Kalpataru Projects International

Estimate changes	↓
TP change	↔
Rating change	↔

Bloomberg	KPIL IN
Equity Shares (m)	171
M.Cap.(INRb)/(USDb)	214.8 / 2.2
52-Week Range (INR)	1336 / 1007
1, 6, 12 Rel. Per (%)	6/9/24
12M Avg Val (INR M)	299

Financials Snapshot (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Net Sales	232.1	265.3	304.1
EBITDA	20.3	22.8	26.5
PAT	10.0	11.2	13.6
EPS (INR)	58.6	65.5	79.4
GR. (%)	49.0	11.8	21.1
BV/Sh (INR)	480.9	537.5	607.9
Ratios			
ROE (%)	13.0	12.9	13.9
RoCE (%)	11.7	11.9	12.8
Valuations			
P/E (X)	21.5	19.2	15.8
P/BV (X)	2.6	2.3	2.1
EV/EBITDA (X)	11.2	9.8	8.4
Div Yield (%)	0.7	0.7	0.7

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	33.6	33.6	33.5
DII	45.1	43.9	45.0
FII	10.9	11.7	11.6
Others	10.4	10.8	9.9

FII Includes depository receipts

CMP: INR1,258 TP: INR1,500 (+19%) Buy

Strong performance; exits non-core businesses

Kalpataru Project's (KPIL) 4QFY26 revenue and profitability came in ahead of our estimates. Despite 4% YoY growth in overall inflows, execution growth remained strong in FY26 at 23% YoY, with strong margin of 8.7%. The ordering pipeline is strong in T&D, B&F and O&G segments. KPIL has divested non-core assets such as road projects and Indore real estate and took impairment at Brazilian subsidiary Fastell. Focus is now on growing the core business, with larger traction seen in T&D, B&F and O&G segments. Improvement in collections and maintaining or improving margins despite a challenging environment impact overall costs. We tweak our estimates and maintain BUY with an unchanged SoTP-based TP of INR1,500, valuing the core business at 18x Jun'28E EPS.

Better-than-expected performance

KPIL reported 4QFY26 revenue of INR70b (+12% YoY), driven by strong execution and a healthy backlog across the T&D, B&F, O&G, and urban infra businesses. Gross margin expanded 260bp YoY to 23.9% (vs est 22.6%). Absolute EBITDA grew 28% YoY to INR7b, while EBITDA margin expanded 120bp YoY to 9.6% (vs. est. 8.5%), aided by higher gross margins and lower-than-expected employee costs. Adj. PAT grew 37% YoY to INR3.6b (vs est INR3b) led by higher other income and a lower-than-expected tax rate. The company has provided for an impairment loss of INR5.2b for Fastell (Brazil) and booked a gain of INR1.9b on the sale of VEPL for the full year, along with a one-time dividend of INR1.2b from VEPL. FY26 order inflow stood at INR264b (up 4% YoY), taking the order book to INR655b (+1% YoY). NWC days stood at 90 vs. 94 in 4QFY25, while net debt declined 32% YoY to INR7b. For FY26, revenue/EBITDA/PAT stood at INR232b/INR20b/INR10b, up 23%/28%/48% YoY, while EBITDA margin expanded 30bp YoY to 8.7%. However, OCF/FCF declined 9%/79% YoY to INR8b/INR1b on higher capex.

T&D continues to be key contributor to future growth

T&D segment delivered a strong performance in FY26, with revenue growing 25% YoY to INR125b, driven by strong execution and a healthy order backlog. FY26 order inflows remained strong, contributing 49% of the company's total order inflows of INR264b, led by major wins across India, Africa, the Middle East and South America. Moreover, the company currently has L1 orders worth ~INR32b, including an ~INR20b international solar EPC project. The current order book stands at INR286b. In FY27, KPIL expects the T&D business to grow 20%+, supported by a domestic opportunity pipeline exceeding INR1t and healthy international demand across transmission, substation and solar EPC projects. FY27 T&D order inflows are expected at INR130b-150b, including INR60b-70b from domestic markets and INR80b-90b from international markets. We expect the T&D segment to clock a revenue CAGR of 11% over FY26-28E, led by order inflow CAGR of 15% over the same period.

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Non-T&D growth led by B&F and O&G segments

Among the non-T&D businesses, B&F and O&G emerged as key growth drivers in FY26. B&F revenue grew 19% YoY to INR70b, supported by strong execution and improved market positioning, while O&G revenue grew 55% YoY to INR27b, led by strong execution in Saudi projects. Order inflows remained strong with B&F contributing 43% of total FY26 inflows. The O&G opportunity pipeline remains strong even during the ongoing West Asia crisis. KPIL expects both B&F and O&G businesses to grow 20%+ in FY27. O&G continues to witness strong traction across Saudi Arabia, Abu Dhabi, Qatar and Kuwait, with an estimated bidding pipeline of INR500b-700b over the next six months, while tendering activity is expected to accelerate from 2HFY27 onward.

Water collections improve; railways remain selective

Water segment revenue declined 8% YoY to INR21b due to lower collections in JJM projects. The water order book stood at INR79b as of Mar'26, including ~INR21b of O&M orders, with over 75% of the backlog linked to JJM projects, most of which are expected to be completed during FY27. The company expects outstanding receivables of ~INR16b to be recovered during 1HFY27.

Healthy margin expansion despite commodity inflation

KPIL's standalone EBITDA margin stood at 9.6%/8.7% in 4QFY26/FY26. T&D, B&F and O&G businesses continue to operate at healthy double-digit EBITDA margins, while urban infra, water and railways remain at single-digit levels. KPIL has hedged nearly 90% of aluminum, zinc and copper exposures and steel cost increases have already been factored into guidance. Current OB has 50% variable price clauses. Diesel prices remain a key monitorable amid ongoing geopolitical uncertainties.

Key priorities over the next 2-3 years

Over the next 2-3 years, KPIL's key priorities include: 1) focusing on executing large-scale and high-margin EPC projects; and 2) leveraging its in-house design, engineering and project execution capabilities, 3) strengthening its international presence beyond T&D and O&G and 4) continuous capex and investments to enhance capabilities. Company's focus remains on improving return ratios.

Future growth guidance

KPIL expects FY27 order inflows to exceed INR300b, supported by strong demand across T&D, B&F, O&G and urban infra businesses. It expects 15%+ revenue growth in FY27. KPIL guided for ~75bp improvement in standalone PBT margins, driven by better business mix, operating leverage and lower finance costs.

Financial outlook and view

We cut our estimates by 1%/3% for FY27/28 to factor in 4QFY26 performance and expect KPIL to report a CAGR of 14%/14%/16% in revenue/EBITDA/PAT over FY26-28. The stock is trading at 19.2x/15.8x P/E on FY27/28 earnings. Maintain BUY with an unchanged SoTP-based TP of INR1,500, based on 18x Jun'28E EPS for the core business.

Key risks and concerns

Slowdown in execution, lower-than-expected order inflows, sharp rise in commodity prices, and increase in promoter pledges are some of the key concerns that can weigh on financials and valuations of the company.

Standalone - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26	FY26	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Var (%)
Net Sales	**37,219**	**41,361**	**48,257**	**62,042**	**50,397**	**54,188**	**57,876**	**69,640**	**1,88,879**	**2,32,101**	**66,381**	**5**
YoY Change (%)	2.8	7.6	16.4	20.5	35.4	31.0	19.9	12.2	12.7	22.9	7.0	
Total Expenditure	34,085	37,877	44,239	56,810	46,114	49,716	53,063	62,921	1,73,009	2,11,814	60,749	
EBITDA	**3,135**	**3,485**	**4,019**	**5,232**	**4,284**	**4,472**	**4,813**	**6,719**	**15,870**	**20,287**	**5,632**	**19**
YoY Change (%)	-0.2	13.1	16.8	30.8	36.7	28.3	19.8	28.4	16.2	27.8	7.6	
Margins (%)	8.4	8.4	8.3	8.4	8.5	8.3	8.3	9.6	8.4	8.7	8.5	
Depreciation	929	914	956	949	936	966	1,005	1,041	3,749	3,948	1,012	3
Interest	861	998	1,071	877	840	1,025	926	890	3,807	3,680	996	-11
Other Income	295	264	185	235	234	242	255	369	979	1,101	342	8
PBT before EO expense	**1,640**	**1,836**	**2,177**	**3,641**	**2,742**	**2,723**	**3,138**	**5,157**	**9,294**	**13,759**	**3,966**	**30**
Extra-Ord expense	-	-	-	330	-	-	295	2,033	330	2,328	-	
PBT	**1,640**	**1,836**	**2,177**	**3,311**	**2,742**	**2,723**	**2,843**	**3,124**	**8,964**	**11,431**	**3,966**	**-21**
Tax	474	513	604	894	734	724	730	926	2,485	3,114	1,298	
Rate (%)	28.9	27.9	27.7	27.0	26.8	26.6	25.7	29.6	27.7	27.2	32.7	
Reported PAT	**1,166**	**1,323**	**1,574**	**2,416**	**2,008**	**1,999**	**2,112**	**2,198**	**6,479**	**8,317**	**2,668**	**-18**
Adj PAT	**1,166**	**1,323**	**1,574**	**2,657**	**2,008**	**1,999**	**2,331**	**3,673**	**6,718**	**10,011**	**2,660**	**38**
YoY Change (%)	-7.4	17.1	9.3	51.8	72.1	51.1	48.2	38.2	20.3	49.0	0.1	
Margins (%)	3.1	3.2	3.3	4.3	4.0	3.7	4.0	5.3	3.6	4.3	4.0	

CONFERENCE CALL

Key highlights from the management commentary

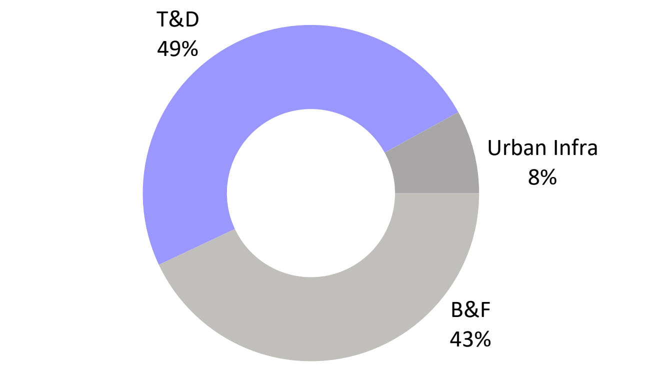
- **T&D:** Management remains highly positive on the T&D segment, supported by a domestic tender pipeline exceeding INR1t and a similarly large international opportunity pipeline over the next 6-9 months. FY27 T&D order inflows are expected in the range of INR130b-150b, with international orders likely contributing INR80b-90b and domestic projects INR60b-70b. The company continues to focus on large-scale, complex and design-build projects across India, the Middle East, South America, and Nordics while maintaining a strong T&D order book of INR286b and visibility of over 2.5 years.
- **Non-T&D:** Among non-T&D businesses, B&F, O&G, and urban infra are expected to remain key growth drivers in FY27. B&F order inflows rose ~40% YoY to INR115b in FY26, with the order book reaching INR183b, supported by strong opportunities in residential real estate, commercial buildings, airports, industrial plants, and data centers. O&G continues to witness strong traction across Saudi Arabia, Abu Dhabi, Qatar, and Kuwait, with management estimating a bidding pipeline of INR500-700b over the next six months. Urban infra also maintains healthy visibility across underground/elevated metros, tunneling, and elevated roads, while the company continues selective bidding given the segment's high capex intensity.
- **Water:** Management remains cautious on the domestic water business due to limited traction in fresh JJM tenders, although collections and execution have improved significantly. The water order backlog stands at ~INR79b, including ~INR21b of O&M orders, with over 75% of the executable backlog linked to JJM projects. Management expects most existing JJM projects to be completed during FY27, while receivables of ~INR16b are targeted to be substantially recovered over the next 4-5 months. The company is also exploring overseas water opportunities and has already achieved L1 status in an initial international project.
- **Railways:** KPIL maintains a cautious and selective bidding strategy in the railway segment amid relatively weaker sector visibility compared to other

infrastructure verticals. Management indicated that railways remain a lower priority area, with capital allocation and growth focus shifting toward higher-margin and better-visibility businesses such as T&D, B&F, O&G, and urban infra.

- **Non-core Assets:** The company remains focused on monetization and rationalization of non-core assets to further strengthen the balance sheet and support future capex plans. Management highlighted that additional divestments and strategic actions in subsidiaries and logistics assets could materialize over FY27-28, while Shubham Logistics is expected to become nearly debt free by 1QFY27 through asset sales and transition toward a rental warehouse model.
- **International subsidiary:** KPIL has fully provided for its Brazil exposure, with the entire investment in the Brazilian subsidiary written down during 4QFY26 and major projects in the region substantially completed. At the same time, the company is aggressively expanding its international footprint across oil & gas, solar EPC, water, airports, and infrastructure projects, including an ~INR20b international solar EPC project currently at the L1 stage.
- **Guidance:** Management has guided for FY27 order inflows exceeding INR300b and revenue growth of ~15%. Core businesses such as T&D, B&F, and O&G are expected to grow over 20% annually despite near-term geopolitical and labor-related disruptions in 1QFY27/2QFY27. Consolidated PBT margins are expected to improve by 75-100bp, supported by operating leverage, better business mix, lower finance costs, and disciplined capital allocation, while annual capex is expected to remain above INR8b.

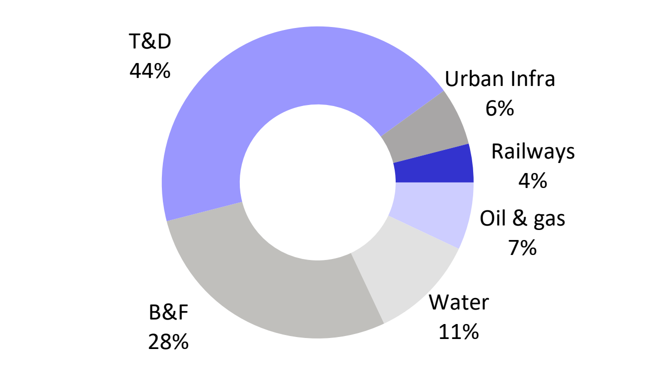
Key Exhibits

Exhibit 1: FY26 order inflow stood at INR264b



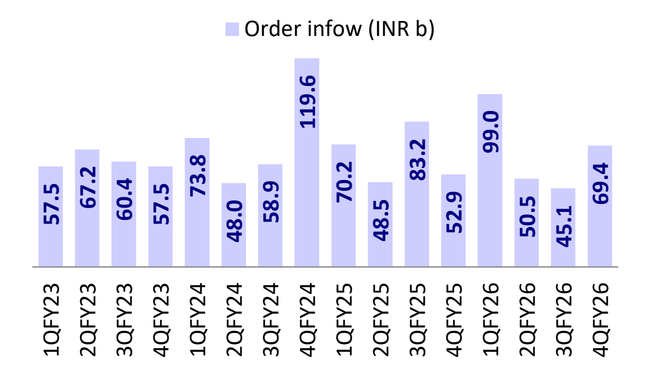
Source: Company, MOFSL

Exhibit 2: Order book of INR655b is fairly diversified



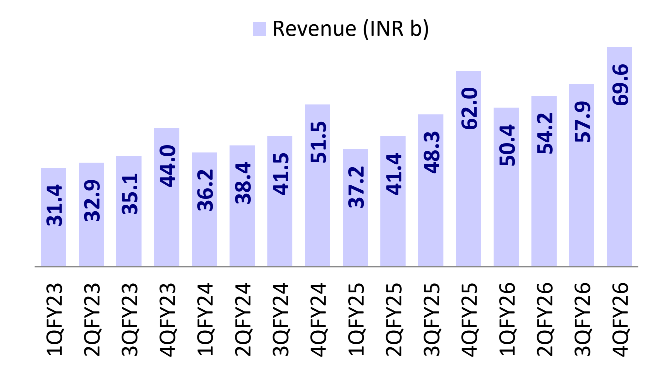
Source: Company, MOFSL

Exhibit 3: Order inflow increased 31% YoY (INR b)



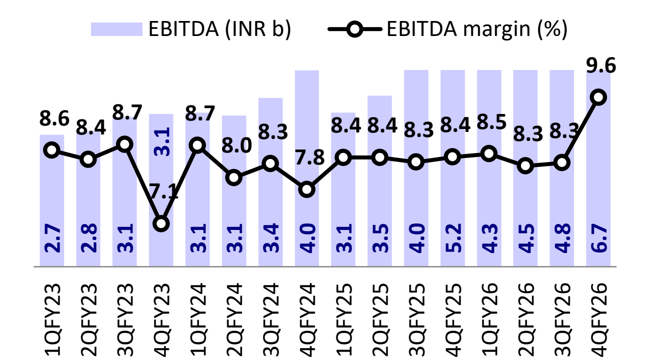
Source: Company, MOFSL

Exhibit 4: Execution grew by 12% YoY in 4QFY26 (INR b)



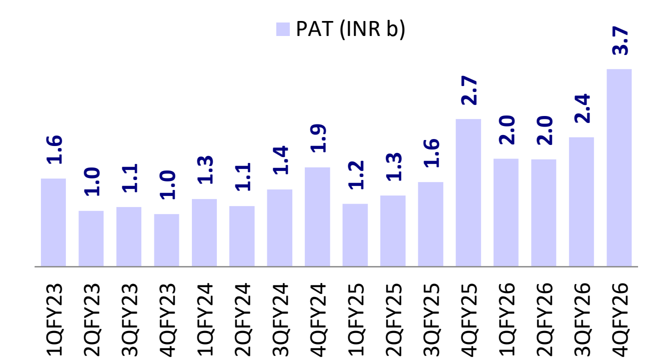
Source: Company, MOFSL

Exhibit 5: EBITDA margin up 120bp YoY (%)



Source: Company, MOFSL

Exhibit 6: PAT grew 38% YoY (INR b)



Source: Company, MOFSL

Exhibit 7: We cut our estimates by 1%/2% for FY27/28 to factor in slightly slower execution

(INR M)	FY27E			FY28E		
	Rev	Old	Chg (%)	New	Old	Chg (%)
Net Sales	2,65,314	2,68,465	(1.2)	3,04,115	3,11,745	(2.4)
EBITDA	22,817	23,088	(1.2)	26,458	27,122	(2.4)
EBITDA (%)	8.6	8.6	0 bps	8.7	8.7	0 bps
Adj. PAT	11,193	11,324	(1.2)	13,554	13,898	(2.5)
EPS (INR)	65.5	66.3	(1.2)	79.4	81.4	(2.5)

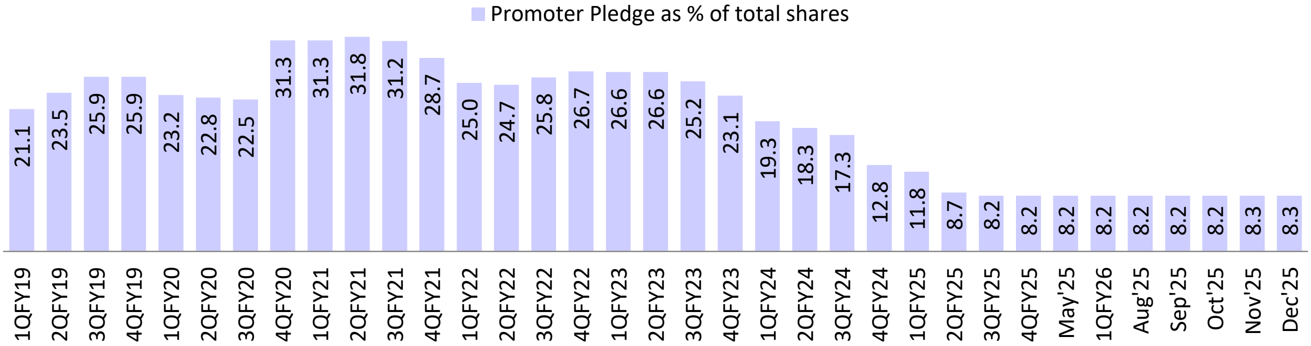
Source: Company, MOFSL

Exhibit 8: We expect the standalone revenue to post a CAGR of 14% over FY26-28E

	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Transmission & distribution							
Order inflows	70,893	1,01,790	1,11,540	1,44,610	1,29,310	1,48,707	1,71,012
yoy growth (%)	14.0	43.6	9.6	29.6	(10.6)	15.0	15.0
Revenues	**64,460**	**60,160**	**78,270**	**1,00,260**	**1,25,010**	**1,39,441**	**1,54,958**
yoy growth (%)	28.9	(6.7)	30.1	28.1	24.7	11.5	11.1
Order backlog	1,11,387	1,65,305	2,06,780	2,66,710	2,85,720	2,94,985	3,11,040
Bill to book ratio (%)	54.1	37.1	35.4	35.9	37.7	38.7	40.7
Buildings and Factories (B&F)							
Order inflows	43,658	37,550	65,280	82,250	1,14,600	1,31,790	1,51,559
yoy growth (%)	(8.0)	(14.0)	73.8	26.0	39.3	15.0	15.0
Revenues	**33,130**	**41,360**	**47,900**	**58,540**	**69,580**	**84,849**	**1,04,225**
yoy growth (%)		24.8	15.8	22.2	18.9	21.9	22.8
Order backlog	78,626	87,244	1,10,210	1,40,950	1,82,950	2,29,891	2,77,225
Bill to book ratio (%)	31.4	42.5	40.0	38.7	35.1	34.1	34.1
Water and urban infra							
Order inflows	58,211	90,240	33,540	21,940	20,090	21,095	22,149
yoy growth (%)	87.3	55.0	(62.8)	(34.6)	(8.4)	5.0	5.0
Revenues	**20,320**	**30,250**	**42,150**	**30,620**	**32,700**	**30,441**	**29,505**
yoy growth (%)		48.9	39.3	(27.4)	6.8	(6.9)	(3.1)
Order backlog	91,731	1,51,530	1,37,000	1,26,470	1,16,290	1,06,944	99,588
Bill to book ratio (%)	24.7	22.1	25.0	20.7	24.0	24.0	25.0
Railways and Oil and gas							
Revenues	**25,040**	**26,370**	**22,470**	**27,770**	**38,360**	**50,227**	**53,015**
yoy growth (%)		5.3	(14.8)	23.6	38.1	30.9	5.5
Order backlog	45,865	55,102	1,30,160	1,10,820	69,600	24,373	1,358
Bill to book ratio (%)	41.5	46.0	22.5	20.9	34.6	69.7	69.7
Total Order inflows	**1,81,843**	**2,52,410**	**3,00,220**	**2,54,750**	**2,64,000**	**3,06,591**	**3,74,720**
yoy growth (%)	12.3	38.8	18.9	(15.1)	3.6	16.1	22.2
Total Revenues	**1,24,071**	**1,43,370**	**1,67,600**	**1,88,879**	**2,32,101**	**2,65,314**	**3,04,115**
yoy growth (%)		15.6	16.9	12.7	22.9	14.3	14.6
Order backlog	**3,27,610**	**4,59,180**	**5,84,150**	**6,44,950**	**6,54,560**	**6,56,193**	**6,89,210**
Bill to book ratio (%)	33.8	31.6	27.5	26.5	29.9	32.8	36.1

Source: Company, MOFSL

Exhibit 9: Promoter pledging has remained low for the past few quarters (%)



Source: Company, MOFSL

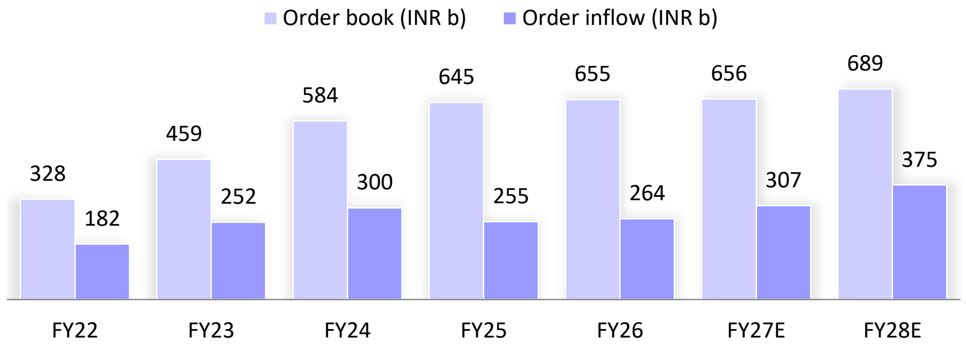
Exhibit 10: We largely maintain our SoTP-based TP of INR1,500 on KPIL

	Earnings/ book	Valn multiple	Value	KPIL share	Value for KPIL share	Per share value	
	INR m	(X)	INR m	(%)	INR m	INR	Valuation basis
Kalpataru valuation							
Core construction business	13,562	18	2,44,109	100.0	2,44,109	1,429	18x two-year fwd EPS
Investments in subsidiaries			10,483		10,483	61	At P/BV
Total value			**2,54,592**		**2,54,592**	**1,491**	

Source: MOFSL

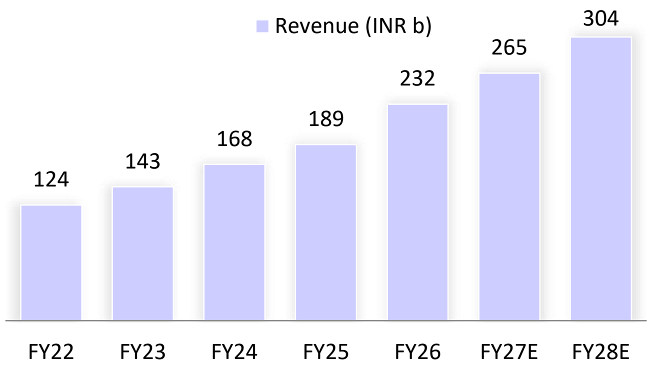
Financial Outlook

Exhibit 11: Order inflow and order book trends



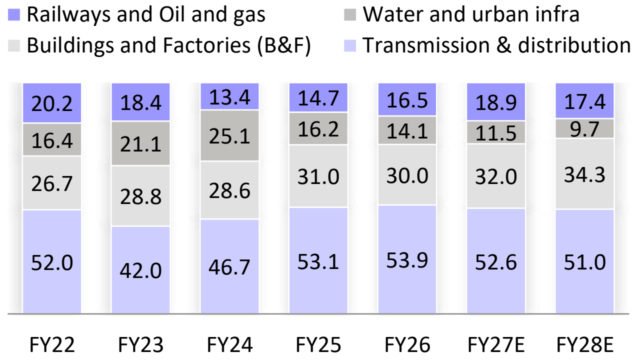
Source: Company, MOFSL

Exhibit 12: We expect revenue to post 14% CAGR over FY26-28



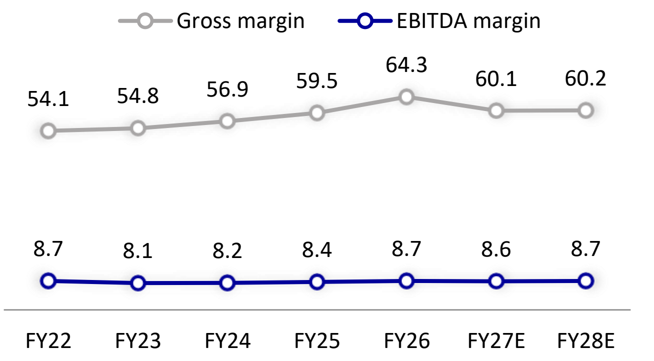
Source: Company, MOFSL

Exhibit 13: Revenue mix is diversified across segments with T&D and non-T&D mix at 54:46 (%)



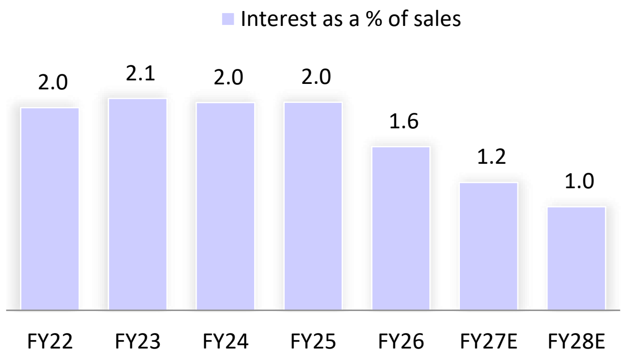
Source: Company, MOFSL

Exhibit 14: We expect EBITDA margin to remain stable (%)



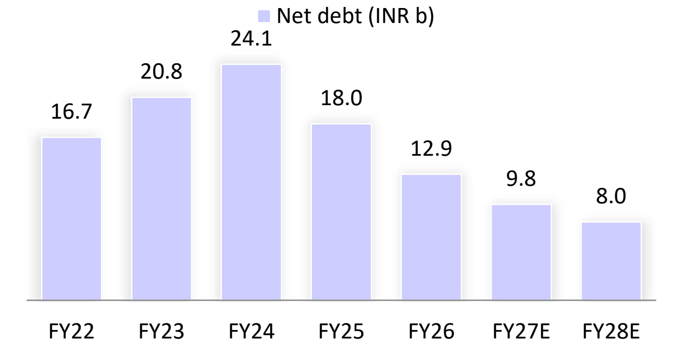
Source: Company, MOFSL

Exhibit 15: We expect interest expense to decline (%)



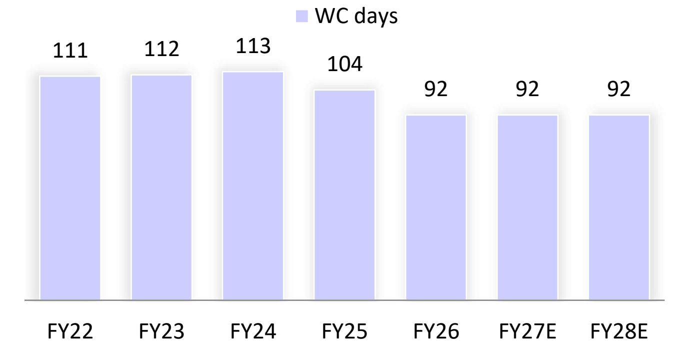
Source: Company, MOFSL

Exhibit 16: We expect net debt to decline in future



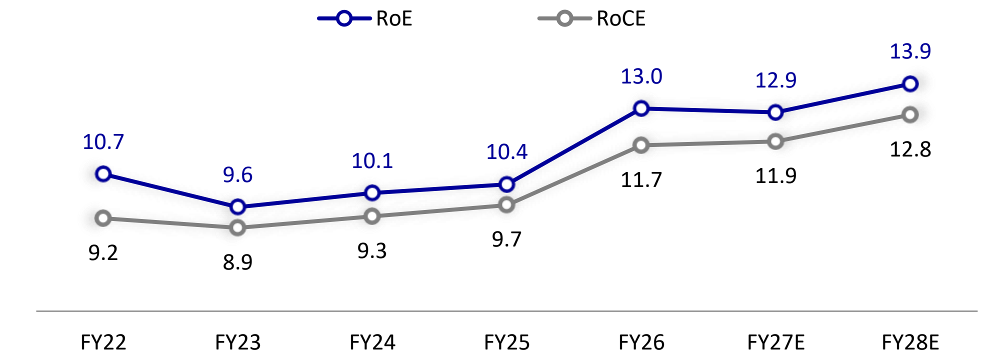
Source: Company, MOFSL

Exhibit 17: We expect net working capital to remain stable



Source: Company, MOFSL

Exhibit 18: We expect return ratios to improve on better profitability (%)



Source: Company, MOFSL

Financials and valuations (Standalone)

Standalone - Income Statement							(INR M)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Total Income from Operations	**1,24,071**	**1,43,370**	**1,67,600**	**1,88,879**	**2,32,101**	**2,65,314**	**3,04,115**
Change (%)	-4.2	15.6	16.9	12.7	22.9	14.3	14.6
Raw Materials	57,001	64,750	72,190	76,515	82,806	1,05,860	1,21,038
Gross Profit	**67,071**	**78,620**	**95,410**	**1,12,364**	**1,49,294**	**1,59,454**	**1,83,077**
Employee Costs	9,169	10,340	11,940	13,955	18,184	19,899	22,809
Other Expenses	47,095	56,670	69,810	82,539	1,10,823	1,16,738	1,33,811
Total Expenditure	**1,13,265**	**1,31,760**	**1,53,940**	**1,73,009**	**2,11,814**	**2,42,497**	**2,77,657**
% of Sales	91.3	91.9	91.8	91.6	91.3	91.4	91.3
EBITDA	**10,807**	**11,610**	**13,660**	**15,870**	**20,287**	**22,817**	**26,458**
Margin (%)	8.7	8.1	8.2	8.4	8.7	8.6	8.7
Depreciation	2,720	2,950	3,680	3,749	3,948	4,907	5,537
EBIT	**8,087**	**8,660**	**9,980**	**12,121**	**16,339**	**17,910**	**20,921**
Int. and Finance Charges	2,436	2,940	3,370	3,807	3,680	3,288	3,048
Other Income	984	1,120	1,130	979	1,101	866	883
PBT bef. EO Exp.	**6,635**	**6,840**	**7,740**	**9,294**	**13,759**	**15,488**	**18,756**
EO Items	-1,632	540	-350	-330	-2,328	0	0
PBT after EO Exp.	**5,003**	**7,380**	**7,390**	**8,964**	**11,431**	**15,488**	**18,756**
Total Tax	1,491	2,070	2,060	2,485	3,114	4,296	5,202
Tax Rate (%)	29.8	28.0	27.9	27.7	27.2	27.7	27.7
Reported PAT	**3,512**	**5,310**	**5,330**	**6,479**	**8,317**	**11,193**	**13,554**
Adjusted PAT	**4,657**	**4,921**	**5,582**	**6,718**	**10,011**	**11,193**	**13,554**
Change (%)	-13.3	5.7	13.4	20.3	49.0	11.8	21.1
Margin (%)	3.8	3.4	3.3	3.6	4.3	4.2	4.5

Standalone - Balance Sheet							(INR M)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Equity Share Capital	298	325	325	342	342	342	342
Total Reserves	49,073	52,872	57,176	71,508	81,804	91,460	1,03,479
Net Worth	**49,371**	**53,197**	**57,500**	**71,849**	**82,145**	**91,802**	**1,03,821**
Total Loans	26,551	29,346	32,635	33,923	28,399	26,399	24,399
Deferred Tax Liabilities	-880	-1,338	-1,411	-1,953	-1,583	-1,583	-1,583
Capital Employed	**75,042**	**81,206**	**88,724**	**1,03,820**	**1,08,962**	**1,16,619**	**1,26,637**
Gross Block	23,789	27,708	29,881	34,104	43,735	49,735	55,735
Less: Accum. Deprn.	10,574	10,941	13,524	15,180	19,129	24,036	29,573
Net Fixed Assets	**13,214**	**16,767**	**16,358**	**18,924**	**24,606**	**25,699**	**26,162**
Goodwill on Consolidation	201	201	201	201	201	201	201
Capital WIP	203	484	320	265	683	683	683
Total Investments	**8,929**	**8,741**	**8,593**	**11,630**	**6,750**	**6,750**	**6,750**
Curr. Assets, Loans&Adv.	**1,22,897**	**1,47,237**	**1,70,200**	**1,98,667**	**2,16,714**	**2,46,564**	**2,79,999**
Inventory	9,193	10,874	12,397	13,708	17,626	20,148	23,095
Account Receivables	43,239	51,246	55,244	72,985	79,057	90,370	1,03,586
Cash and Bank Balance	9,886	8,581	8,488	15,885	15,519	16,579	16,379
Loans and Advances	8,163	8,608	10,885	9,767	5,786	6,614	7,582
Other Current Assets	52,416	67,928	83,187	86,322	98,726	1,12,853	1,29,357
Curr. Liability & Prov.	**70,401**	**92,224**	**1,06,947**	**1,25,866**	**1,39,991**	**1,63,277**	**1,87,156**
Other Current Liabilities	65,676	87,673	1,01,990	1,19,455	1,32,191	1,54,361	1,76,936
Provisions	4,725	4,551	4,957	6,411	7,800	8,916	10,220
Net Current Assets	**52,496**	**55,012**	**63,253**	**72,801**	**76,723**	**83,286**	**92,842**
Appl. of Funds	**75,042**	**81,205**	**88,724**	**1,03,820**	**1,08,962**	**1,16,619**	**1,26,637**

Financials and valuations (Standalone)

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)							
EPS	**27.3**	**28.8**	**32.7**	**39.3**	**58.6**	**65.5**	**79.4**
Cash EPS	43.2	46.1	54.2	61.3	81.7	94.3	111.8
BV/Share	289.1	311.5	336.7	420.7	480.9	537.5	607.9
DPS	6.8	7.0	7.0	7.6	9.0	9.0	9.0
Payout (%)	31.6	21.4	21.3	20.1	18.5	13.7	11.3
Valuation (x)							
P/E	46.1	43.6	38.5	32.0	21.5	19.2	15.8
Cash P/E	29.1	27.3	23.2	20.5	15.4	13.3	11.3
P/BV	4.4	4.0	3.7	3.0	2.6	2.3	2.1
EV/Sales	1.8	1.6	1.4	1.2	1.0	0.8	0.7
EV/EBITDA	20.4	19.4	16.7	14.7	11.2	9.8	8.4
Dividend Yield (%)	0.5	0.6	0.6	0.6	0.7	0.7	0.7
FCF per share	9.7	-8.7	24.9	16.9	3.5	29.5	37.4
Return Ratios (%)							
RoE	10.7	9.6	10.1	10.4	13.0	12.9	13.9
RoCE	9.2	8.9	9.3	9.7	11.7	11.9	12.8
RoIC	10.1	10.4	10.7	11.9	14.7	14.5	15.5
Working Capital Ratios							
Fixed Asset Turnover (x)	5.2	5.2	5.6	5.5	5.3	5.3	5.5
Asset Turnover (x)	1.7	1.8	1.9	1.8	2.1	2.3	2.4
Inventory (Days)	27	28	27	26	28	28	28
Debtor (Days)	127	130	120	141	124	124	124
Leverage Ratio (x)							
Current Ratio	1.7	1.6	1.6	1.6	1.5	1.5	1.5
Interest Cover Ratio	3.3	2.9	3.0	3.2	4.4	5.4	6.9
Net Debt/Equity	0.2	0.2	0.3	0.1	0.1	0.0	0.0

Standalone - Cashflow Statement (INR M)

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	3,504	5,320	5,330	6,480	8,318	15,488	18,756
Depreciation	2,720	2,948	3,679	3,749	3,948	4,907	5,537
Interest & Finance Charges	2,436	2,939	3,370	3,807	3,680	3,288	3,048
Direct Taxes Paid	-2,067	-2,534	-2,033	-2,356	-4,033	-4,296	-5,202
(Inc)/Dec in WC	-5,355	-4,512	-5,796	-5,189	-8,988	-8,351	-9,756
CF from Operations	**1,236**	**4,160**	**4,550**	**6,489**	**2,925**	**11,037**	**12,383**
Others	2,529	1,434	2,587	1,882	4,720	0	0
CF from Operating incl EO	**3,765**	**5,594**	**7,136**	**8,371**	**7,645**	**11,037**	**12,383**
(Inc)/Dec in FA	-2,113	-7,078	-2,889	-5,493	-7,046	-6,000	-6,000
Free Cash Flow	**1,653**	**-1,485**	**4,247**	**2,878**	**599**	**5,037**	**6,383**
(Pur)/Sale of Investments	-712	-269	-208	-2,520	3,225	0	0
Others	-37	2,880	-1,568	272	5,413	0	0
CF from Investments	**-2,862**	**-4,467**	**-4,665**	**-7,740**	**1,592**	**-6,000**	**-6,000**
Issue of Shares	0	0	0	9,822	0	0	0
Inc/(Dec) in Debt	4,908	2,460	-800	1,770	-6,031	-2,000	-2,000
Interest Paid	-2,517	-3,120	-3,163	-3,570	-3,238	-3,288	-3,048
Dividend Paid	-261	-1,022	-1,137	-1,300	-1,537	-1,537	-1,537
Others	859	-549	3,311	-1,297	-542	0	0
CF from Fin. Activity	**2,989**	**-2,231**	**-1,789**	**5,426**	**-11,348**	**-6,825**	**-6,585**
Inc/Dec of Cash	**3,892**	**-1,104**	**682**	**6,056**	**-2,111**	**-1,788**	**-202**
Opening Balance	4,787	9,887	8,581	8,488	15,885	15,519	16,579
Other adjustments	1,208	-202	-775	1,341	1,745	2,848	2
Closing Balance	**9,887**	**8,581**	**8,488**	**15,885**	**15,519**	**16,579**	**16,379**

N O T E S

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BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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