27 April 2026

Company Update | Sector: Midcaps

Jain Resource Recycling

BSE SENSEX	S&P CNX
77,304	24,093

Stock Info

Bloomberg	JAINREC IN
Equity Shares (m)	345
M.Cap.(INRb)/(USDb)	144.9 / 1.5
52-Week Range (INR)	500 / 248
1, 6, 12 Rel. Per (%)	-15/14/-
12M Avg Val (INR M)	1238
Free float (%)	26.4

Financials Snapshot (INR b)

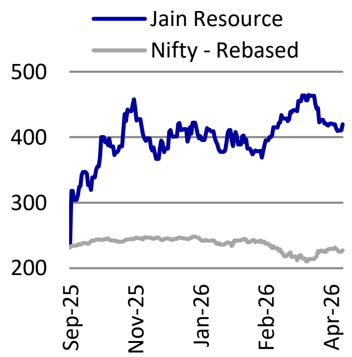
Y/E Mar	2026E	2027E	2028E
Sales	93.1	137.8	163.3
EBITDA	6.6	9.4	11.8
PAT	4.4	6.4	8.4
EBITDA (%)	7.1	6.8	7.2
EPS (INR)	12.8	18.6	24.4
EPS Gr. (%)	98.5	46.1	31.1
BV/Sh. (INR)	48.3	66.9	91.4
Ratios			
Net D/E	0.5	0.4	0.2
RoE (%)	36.8	32.4	30.9
RoCE (%)	22.7	22.4	23.4
Valuations			
P/E (x)	32.9	22.5	17.2
EV/EBITDA (x)	23.3	16.4	12.9

Shareholding pattern (%)

As On	Mar-26	Dec-25
Promoter	73.6	73.6
DII	10.1	8.7
FII	3.0	3.7
Others	13.3	14.0

FII Includes depository receipts

Stock performance (one-year)



CMP: INR420 TP: INR560 (+33%) Buy

A platform play on metals, recycling and green transition

Jain Resource Recycling (JAINREC) is one of India's largest non-ferrous metal recyclers, operating an integrated, multi-material processing platform. The growth story of JAINREC is fueled by its forward integration, potential 'greenium' benefits and diversification into critical metals.

- **The copper supply gap is structurally widening, with demand expected to grow ~1.5x by 2040, while only ~70% of requirements may be met through mining by 2035. Long ~15-year new mine gestation periods and disruptions at key mines in Indonesia and Chile further constrain primary supply, accelerating reliance on recycled copper.**
- **In such a tightening supply scenario, JAINREC's forward integration into value-added copper products (Scrap → Ingots → Anodes → Cathodes → Wire Rods, Busbars, etc.) is strategically aligned with the fastest-growing new-age copper demand engines (AI-driven data centers and EVs), where the intensity of copper is high (EVs use 3-4x vs. ICE vehicles; data centers 30-45 MT/MW). This demand will be driven by rapid EV penetration globally (44% by CY35 vs. 22% in CY25) and India's data center expansion (4.5-6.5GW by 2030).**
- **Large OEMs indicate a shift in their policy toward green procurement, with players like Apple, Siemens and ABB willing to pay a premium for low-carbon inputs. This evolving preference is giving rise to 'greenium' (green premium), with institutions like the London Metal Exchange (LME) exploring differentiated pricing for low-carbon metals, which could provide additional realization upside.**
- **Beyond copper, JAINREC is de-risking growth through a multi-metal recycling strategy with an entry into critical metals such as tin (already operational) and antimony (under implementation), along with JV-led backward integration into scrap sourcing (US JV with C&Y) and battery recycling (Kuwait JV with Abraj Al Khaleej), which together strengthen feedstock security, improve supply stability and enhance per MT profitability.**
- **Overall, we like JAINREC for its structurally advantaged positioning amid tightening copper supply, emerging green metal pricing differentiation and growth de-risking through integration and diversification. We expect a CAGR of 32%/34%/38% in revenue/EBITDA/PAT over FY26-28E. We value the stock at 23x FY28E EPS to arrive at our TP of INR560 and reiterate our BUY rating.**

JAINREC aligned itself with future copper demand

- The global copper end-user demand landscape is shifting from traditional construction-heavy consumption toward electrical applications, driven by the energy transition (EVs, renewables) and digital infrastructure (AI, data centers). Among these, electrification and clean energy (EVs, renewables, grid) are already the largest incremental contributors.

Research Analyst: Sumant Kumar (Sumant.Kumar@MotilalOswal.com) | **Meet Jain** (Meet.Jain@MotilalOswal.com)
Research Analyst: Swapnil Upadhyay (Swapnil.Upadhyayk@MotilalOswal.com) | **Nirvik Saini** (Nirvik.Saini@MotilalOswal.com) | **Yash Darak** (Yash.Darak@MotilalOswal.com)

- This shift is materially changing the end-use mix. **Clean energy applications alone are projected to account for ~61% of total copper consumption by 2040**, up sharply from ~25% today. At the same time, globally EV penetration is accelerating (est. ~44% by 2035 vs. 22% in 2025), with each EV using 3-4x more copper than ICE vehicles.
- With strong demand tailwinds as discussed above, the company is aligning itself to capture the growing copper demand by expanding its copper recycling capacity to 100k MT by FY28 from 83k MT today. This strategy is supported by a structural rise in copper demand (~1.5x by 2040) amid supply constraints (only ~70% met via mining by 2035), driving greater reliance on recycling.
- Further to improve its product mix, JAINREC is setting up value-added copper product capacity of 18k MT in FY27, which will be utilized to produce downstream products such as anode, cathode, busbar and wire rods, which are seeing increasing traction from new-age technologies.
- For instance, data centers are emerging as a powerful incremental demand driver. The rapid proliferation of AI and digital infrastructure is driving the need for highly reliable, low-loss power distribution systems, where **busbar trunking systems are increasingly preferred over conventional cabling due to superior scalability, safety and space efficiency.**
- As data centers scale up in both size and power density, their electrical architecture becomes significantly more copper-intensive, particularly in high-spec applications such as busbars and power distribution systems.
- In India, this trend is becoming increasingly visible. Data center capacity is expected to expand from ~1.7GW currently to ~4.5-6.5GW by 2030, with ~220MW of incremental capacity added in CY26 alone. Given copper intensity of ~30-45 MT/MW, this implies incremental copper demand of ~6.6-9k MT from CY26 additions alone, creating a strong and sustainable demand tailwind.
- As a result, downstream JAINREC's fabricated products such as wire rods (capacity 7.2k MT), busbars (capacity 6k MT) and cathode (capacity 18k MT) are witnessing disproportionate demand, with the **global busbar market itself projected to nearly double by 2035** (from USD15.7b to USD27.7b), driven by EVs and data centers (as per industry sources).
- **JAINREC's foray into value-added copper products such as cathodes, busbars and wire rods is a well-timed strategic move, as the evolving end-user demand mix, particularly the rise of EVs and data centers, structurally tilts in favor of these segments. We expect this value-added segment to contribute ~13% to revenue and 10% to EBITDA by FY28E.**

Large OEMs driving the shift toward green metals

Top-quartile emissions (<2–3 tCO_2/t for copper) refer to 25% of the global lowest-emission copper producers, indicating high carbon efficiency vs. industry averages. Top-quartile copper is critical for companies aiming to reduce supply chain emissions and meet sustainability targets.

- Green metal is defined as metal produced or recycled with low CO_2 intensity (e.g. top-quartile emissions such as <2-3 tCO_2/MT for copper), high renewable energy usage (>70%), and strong recycling and responsible sourcing practices aligned with established frameworks.
- The rationale for green metal is also compelling, as recycled copper requires up to ~85% lower energy vs. primary production, which translates into significantly lower carbon emissions and makes it a preferred input for global OEMs seeking to reduce Scope 3 emissions.

Scope 3 emissions are indirect value chain gases generated from sources a company doesn't own or control, including suppliers (upstream) and customers (downstream). They often form the bulk of a business's carbon footprint.

- Importantly, large corporates such as Apple, Siemens and ABB are committed to procuring low-carbon materials even at a premium, which indicates acceptability of green metal at a premium.
- Effective Apr'26, EPR norms in India mandate producers to ensure recycling of non-ferrous metal scrap and meet targets. This, alongside potential recycled content mandates and favorable treatment for low-carbon metals in export markets, further confirms the differentiated treatment of green metal. (refer Exhibit 9)
- Here, JAINREC benefits from a strong intrinsic advantage, as recycled metals have only ~1-10% of the carbon footprint of primary metals, positioning the company favorably as customers increasingly prioritize low-emission supply chains; further their setup of scrap to cathode to finished products enables traceability and certification of green copper.
- The use of renewable energy (including captive solar power) in its operations further reduces carbon footprint, allowing JAINREC to offer near-zero emission copper products while retaining cost competitiveness, creating a differentiated "green + low-cost" positioning vs. peers, especially in export markets (by avoiding carbon-related tariffs and meeting stringent ESG norms).
- **Overall, strong OEM demand, regulatory support and premiumization of low-carbon materials position JAINREC to benefit from the shift toward green metals and provide better realizations.**

JAINREC positioned to capture potential 'greenium' upside

- JAINREC's new plant is India's first green copper cathode plant because of its scrap-based, renewable-powered production process. Through this downstream copper project at Jain Green Technologies (Unit 3), the company is extending its integration across the value chain, from scrap to anodes and onward to finished copper products.
- The emerging concept of a 'greenium', with institutions like **LME exploring differentiated pricing for low-carbon metals**, could provide additional realization upside and support a shift from pure commodity pricing to quality-linked pricing, particularly for cathodes and downstream products.
- At the operational level, the Unit 3 project represents a significant forward integration step, with phased capacity additions across the value chain. Copper anodes are expected to scale up to 1,600 MT/month (Phase 1 commissioned in 4QFY26 and Phase 2 in 1QFY27), while copper cathodes would reach 1,500 MT/month (with commissioning in 1QFY27 and ramp-up by 3QFY27), supported by downstream capacity of ~600 MT/month in wire rods and ~500 MT/month in busbars and profiles, enabling JAINREC to capture higher value addition beyond primary refining.
- JAINREC's ability to offer traceable, low-carbon copper (from scrap to ingots to finished products) positions it favorably with global OEMs seeking to reduce Scope 3 emissions, thereby enhancing its potential to command a 'greenium,' as similar premiumization trends have already been observed in rPET.
- **We believe the plant's fully integrated setup from scrap processing to electrolytic refining (~21-day cathode cycle) and downstream fabrication reduces dependence on external intermediates, improves conversion margins and ensures tighter control over quality and specifications.**

De-risking growth through backward integration and diversification

- JAINREC's strategy is evolving beyond traditional base metals into a multi-metal recycling platform, with its entry into critical metals such as tin (already operational) and antimony (under implementation), enabling diversification supply-constrained segments (geopolitical concentration in China).
- Both tin and antimony command materially higher per-unit realizations (tin: INR4.3m per MT; antimony: INR2m per MT) vs. copper and lead, which is expected to expand blended EBITDA margins as these streams scale up and reduce earnings dependence on any single metal cycle.
- This diversification is also backed by strong policy tailwinds, with India rolling out an INR1.5b recycling incentive scheme (~20% on capex + 40-60% on opex incentives) under the ~INR340b Critical Mineral Mission, alongside duty-free scrap imports and a targeted build-up to ~270k MT recycling capacity.
- At the same time, global trade dynamics are being reshaped by US Section 232 tariffs on imported finished metals (for promoting domestic metal production). This may disrupt traditional scrap flows from the US to ROW, as the US will now consume it domestically, thereby leading to near-term oversupply of metals.
- For instance, the US, being the largest exporter of copper scrap, could tighten scrap availability in global markets if a greater share is retained for domestic consumption (with already ~40% consumed domestically as of 2025), while reduced imports of finished metals into the US may simultaneously lead to oversupply in the rest of the world.
- However, **JAINREC is structurally insulated from this feedstock-related risk through its JV-led sourcing model**, particularly the C&Y Global (USA) partnership, which effectively converts this disruption into a feedstock advantage and provides high-quality US-origin scrap.
- Under this structure, US-based C&Y will supply scrap to the Indian JV, which is economically more beneficial than selling domestically, strengthening JAINREC's supply visibility precisely when other players might face tightening raw material availability.
- Similarly, the Kuwait JV (with Abraj Al Khaleej) provides backward integration into the lead value chain (scrap sourcing), focusing on battery breaking and supplying lead paste and grids directly to India, creating a captive, cross-border raw material pipeline.
- **This not only enhances margin capture at an upstream stage but also reduces dependence on fragmented domestic scrap markets while providing geographic diversification of feedstock sourcing.**
- **Overall, the combination of feedstock security, critical metal diversification, backward integration and policy alignment creates a structurally de-risked, scalable and margin-accretive growth engine, underpinning a resilient competitive moat.**

Sec 232: Starting Apr'26, the US has replaced metal-content duties with a tiered system ranging from 15% to 50% applied to a product's full invoice value. This shift significantly raises costs for industrial and downstream goods, though exemptions exist for products with less than 15% metal weight or those using U.S.-origin materials.

Valuation and view

- As a leading player in India's rapidly growing recycling industry, JAINREC is positioned for long-term growth aided by rising demand for recycled/green metals and a regulatory shift favoring organized players, along with the growth of demand for lead and copper in India outpacing the global demand growth.
- To move up the value chain, JAINREC is focusing on developing higher-value copper products, which should enhance margins and improve earnings visibility. We model EBITDA/MT to increase to ~INR24,275 by FY28 from ~INR18,292 in FY26E.
- Further, medium- to long-term demand for copper is expected to remain strong, driven by the rapid expansion of new-age industries such as renewable energy, data centers, and EVs.
- We expect a CAGR of 32%/34%/38% in revenue/EBITDA/PAT over FY26-28E. **We value the stock at 23x FY28 EPS to arrive at our TP of INR560 and reiterate our BUY rating.**

Exhibit 1: Global copper end-use mix (CY25)

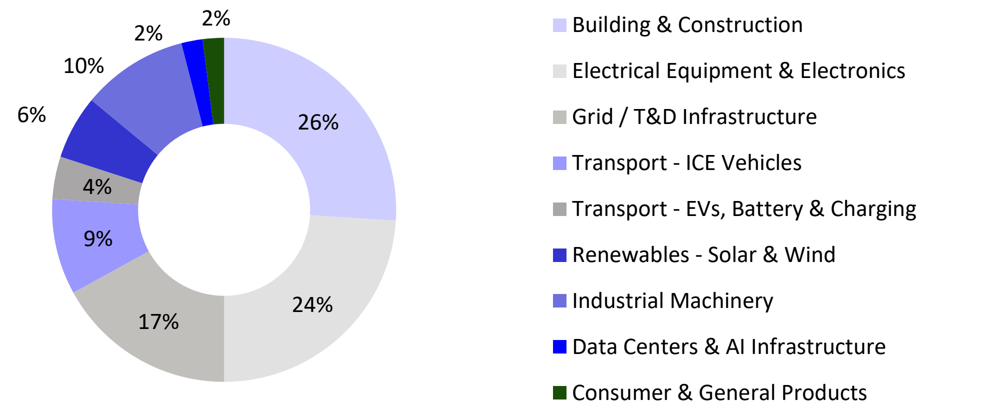


Exhibit 2: Global copper end-use mix (CY40)

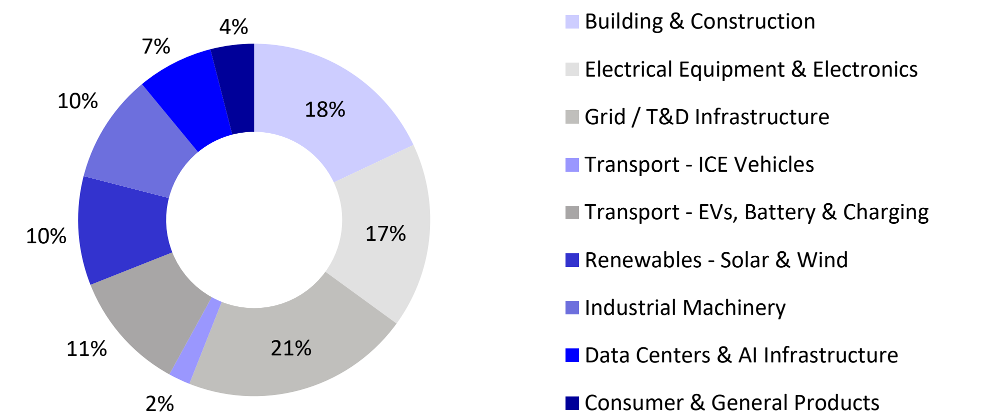
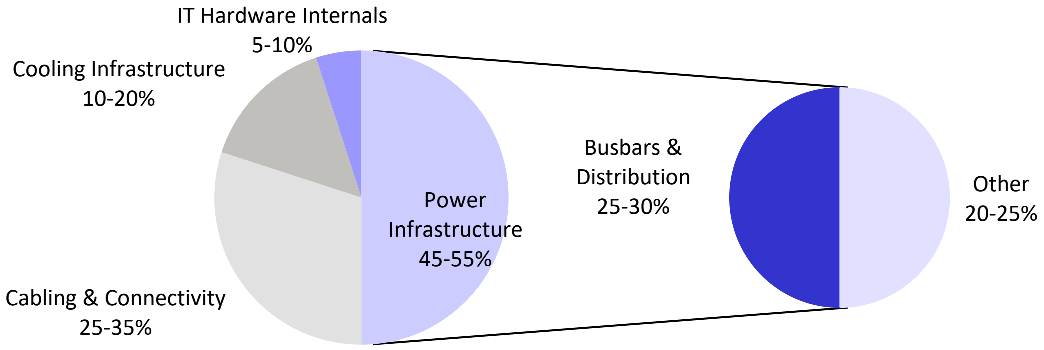


Exhibit 3: Global copper end-user demand mix - 2025 vs. 2040 (volume in million)

Segment	2025 Share	2025 Volume	2040 Share	2040 Volume	Δ Share	Remarks
Building & Construction	26%	7.3 Mt	18%	7.6 Mt	↓ 8pp	❖ Largest segment today but ceding dominance; grows marginally in absolute terms, driven by developing-world urbanization and green building, but its share collapses as electrical demand vectors scale up faster.
Electrical Equipment & Electronics	24%	6.7 Mt	17%	7.1 Mt	↓ 7pp	❖ Remains a large volume segment; consumer electronics, industrial motors, and wiring harnesses grow steadily but below the market average growth rate - share diluted by exponential rise of transition-linked applications.
Grid / T&D Infrastructure	17%	4.8 Mt	21%	8.8 Mt	↑ 4pp	❖ Grid expansion expected to see 19% demand growth vs. traditional applications, per ICA/CRU European Copper Institute; USD7.5t in global grid investment required by 2040; every EV, solar farm, and data center creates upstream grid copper pull - this is the backbone multiplier for all other transition segments.
Transport - ICE Vehicles	9%	2.5 Mt	2%	0.8 Mt	↓ 7pp	❖ BHP forecasts ICE vehicle copper demand in structural retreat as EV fleet share grows; ICE vehicles use ~20kg copper vs. 50-80kg in an EV - the net transport sector actually grows strongly but the internal mix is being completely inverted.
Transport - EVs, Battery & Charging	4%	1.1 Mt	11%	4.6 Mt	↑ 7pp	❖ BHP forecasts EV transport sector's share of copper demand rising from 11% in 2021 to over 20% by 2040; EV-related copper growing at 10% per annum, from 1.7 MT in 2025 to 4.3 MT by 2035, as per Wood Mackenzie; EV penetration at 22% in 2025 is estimated to double to 44% by 2035.
Renewables – Solar & Wind	6%	1.7 Mt	10%	4.2 Mt	↑ 4pp	❖ Renewables expected to see 7% demand growth, as per ICA/CRU European Copper Institute; solar/wind require 2.5-7.0x more copper per MW than fossil fuels; over 90% of new generating capacity added globally in 2025 was solar and wind - structural demand floor rising every year.
Industrial Machinery	10%	2.8 Mt	10%	4.2 Mt	→ 0pp	❖ Broadly stable share; grows in absolute terms, driven by manufacturing expansion and automation in emerging economies, but no step-change in copper intensity.
Data Centers & AI Infrastructure	2%	0.6 Mt	7%	2.9 Mt	↑ 5pp	❖ S&P Global forecasts AI and data centers add 2 MT of incremental copper demand from 2025 to 2040; a single AI hyperscale data center uses ~27 MT/MW; data center share of insulated cable demand rising from 4-5% today to 9-11% globally by 2030; **this demand is price-inelastic as copper is less than 0.5% of total project cost.**
Consumer & General Products	2%	0.6 Mt	4%	1.7 Mt	↑ 2pp	❖ Includes heat pumps (CRU forecasts annual sales to quadruple to 52m units by 2040), smart home systems, and appliances in the developing world - the 2b new air conditioners projection by 2040 is the single biggest driver within this bucket.
Total		**~28 Mt**		**~42 Mt**		

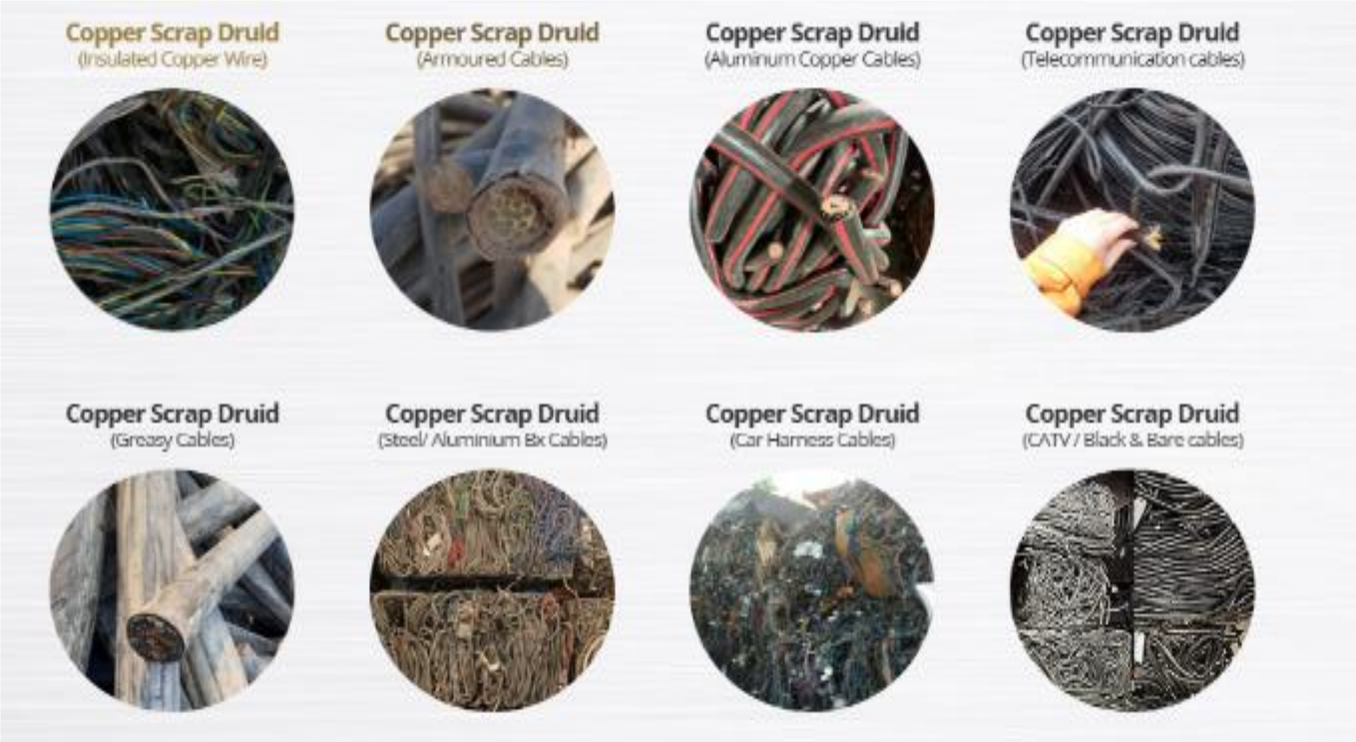
Source: Thunder Said Energy, Grand View Research, Wood Mackenzie, ICA/CRU, S&P Global, MOFSL

Exhibit 4: Copper usage mix in data centers



Source: Industry, MOFSL

Exhibit 5: Types of cables that the company processes

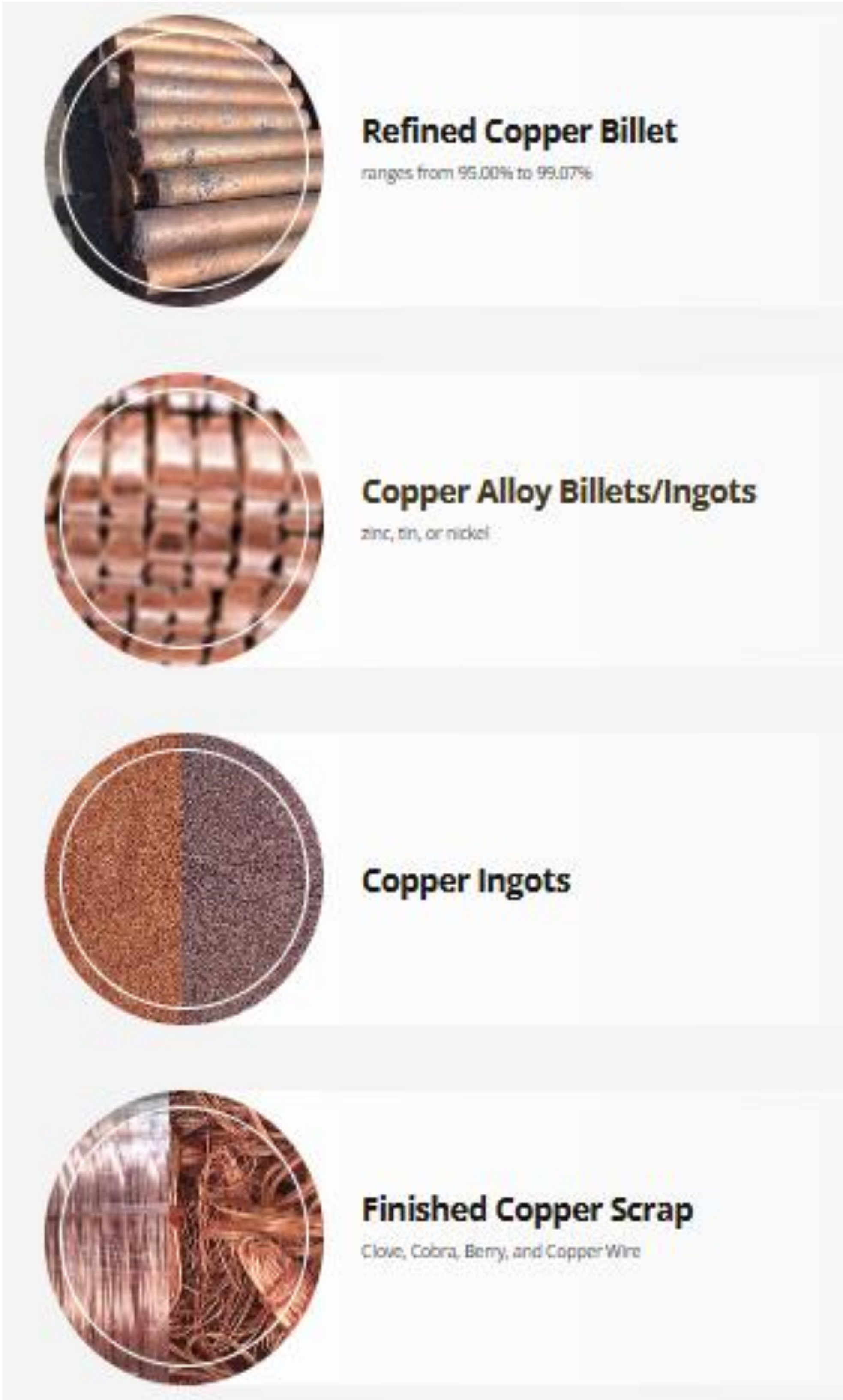


Source: Company, MOFSL

Exhibit 6: Raw materials (motors)

Source: Company, MOFSL

Exhibit 7: Final products



Source: Company, MOFSL

Exhibit 8: Copper value-added products' application

Value added product	Application	Industry	Purity / Grade
Copper Anode	Alloy Casting	Electrorefining Industry	Copper > 99.9%
	Electrorefining	Electroplating Industry	
	Electroplating	Automotive & EV Industry	
	Electroforming		
Copper Cathode	Electrical Panels	Heavy Industries	LME Grade – A
	Switchgears	Power Generation	
	GIS	Power Transmission & Tele-communication	
	Generator	Electric Vehicle & Battery Manufacturer	Cu-CATH-1
	Automotive Parts	Aerospace & Defence	
	Renewable Energy	Pharmaceutical & Medical Devices	
		Construction / Infrastructure	
Copper Up-Cast Rod	Electrical Panels	Heavy Industries	OFC Grade
	Switchgears	Power Generation (thermal, hydro, nuclear, solar, wind)	
	GIS	Power Transmission & Tele-communication	
	Generator	Electric Vehicle & Battery Manufacturer	
	Electrical wiring	Aerospace & Defence	ETP Grade
	Transformers	Pharmaceutical & Medical Devices	
	Electronics (PCBs)	Construction / Infrastructure	
	Automotive Parts (motors, wiring)		
	Renewable Energy (solar, EV chargers)		
Copper Bus Bars/ Flats/Strips	Electrical Panels	Heavy Industries	OFC Grade
	Switchgears	Power Generation (thermal, hydro, nuclear, solar, wind)	
	GIS	Power Transmission & Tele-communication	
	Generator	Electric Vehicle & Battery Manufacturer	
	Motors	Aerospace & Defence	ETP Grade
	Transformers	Pharmaceutical & Medical Devices	
	Traction Motor	Construction / Infrastructure	
	Alternator		

Source: Company, MOFSL

Exhibit 9: EPR targets for producers of non-ferrous metal products

No	Year (Y)	Recycling targets (by weight)
1	2026-27	❖ 10% of the quantity of products made of non-ferrous metals in year Y-X, where 'X' is the average life of the product
2	2027-28	❖ 10% of the quantity of products made of non-ferrous metals in year Y-X, where 'X' is the average life of the product
3	2028-29	❖ 30% of the quantity of products made of non-ferrous metals in year Y-X, where 'X' is the average life of the product
4	2029-30	❖ 30% of the quantity of products made of non-ferrous metals in year Y-X, where 'X' is the average life of the product
5	2030-31	❖ 50% of the quantity of products made of non-ferrous metals in year Y-X, where 'X' is the average life of the product
6	2031-32	❖ 50% of the quantity of products made of non-ferrous metals in year Y-X, where 'X' is the average life of the product
7	2032-33 onwards	❖ 75% of the quantity of products made of non-ferrous metals in year Y-X, where 'X' is the average life of the product
8		❖ Units established after 1st April, 2026, the extended producer responsibility obligation will start after two years and shall be as per the target prescribed above
9		❖ The extended producer responsibility obligation for importers of used devices or products or scrap of non-ferrous metals in the year (Y) shall be 100 per cent of the non-ferrous metals imported in the year (Y-1)

Source: MoE

Story in Chart

Exhibit 10: Revenue CAGR of ~36% over FY25-28E…

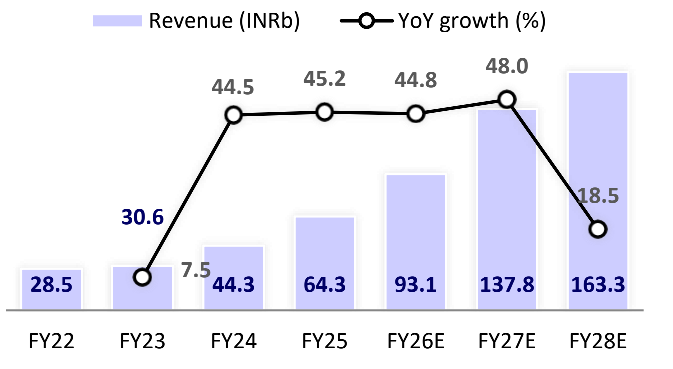


Exhibit 11: …coupled with margins expansion

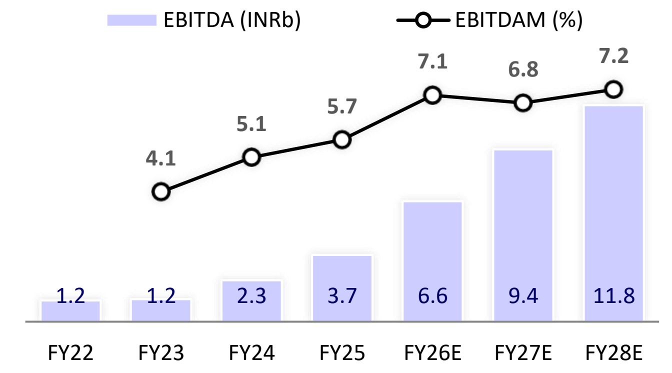
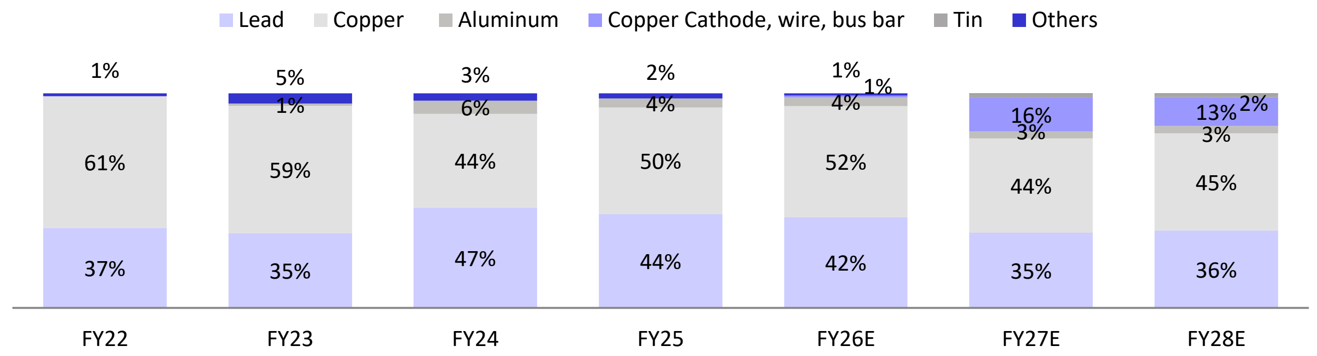
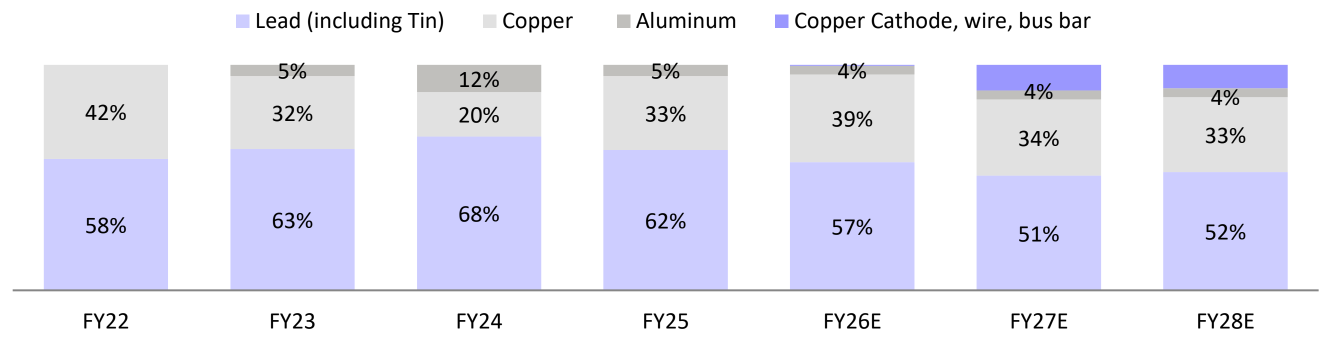


Exhibit 12: Revenue mix trend



Source: BBG, MOFSL

Exhibit 13: EBITDA mix trend



Source: BBG, MOFSL

Exhibit 14: Est. strong earnings CAGR of 56% over FY25-28

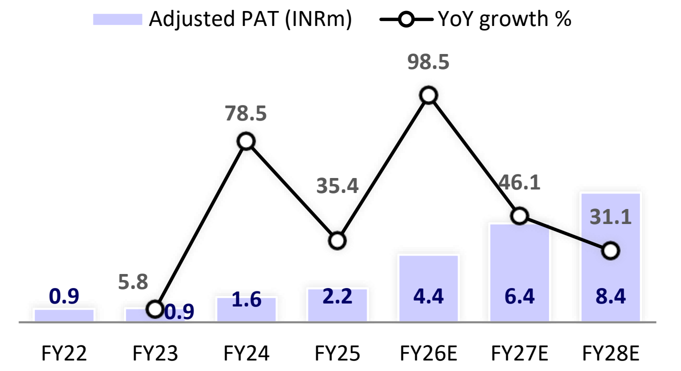


Exhibit 15: Net working capital days

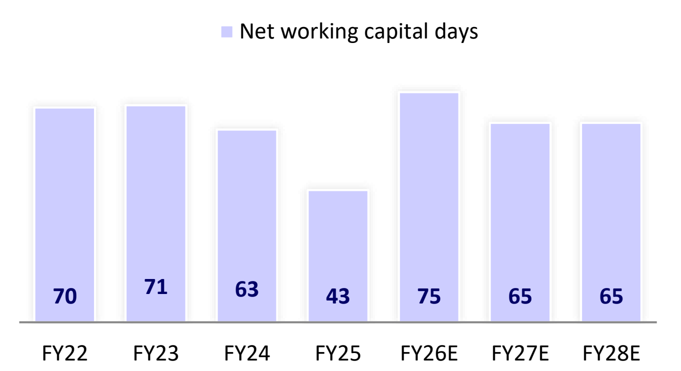


Exhibit 16: Blended EBITDA/MT trend

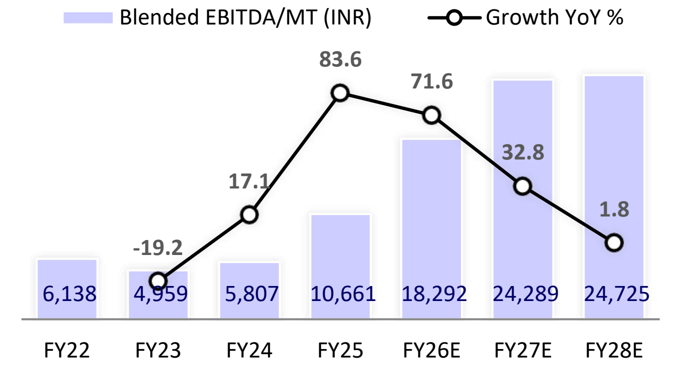


Exhibit 17: Healthy return ratios

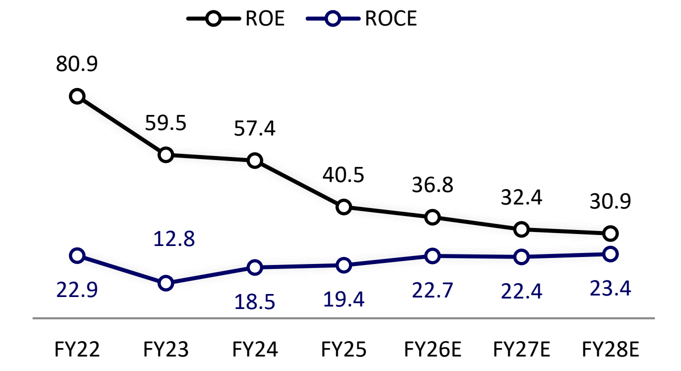
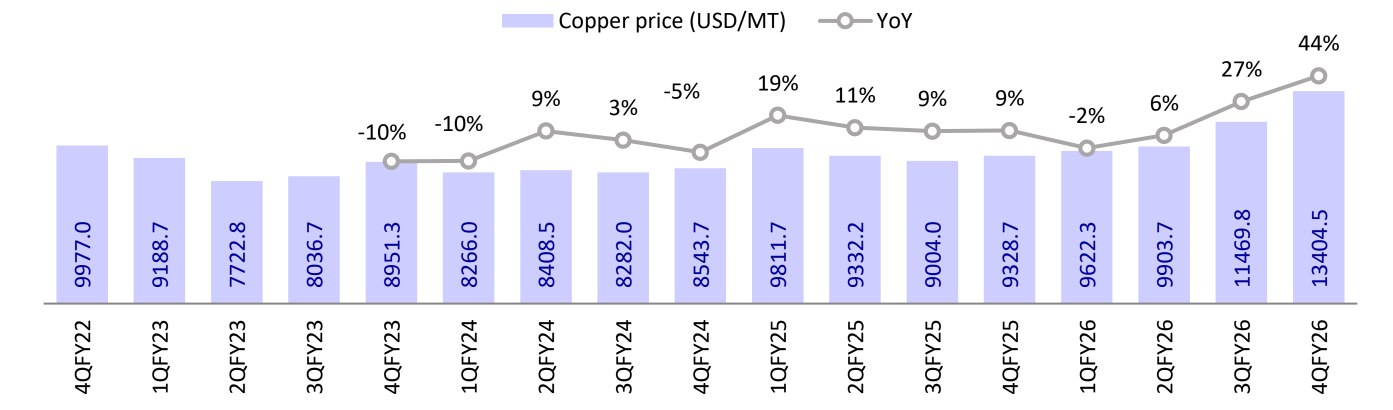


Exhibit 18: Copper price trend



Source: BBG, MOFSL

Financials and valuations

Consolidated - Income Statement							(INRm)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Total Income from Operations	**28,496**	**30,641**	**44,284**	**64,294**	**93,116**	**1,37,839**	**1,63,292**
Change (%)	NA	7.5	44.5	45.2	44.8	48.0	18.5
Raw Materials	25,888	27,879	40,095	58,444	83,528	1,23,793	1,46,243
Gross Profit	**2,608**	**2,761**	**4,189**	**5,850**	**9,588**	**14,047**	**17,049**
Employees Cost	103	144	324	280	447	539	612
Other Expenses	1,340	1,375	1,593	1,920	2,553	4,093	4,602
Total Expenditure	**27,332**	**29,399**	**42,012**	**60,644**	**86,529**	**1,28,425**	**1,51,456**
% of Sales	95.9	95.9	94.9	94.3	92.9	93.2	92.8
EBITDA	**1,164**	**1,242**	**2,272**	**3,650**	**6,587**	**9,414**	**11,835**
Margin (%)	4.1	4.1	5.1	5.7	7.1	6.8	7.2
Depreciation	87	135	157	142	147	228	303
EBIT	**1,077**	**1,106**	**2,115**	**3,508**	**6,440**	**9,186**	**11,532**
Int. and Finance Charges	160	305	533	835	920	1,015	916
Other Income	307	435	564	361	372	276	327
PBT bef. EO Exp.	**1,225**	**1,236**	**2,146**	**3,033**	**5,893**	**8,447**	**10,943**
EO Items	0	0	0	0	0	0	0
PBT after EO Exp.	**1,225**	**1,236**	**2,146**	**3,033**	**5,893**	**8,447**	**10,943**
Total Tax	357	318	508	813	1,483	2,126	2,754
Tax Rate (%)	29.1	25.7	23.7	26.8	25.2	25.2	25.2
Share of Profit/loss of Associate	0	0	0	-2	-7	110	244
Reported PAT	**868**	**918**	**1,638**	**2,218**	**4,403**	**6,431**	**8,432**
Adjusted PAT	**868**	**918**	**1,638**	**2,218**	**4,403**	**6,431**	**8,432**
Change (%)	NA	5.8	78.4	35.4	98.5	46.1	31.1
Margin (%)	3.0	3.0	3.7	3.4	4.7	4.7	5.2

Consolidated - Balance Sheet							(INRm)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Equity Share Capital	400	400	410	647	690	690	690
Eq. Share Warrants & App. Money	0	0	0	0	0	0	0
Instruments entirely equity in nature	0	0	0	0	0	0	0
Total Reserves	673	1,613	3,281	6,614	15,973	22,404	30,837
Net Worth	**1,073**	**2,013**	**3,692**	**7,261**	**16,663**	**23,095**	**31,527**
Minority Interest	0	0	0	-13	0	0	0
Total Loans	7,509	7,328	9,094	9,199	11,699	11,899	9,399
Deferred Tax Liabilities	71	39	15	85	85	85	85
Capital Employed	**8,652**	**9,379**	**12,801**	**16,531**	**28,447**	**35,079**	**41,011**
Gross Block	522	802	996	1,208	1,482	2,321	2,727
Less: Accum. Deprn.	83	217	349	491	638	866	1,169
Net Fixed Assets	**439**	**584**	**647**	**717**	**845**	**1,455**	**1,559**
Goodwill on Consolidation	0	0	0	4	4	4	4
Capital WIP	0	0	0	32	232	0	0
Right of use	100	157	145	168	214	182	155
Total Investments	**1**	**1**	**165**	**363**	**19**	**251**	**251**
Curr. Assets, Loans&Adv.	**9,636**	**10,417**	**14,330**	**17,078**	**29,724**	**37,425**	**44,048**
Inventory	3,424	3,417	5,504	6,752	17,163	22,045	26,043
Account Receivables	2,105	2,541	1,833	1,295	1,592	2,356	2,791
Cash and Bank Balance	2,156	1,458	3,002	2,483	2,906	1,997	2,150
Loans and Advances	1,951	3,001	3,991	6,548	8,063	11,027	13,063
Curr. Liability & Prov.	**1,525**	**1,780**	**2,487**	**1,831**	**2,591**	**4,239**	**5,006**
Account Payables	376	333	270	1,035	1,452	2,147	2,534
Other Current Liabilities	1,141	1,435	2,197	756	1,117	2,068	2,449
Provisions	8	12	20	40	22	24	22
Net Current Assets	**8,112**	**8,637**	**11,843**	**15,247**	**27,133**	**33,186**	**39,042**
Appl. of Funds	**8,652**	**9,379**	**12,801**	**16,531**	**28,447**	**35,079**	**41,011**

Financials and valuations

Ratios							
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Basic (INR)							
EPS	**2.5**	**2.7**	**4.7**	**6.4**	**12.8**	**18.6**	**24.4**
Cash EPS	2.8	3.1	5.2	6.8	13.2	19.3	25.3
BV/Share	3.1	5.8	10.7	21.0	48.3	66.9	91.4
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)							
P/E	163.9	155.0	86.8	64.1	32.3	22.1	16.9
Cash P/E	148.9	135.1	79.2	60.3	31.3	21.4	16.3
P/BV	132.6	70.7	38.5	19.6	8.5	6.2	4.5
EV/Sales	3.1	2.9	2.0	2.2	1.6	1.1	0.9
EV/EBITDA	75.4	71.1	39.9	38.4	22.9	16.2	12.6
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	2.6	-0.6	0.4	-0.9	-20.0	-0.4	9.4
Return Ratios (%)							
RoE	80.9	59.5	57.4	40.5	36.8	32.4	30.9
RoCE	22.9	12.8	18.5	19.4	22.7	22.4	23.4
RoIC	23.5	11.4	18.4	22.1	24.7	23.7	24.2
Working Capital Ratios							
Fixed Asset Turnover (x)	54.6	38.2	44.5	53.2	62.8	59.4	59.9
Asset Turnover (x)	3.3	3.3	3.5	3.9	3.3	3.9	4.0
Inventory (Days)	48	45	50	42	75	65	65
Debtor (Days)	27	30	15	7	6	6	6
Creditor (Days)	5	4	2	6	6	6	6
Leverage Ratio (x)							
Current Ratio	6.3	5.9	5.8	9.3	11.5	8.8	8.8
Interest Cover Ratio	6.7	3.6	4.0	4.2	7.0	9.1	12.6
Net Debt/Equity	5.0	2.9	1.6	0.9	0.5	0.4	0.2

Consolidated - Cash Flow Statement							(INR m)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
OP/(Loss) before Tax	1,225	1,236	2,146	3,046	5,893	8,447	10,943
Depreciation	87	135	157	157	147	228	303
Interest & Finance Charges	160	305	533	847	920	1,015	916
Direct Taxes Paid	-256	-327	-500	-752	-1,483	-2,126	-2,754
(Inc)/Dec in WC	-154	-945	-1,653	-2,841	-11,464	-6,962	-5,703
CF from Operations	**1,062**	**405**	**684**	**456**	**-5,988**	**602**	**3,705**
Others	-482	-296	-350	-420	-379	-165	-83
CF from Operating incl EO	**580**	**109**	**334**	**36**	**-6,367**	**437**	**3,622**
(Inc)/Dec in FA	-69	-220	-250	-337	-520	-574	-379
Free Cash Flow	**511**	**-112**	**84**	**-301**	**-6,888**	**-137**	**3,243**
(Pur)/Sale of Investments	-1,475	73	-409	-176	344	-233	0
Others	74	61	-275	253	372	276	327
CF from Investments	**-1,469**	**-87**	**-934**	**-260**	**196**	**-531**	**-53**
Issue of Shares	0	22	65	1,334	5,000	0	0
Inc/(Dec) in Debt	1,033	265	1,815	-920	2,500	200	-2,500
Interest Paid	-137	-255	-486	-741	-920	-1,015	-916
Dividend Paid	0	0	0	0	0	0	0
Others	-6	0	-35	-27	13	0	0
CF from Fin. Activity	**890**	**32**	**1,359**	**-354**	**6,594**	**-815**	**-3,416**
Inc/Dec of Cash	**0**	**54**	**759**	**-578**	**423**	**-909**	**153**
Opening Balance	1	2,156	1,457	3,002	2,483	2,906	1,997
Other Bank Balance/Adjustments	2,155	-753	786	59	0	0	0
Closing Balance	**2,156**	**1,457**	**3,002**	**2,483**	**2,906**	**1,997**	**2,150**

NOTES

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

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL .

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.