14.5	15.0	15.0	29.5	51.6	62.8
CG Power	549	862	8.0	10.6	13.7	68.4	51.7	40.2	22.9	21.8	23.4	13.9	14.6	14.9	25.8	31.1	30.2
GE Vernova T&D India	2,710	693	42.4	52.6	65.1	63.9	51.5	41.6	48.4	41.0	36.7	24.6	23.4	23.1	31.0	39.6	40.0
Atlanta Electricals	728	56	21.5	33.5	43.5	33.8	21.7	16.7	18.1	22.0	22.2	16.8	17.1	17.0	35.2	39.3	41.2
TRIL	232	69	10.1	14.2	18.0	22.9	16.4	12.9	19.6	21.3	21.0	17.1	19.1	18.5	29.8	35.7	36.7
Voltamp	6,830	69	326.7	364.0	402.6	20.9	18.8	17.0	19.4	19.0	18.3	18.1	17.2	16.7	12.6	8.1	7.8

Source: Company, Bloomberg, MOFSL

\*For Siemens Energy India, FY26E/FY27E/FY28E indicate data for periods Sep'25/Sep'26E/Sep'27E year-ends

## Financials and Valuation

### Consolidated Income Statement

	(INR M)				
Y/E September	2024	2025	2026E	2027E	2028E
<b>Net Sales</b>	<b>61,580</b>	<b>78,267</b>	<b>94,947</b>	<b>1,33,356</b>	<b>1,59,781</b>
Change (%)	NA	27.1	21.3	40.5	19.8
<b>Gross Profit</b>	<b>24,545</b>	<b>32,646</b>	<b>39,603</b>	<b>55,624</b>	<b>66,646</b>
<b>Total Expenditure</b>	<b>51,742</b>	<b>63,133</b>	<b>76,110</b>	<b>1,05,812</b>	<b>1,26,609</b>
% of Net Sales	84.0	80.7	80.2	79.3	79.2
<b>EBITDA</b>	<b>9,838</b>	<b>15,134</b>	<b>18,837</b>	<b>27,544</b>	<b>33,172</b>
Margin (%)	16.0	19.3	19.8	20.7	20.8
Depreciation	740	1,030	1,037	1,268	1,502
<b>EBIT</b>	<b>9,098</b>	<b>14,104</b>	<b>17,800</b>	<b>26,276</b>	<b>31,670</b>
Interest	165	282	282	282	282
Other Income	482	1,053	1,243	1,720	2,366
<b>PBT Before EO Exp</b>	<b>9,415</b>	<b>14,875</b>	<b>18,761</b>	<b>27,715</b>	<b>33,754</b>
EO Items	0	0	0	0	0
<b>PBT After EO Exp</b>	<b>9,415</b>	<b>14,875</b>	<b>18,761</b>	<b>27,715</b>	<b>33,754</b>
Tax	2,438	3,874	4,728	6,984	8,506
Rate (%)	25.9	26.0	25.2	25.2	25.2
MI & P/L of Asso. Cos	0	0	0	0	0
<b>Reported PAT</b>	<b>6,977</b>	<b>11,001</b>	<b>14,033</b>	<b>20,731</b>	<b>25,248</b>
Change (%)	NA	57.7	27.6	47.7	21.8
<b>Adjusted PAT</b>	<b>6,977</b>	<b>11,001</b>	<b>14,033</b>	<b>20,731</b>	<b>25,248</b>
Change (%)	NA	57.7	27.6	47.7	21.8
Margin (%)	11.3	14.1	14.8	15.5	15.8

Note: FY24 figures are derived by subtracting Siemens Ltd FY24 data with Non-Energy segment data

### Consolidated Balance Sheet

	(INR M)				
Y/E September	2024	2025	2026E	2027E	2028E
Share Capital	712	712	712	712	712
Reserves	31,456	43,101	57,134	77,865	1,03,113
<b>Net Worth</b>	<b>32,168</b>	<b>43,813</b>	<b>57,846</b>	<b>78,577</b>	<b>1,03,825</b>
Minority Interest	0	0	0	0	0
Loans	0	0	0	0	0
Deffered Tax Liability	-1,597	-2,104	-2,104	-2,104	-2,104
<b>Capital Employed</b>	<b>30,571</b>	<b>41,709</b>	<b>55,742</b>	<b>76,473</b>	<b>1,01,721</b>
<b>Net Fixed Assets</b>	<b>4,293</b>	<b>5,361</b>	<b>6,700</b>	<b>8,045</b>	<b>9,418</b>
Capital WIP	521	759	759	759	759
Investments	0	0	0	0	0
<b>Curr. Assets</b>	<b>64,066</b>	<b>87,228</b>	<b>1,10,928</b>	<b>1,55,654</b>	<b>1,96,964</b>
Inventory	7,736	7,603	9,223	12,954	15,521
Debtors	18,775	19,205	23,298	32,723	39,207
Cash & Bank Balance	0	34,620	47,108	66,017	89,565
Loans & Advances	6	1	1	2	2
Other Current Assets	37,549	25,799	31,297	43,958	52,668
<b>Current Liab. &amp; Prov.</b>	<b>38,309</b>	<b>51,639</b>	<b>62,644</b>	<b>87,985</b>	<b>1,05,420</b>
Creditors	17,474	23,390	28,375	39,853	47,750
Other Liabilities	12,328	19,273	23,380	32,838	39,346
Provisions	8,507	8,976	10,889	15,294	18,324
<b>Net Current Assets</b>	<b>25,757</b>	<b>35,589</b>	<b>48,283</b>	<b>67,668</b>	<b>91,543</b>
<b>Application of Funds</b>	<b>30,571</b>	<b>41,709</b>	<b>55,742</b>	<b>76,473</b>	<b>1,01,721</b>

## Financials and Valuation

### Ratios

Y/E September	2024	2025	2026E	2027E	2028E
Basic (INR)	19.6	30.9	39.4	58.2	70.9
<b>Adjusted EPS</b>	<b>19.6</b>	<b>30.9</b>	<b>39.4</b>	<b>58.2</b>	<b>70.9</b>
Growth (%)	NA	57.7	27.6	47.7	21.8
Cash EPS	21.7	33.8	42.3	61.8	75.1
Book Value	90.4	123.1	162.5	220.7	291.6
<b>Valuation (x)</b>					
P/Sales	12.3	9.7	8.0	5.7	4.7
P/E	108.3	68.7	53.9	36.5	29.9
Cash P/E	97.9	62.8	50.2	34.4	28.3
EV/EBITDA	76.8	47.7	37.6	25.0	20.1
EV/Sales	12.3	9.2	7.5	5.2	4.2
Price/Book Value	23.5	17.3	13.1	9.6	7.3
<b>Profitability Ratios (%)</b>					
RoE	21.7	25.1	24.3	26.4	24.3
RoCE	23.2	26.9	25.6	27.4	25.0
RoIC	22.1	147.1	154.2	188.0	194.9
<b>Turnover Ratios</b>					
Debtors (Days)	111	90	90	90	90
Inventory (Days)	46	35	35	35	35
Creditors. (Days)	104	109	109	109	109
Asset Turnover (x)	2.0	1.9	1.7	1.7	1.6
Gross Asset Turnover (x)	6.6	7.0	7.0	8.2	8.4
<b>Leverage Ratio</b>					
Net Debt/Equity (x)	0.0	-0.8	-0.8	-0.8	-0.9

### Consolidated Cash Flow Statement

Y/E September	2025	2026E	2027E	2028E
PBT before EO Items	14,875	18,761	27,715	33,754
Add : Depreciation	1,030	1,037	1,268	1,502
Interest	282	282	282	282
Less : Direct Taxes Paid	2,280	4,728	6,984	8,506
(Inc)/Dec in WC	-23,444	207	476	327
Others	-650	-1,243	-1,720	-2,366
<b>CF from Operations</b>	<b>36,701</b>	<b>13,903</b>	<b>20,085</b>	<b>24,339</b>
(Inc)/Dec in FA	-2,160	-2,376	-2,614	-2,875
<b>Free Cash Flow</b>	<b>34,541</b>	<b>11,527</b>	<b>17,471</b>	<b>21,464</b>
(Pur)/Sale of Investments	0	0	0	0
Others	-32,666	1,243	1,720	2,366
<b>CF from Investments</b>	<b>-34,826</b>	<b>-1,133</b>	<b>-893</b>	<b>-509</b>
(Inc)/Dec in Net Worth	0	0	0	0
(Inc)/Dec in Debt	0	0	0	0
Less : Interest Paid	0	282	282	282
Dividend Paid	0	0	0	0
Others	-553	0	0	0
<b>CF from Fin. Activity</b>	<b>-553</b>	<b>-282</b>	<b>-282</b>	<b>-282</b>
<b>Inc/Dec of Cash</b>	<b>1,322</b>	<b>12,488</b>	<b>18,909</b>	<b>23,548</b>
Add: Beginning Balance	0	34,620	47,108	66,017
Other Bank Balances	33,298	0	0	0
<b>Closing Balance</b>	<b>34,620</b>	<b>47,108</b>	<b>66,017</b>	<b>89,565</b>

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## NOTES

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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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