5 November 2026
2QFY27 Results Update | Sector: Automobiles

Exide

Estimate changes	
TP change	
Rating change	

CMP: INR363 **TP: INR381 (+5%)** **Neutral**

Bloomberg	EXID IN
Equity Shares (m)	850
M.Cap.(INRb)/(USDb)	308.1 / 3.3
52-Week Range (INR)	496 / 287
1, 6, 12 Rel. Per (%)	-19/-2/0
12M Avg Val (INR M)	1185

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Net Sales	172.7	198.5	213.3
EBITDA	19.4	24.1	26.1
Adj. PAT	11.2	14.5	16.2
Adj. EPS (INR)	13.2	17.0	19.0
EPS Gr. (%)	3.8	29.6	11.5
BV/Sh. (INR)	172.6	187.5	204.1
Ratio			
RoE (%)	7.6	9.1	9.3
RoCE (%)	7.7	9.4	9.7
Payout (%)	15.2	12.6	12.6
Valuations			
P/E (x)	27.6	21.3	19.1
P/BV (x)	2.1	1.9	1.8
Div Yield (%)	0.6	0.6	0.7
FCF Yield (%)	5.9	4.4	5.1

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	46.0	46.0	46.0
DII	17.6	19.3	18.5
FII	13.2	10.6	10.9
Others	23.2	24.1	24.7

FII Includes depository receipts

Earnings beat led by strong growth across segments

Pricing action to support margins in the near term

- Exide's (EXID) 2QFY27 PAT of INR3.9b came in above our est. of INR2.9b. Strong double-digit YoY growth was observed across key segments, which led to 20.3% YoY growth in revenues, beating our expectations.
- The outlook for the lead-acid business remains positive across the auto and industrial segments (excluding telecom). However, we remain cautious about the long-term returns from the lithium-ion business. Moreover, the stock, trading at ~21.3x/19.1x FY27E/28E EPS, appears fairly valued.
- **We reiterate our Neutral rating with an SoTP-based TP of INR381. We value the core (lead acid) business at 14x FY28E EPS. We add a value of INR71 per share for the EV business (based on book value) and INR45 per share for its stake in HDFC Life.**

Strong double-digit growth across segments

- EXID's 2Q revenue was 6% above our estimates, up 20% YoY to INR50.3b, supported by healthy demand, continued benefits of GST 2.0 reforms, a lower base, and stronger execution of the 'One Exide' operating model.
  - Automotive OEM business delivered over 25% YoY growth for the fourth consecutive quarter.
  - The 2W/4W replacement business delivered double-digit growth for the fourth consecutive quarter, driven by steady aftermarket demand.
  - Home Inverters and Solar delivered 20%+ YoY growth for the second consecutive quarter, with favorable seasonal demand and govt. schemes continuing to support Home UPS and Rooftop solar adoption, respectively.
  - Exports business grew 20%+ YoY for the 2nd consecutive quarter, on a low base. The company signed a long-term strategic cooperation agreement with ExCom Energy Solutions GmbH, Germany, to grow its industrial battery and energy storage business across the European Economic Area.
- Gross margin improved 100bp QoQ to 30.6%. On a YoY basis, input costs remained elevated due to prolonged geopolitical challenges. On a QoQ basis, the full benefit of softer lead LME and antimony prices could not be realized due to a weaker rupee.
- EBITDA margin came in at 12.1% (170bp higher than estimates), supported by cost optimization initiatives, along with calibrated price increases and volume growth. Absolute EBITDA stood at INR6b (up 53.6% YoY) and was 22% higher than our estimates.
- PAT came in 32% above estimates, at INR3.9b, up 75% YoY.
- CFO for 1HFY27 stood at ~INR7b, while FCF came in positive at ~INR5.8b.

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Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Highlights from the management commentary

- Management remains constructive on lead-acid battery demand, supported by healthy growth across automotive OEM, replacement, solar, inverter, and industrial segments. Both OEM and aftermarket demand are growing concurrently, supporting capacity utilization.
- Automotive OEM growth is expected to moderate to low double digits in 2HFY27, although absolute volumes are expected to remain at elevated levels. Replacement business growth is expected to broadly sustain at H1FY27 levels.
- Management expects the 2W and 4W replacement businesses to sustain healthy growth, supported by an expanding vehicle parc and distribution network. Home inverter and solar businesses remain growth drivers, with solar also benefiting from government initiatives.
- Management expects to maintain EBITDA margins within the 12–12.5% range over the next two quarters, supported by calibrated price increases and cost optimization, subject to lead prices and currency movements.
- The company has undertaken cumulative price increases of over 10% between January and October 2026 to offset input-cost inflation. Further calibrated price hikes will be undertaken as required to protect margins.
- Management expects annual lead-acid capex to remain at INR4-5b, while further equity funding into the lithium-ion subsidiary is likely to continue over the next couple of years to support working capital and the business ramp-up.
- Commercial revenues from the LFP business commenced in Oct'26, while NMC revenues are expected to follow after completion of customer validation. Supplies to major OEMs are expected to commence around Q4FY27, potentially from Feb'27.

Valuation and view

The outlook for the lead-acid business remains positive across the auto and industrial segments (excluding telecom). However, we remain cautious about the long-term returns from the lithium-ion business. Moreover, the stock, trading at ~21.3x/19.1x FY27E/28E EPS, appears fairly valued. **We reiterate our Neutral rating with an SoTP-based TP of INR381. We value the core (lead acid) business at 14x FY28E EPS. We add a value of INR71 per share for the EV business (based on book value) and INR45 per share for its stake in HDFC Life.**

S/A Quarterly Performance (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Net Sales	**45,098**	**41,783**	**40,297**	**45,511**	**53,051**	**50,261**	**46,140**	**49,089**	**172,689**	**198,541**	**47,633**	**5.5**
Growth YoY (%)	4.6	-2.1	4.7	9.4	17.6	20.3	14.5	7.9	4.1	15.0	14.0	
RM cost (%)	69.2	70.2	68.4	69.9	70.5	69.4	69.5	68.9	69.4	69.6	70.5	
Employee cost (%)	6.1	6.4	6.5	6.0	5.7	6.3	5.8	5.8	6.3	5.9	6.1	
Other Exp(%)	12.6	14.0	13.4	12.4	11.5	12.2	12.7	13.2	13.1	12.4	13.0	
EBITDA	**5,482**	**3,947**	**4,696**	**5,304**	**6,552**	**6,063**	**5,537**	**5,910**	**19,429**	**24,062**	**4,954**	**22.4**
EBITDA Margin(%)	12.2	9.4	11.7	11.7	12.4	12.1	12.0	12.0	11.3	12.1	10.4	170bp
Change (%)	10.9	-18.4	4.7	13.7	19.5	53.6	17.9	11.4	4.3	340.4	26	
Non-Operating Income	182	424	183	142	140	424	185	136	931	886	430	
Interest	91	89	85	84	83	87	90	95	349	356	90	
Depreciation	1,276	1,306	1,270	1,158	1,176	1,177	1,380	1,407	5,010	5,140	1,280	
PBT after EO Exp	**4,297**	**2,976**	**3,434**	**4,204**	**5,433**	**5,223**	**4,252**	**4,544**	**14,911**	**19,452**	**4,014**	**30.1**
Effective Tax Rate (%)	25.4	25.8	25.0	25.7	25.0	26.0	25.5	25.5	25.5	25.5	27.0	
Adj. PAT	**3,205**	**2,207**	**2,644**	**3,124**	**4,073**	**3,865**	**3,168**	**3,387**	**11,181**	**14,492**	**2,930**	**31.9**
Change (%)	14.6	-25.9	7.9	22.7	27.1	75.1	19.8	8.4	3.8	29.6	32.7	

Key performance indicators

Cost Break-up												
RM(%)	69.2	70.2	68.4	69.9	70.5	69.4	69.5	68.9	69.4	69.6	70.0	-10bp
Employee cost (%)	6.1	6.4	6.5	6.0	5.7	6.3	5.8	5.8	6.3	5.9	6.0	0bp
Other Exp(%)	12.6	14.0	13.4	12.4	11.5	12.2	12.7	13.2	13.1	12.4	12.6	-20bp
Gross Margin (%)	30.8	29.8	31.6	30.1	29.5	30.6	30.5	31.1	30.6	30.4	30.0	10bp
EBITDA Margin(%)	12.2	9.4	11.7	11.7	12.4	12.1	12.0	12.0	11.3	12.1	11.4	30bp
EBIT Margin(%)	9.7	7.3	9.0	9.4	10.4	10.6	9.4	9.5	8.9	10.0	9.2	20bp

E: MOSL Estimates



Key takeaways from the management commentary

Update on lead-acid business

- Automotive OEM business registered over 25% growth for the fourth consecutive quarter, driven by higher vehicle production and dispatches. The company gained a high share in key new launches, including MG Hector and Tomahawk and the Tata Aeris.
- Automotive OEM market share remains close to 60%. Management highlighted that growth is being driven by the overall market expansion rather than aggressive market-share acquisition, with a calibrated approach to capacity allocation and pricing to protect profitability.
- Two-wheeler and four-wheeler replacement businesses delivered their fourth consecutive quarter of double-digit growth, supported by an expanding vehicle parc and deeper distribution reach.
- Home inverter battery business grew 20% YoY, while solar battery business registered over 40% growth, supported by seasonal demand and government initiatives.
- Exports grew over 20% YoY for the second consecutive quarter, albeit on a low base following a significant decline last year due to global challenges. Growth was supported by geographical expansion and new product introductions.
- Industrial infrastructure business (ex-telecom) registered high-single-digit growth, driven by industrial UPS and traction motive power demand. However, government-led tenders, particularly in the railway and power segments, remained muted.

- The company signed a long-term strategic cooperation agreement with Germany-based ExCom Energy Solutions GmbH in September to expand its industrial battery and energy storage business across the European Economic Area.
- Exide is witnessing increasing demand across both OEM and aftermarket channels, an unusual combination compared with historical trends. Accordingly, it is undertaking brownfield debottlenecking across existing factories to cater to demand over the next 2-3 years.
- Management highlighted that automotive battery technology is gradually shifting from conventional flooded batteries towards Enhanced Flooded Batteries (EFB) and Absorbent Glass Mat (AGM) batteries. Exide already has a portfolio in these technologies, with increasing traction in both OEM and replacement markets.
- Tubular lead-acid batteries are expected to remain relevant in the Indian market, particularly for inverter and solar applications, given their suitability for longer battery life and backup requirements.

Update on raw materials

- Input costs remained elevated YoY due to geopolitical challenges, particularly in West Asia, and rupee depreciation. Higher crude oil prices also contributed to the broader inflationary environment.
- Sequentially, softer LME lead and antimony prices provided some relief. However, the benefit was partly offset by continued rupee depreciation against the US dollar.
- The company has undertaken calibrated price increases across segments to offset higher input costs. Between Jan-Oct'26, price hikes amounted to over 10% cumulatively, translating into a 9-10% YoY increase in four-wheeler batteries and approximately 5% in two-wheeler batteries.
- Price increases were also undertaken in OEM batteries, tubular batteries and inverter batteries to mitigate input cost pressures.
- Management indicated that lithium-ion cell raw materials continue to be sourced from globally approved vendors of its technology partner, with no supply restrictions or suspension notices received so far.
- In anticipation of possible Chinese export restrictions and longer procurement lead times, the company has entered into long-term purchase agreements with suppliers and is maintaining inventory buffers. EESL is targeting approximately three months of inventory cover, wherever technically feasible.
- Exide is also pursuing domestic supply-chain localization, targeting 50-60% localization of the lithium-ion cell bill of materials over the next 2-3 years. It is working with over 20 Indian suppliers, with some already progressing to performance testing and prototype cell manufacturing.
- Localization will be prioritized based on technical criticality, cost contribution and shelf life of individual components. Management highlighted the need for cost competitiveness and potential government support/PLI incentives to make domestic sourcing viable.

Update on lithium-ion battery business

- Exide Energy Solutions (EESL), the wholly owned subsidiary, commissioned its 6GWh lithium-ion cell manufacturing facility in Bengaluru on 23 Sept'26. The immediate focus is on stabilizing production lines, improving yields and ramping up revenues.

- The facility has two commissioned NMC lines of 1.5GWh each. The company intends to first ramp up the initial 1.5GWh line before moving to the second line.
- Customer qualification is progressing well. For leading two-wheeler OEMs, NMC cell performance testing has been completed with satisfactory feedback, while lifecycle testing is currently underway. Subsequent stages will include pack-level and vehicle-level testing.
- On the LFP side, 102Ah cells have been supplied to telecom operators for validation. Exide has also commenced deployment of these cells in its own e-rickshaw battery packs, which have been delivered to the market and received positive performance feedback.
- Commercial revenue generation from LFP cells commenced in Oct'26, while NMC commercialization is expected to follow as customer validations progress. Smaller OEMs have already placed firm orders for NMC cells, with initial supplies potentially commencing shortly. Major OEM supplies are expected to begin around Q4FY27, potentially from February.
- The company is engaging with leading OEMs across R&D, operations and procurement functions, with strong interest in localizing cell sourcing. Customer audits at the manufacturing facility are also progressing, with encouraging feedback on production processes and sample validation.
- Current cell offerings cater to two-wheelers, three-wheelers, select four-wheeler applications, telecom and distributed storage solutions. Management indicated that the existing capacity is adequate to address the current electric two-wheeler market which is an estimated 7.5-8GWh annual market opportunity.
- Exide continues to work with Hyundai on its EV battery localization roadmap. Discussions around the potential collaboration have accelerated, although management indicated that any formal announcement would be made jointly with Hyundai upon reaching the relevant milestone.
- The company is prioritizing commercialization of its five licensed products before pursuing newer chemistries. A pilot line for coin cells is being established to develop its future technology roadmap alongside the current manufacturing ramp-up.
- The fourth manufacturing line is designed to manufacture larger-format prismatic cells of over 300Ah, including cells for BESS. However, the company will await greater clarity on the PLI framework and market development before committing to its BESS roadmap. Two-wheeler, three-wheeler and telecom applications will remain the immediate priorities.
- Exide continues to face a 5-10% landed cost disadvantage versus imported Chinese cells, depending on chemistry and form factor. However, management believes the strategic advantages of local sourcing and supply-chain diversification are important considerations for OEMs.
- The company has invested a cumulative INR53.52b in EESL, including INR5.5b during FY27 so far. Most of the Phase I manufacturing capex has been completed, although funding requirements will continue over the next 2-3 years towards working capital and organizational build-up.
- The immediate priority is to stabilize the 6GWh Li-ion facility, improve yields and progressively ramp up production. Management expects the facility to reach around 80% utilization over the next 2-3 years, subject to operational execution, and targets achieving cash neutrality within the same period.

- Exide has acquired land and developed utilities and infrastructure for an eventual 12GWh manufacturing capacity. Management indicated that a decision on Phase II could be considered once Phase I utilization reaches approximately 80%. The shorter implementation timeline for Phase II should be an advantage compared with the initial greenfield investment.
- While most of Phase I equipment capex is complete, expenditure will continue towards working capital and operational ramp-up. Phase II capex per GWh is expected to be higher than Phase I due to rupee depreciation, unless offset by lower equipment prices.

Other Highlights

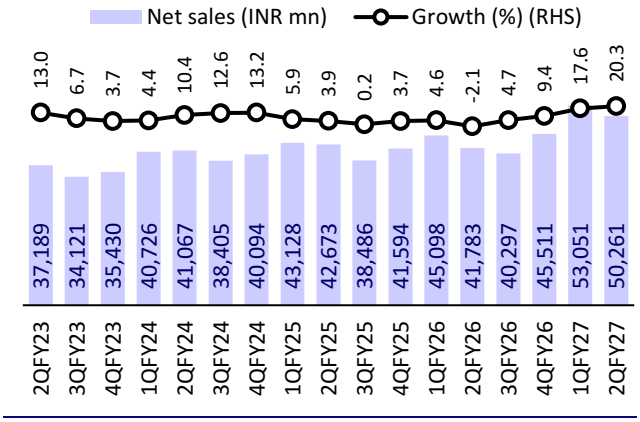
- The company remains debt-free and continues to generate healthy operating cash flows.
- The company clarified that depreciation will increase in H2FY27 as the newly commissioned lithium-ion facility was capitalized only from 23 Sept'26, resulting in a limited depreciation charge during H1.
- Exide reported a MTM loss of approximately INR6b on its HDFC Life investment during H1FY27, explaining the decline in the reported investment value.

Outlook

- Management expects demand for lead acid to remain healthy in H2FY27, although OEM growth rates are likely to moderate due to a higher base. Oct'26 demand was stronger than Sept'26, and management expects OEM growth to moderate to low double digits while remaining at elevated absolute levels.
- Aftermarket performance is expected to remain resilient, with H2FY27 growth likely to normalize around H1FY27 levels, supported by seasonal demand and an expanding vehicle parc.
- Exide expects to maintain its EBITDA margin within the 12-12.5% range over the next two quarters at prevailing lead prices and exchange rates. Calibrated price increases will continue, wherever required, to offset input cost inflation.
- The company will continue investing approximately INR4-5b annually in its core business, broadly equivalent to annual depreciation. Investments will focus on brownfield debottlenecking, capacity expansion, manufacturing technology and automation to cater to demand over the next 2-3 years. Additional capacity is also being evaluated in response to expansion plans announced by automotive OEMs.
- Management remains optimistic about the prospects for lithium-ion batteries, supported by rising EV penetration, OEM localization requirements, telecom applications and the government's push towards solar and stationary energy storage.

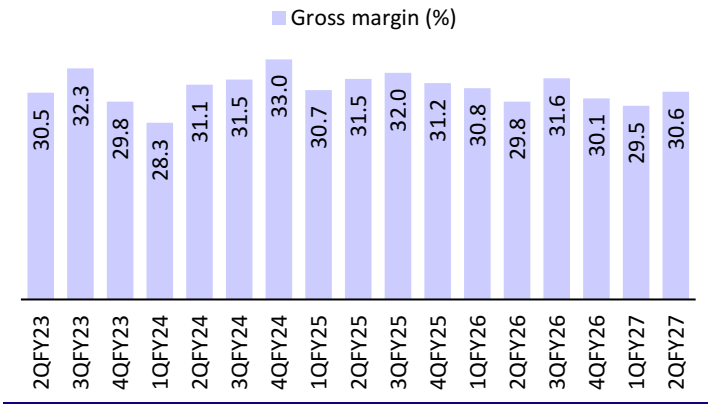
Key exhibits

Exhibit 1: Trends in revenue and growth



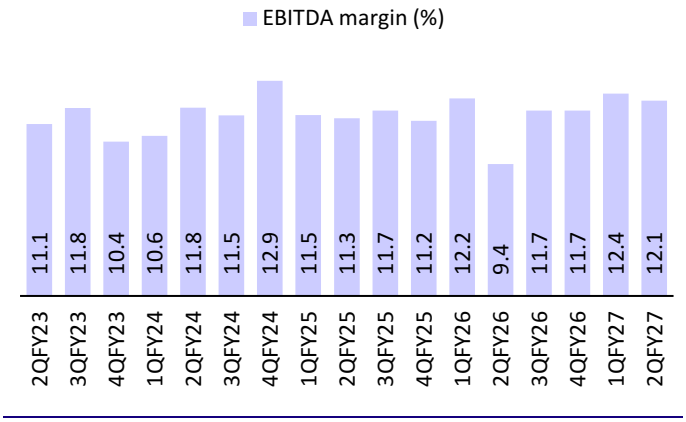
Source: Company, MOFSL

Exhibit 2: Trend in gross margin



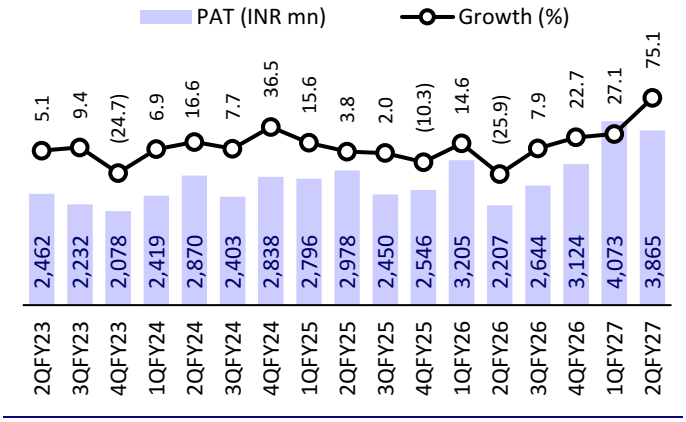
Source: Company, MOFSL

Exhibit 3: Trend in EBITDA margin



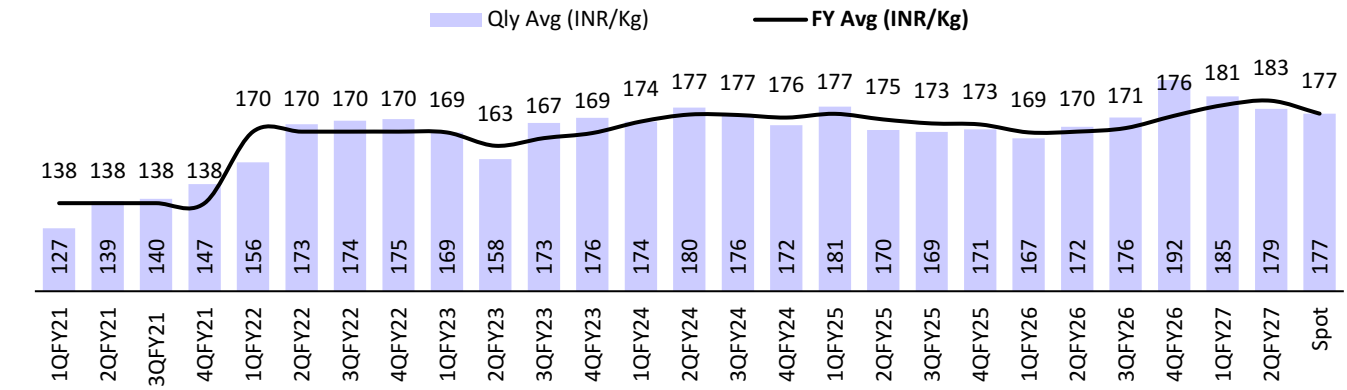
Source: Company, MOFSL

Exhibit 4: Trends in PAT and growth



Source: Company, MOFSL

Exhibit 5: Lead price remains stable



Source: Company, MOFSL

Valuation and view

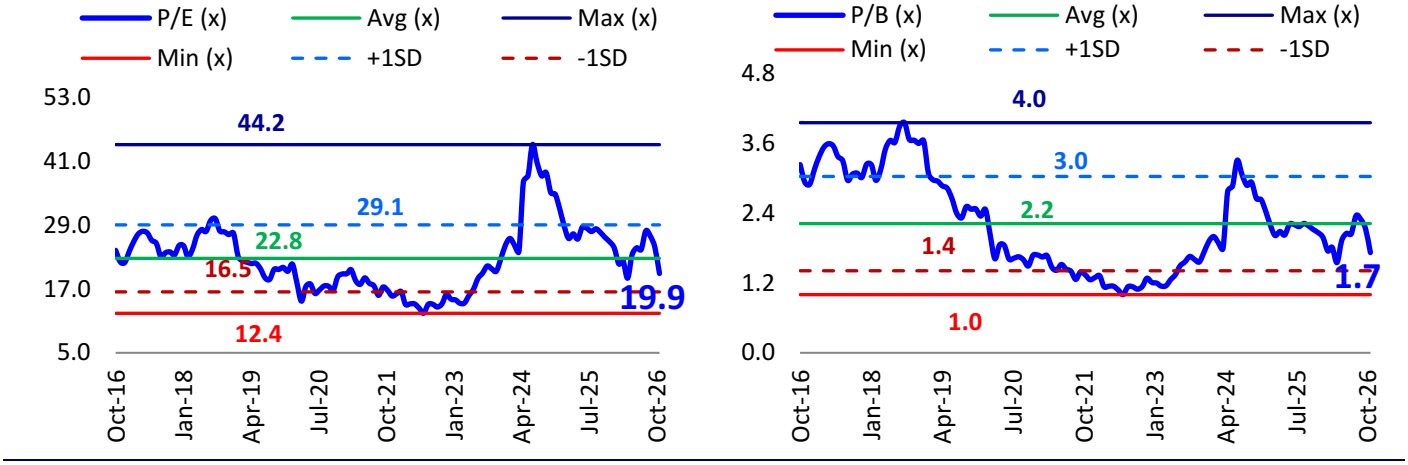
- **EXID continues to enjoy a strong position in the LAB industry:** EXID remains a market leader across all key segments in the lead-acid battery (LAB) industry, except telecom. In the auto OEM segment, EXID has a dominant presence in both 2Ws and 4Ws. It also leads the replacement battery segment, which remains largely a duopoly. Additionally, the company enjoys a strong position in both the UPS and inverter segments and is a dominant player in the power and traction batteries segment. EXID has the largest distribution network in India, with 115k channel partners. Its digitization initiatives have enabled on-the-spot warranty resolution, which is one of its USPs. With a recovery in the LAB market following GST rate cuts in both OE and replacement segments, EXID is well positioned to emerge as one of the major beneficiaries.
- **Foray into lithium-ion will have its own challenges**: Given the significant imminent risk to its core business, EXID has forayed into the manufacturing of lithium-ion cells in partnership with S-Volt at a total investment of INR60b in two phases. Further, EXID recently announced that it has secured a non-binding partnership with Hyundai-Kia for the localization of LFP cells for one of its platforms to be produced in India. While EXID can fund this venture through its internal accruals without needing major funding for this phase, we believe the company's foray into lithium-ion cell manufacturing is likely to see multiple challenges in the coming years, as: 1) most domestic PV OEMs either have their own lithium-ion manufacturing plans or have existing tie-ups, limiting EXID's potential addressable market in this space; 2) the current partnership with Hyundai is non-binding; hence, we need to wait to understand whether this eventually moves into a binding partnership; 3) EXID is setting up a greenfield facility in this segment without prior experience; we expect its facility to take at least a couple of years to stabilize operations as it initially undergoes testing and validation for prospective OEM customers; 4) EXID is not participating in the PLI scheme, which would limit its competitiveness relative to peers that qualify for the same; 5) given the lithium-ion cell manufacturing is a low-margin business globally, we expect this business to be return-dilutive for EXID in the long run, even if this venture is successful; and 6) given the significant capital commitment required and doubts about the sustainability of this technology in the long run, we believe the outcome of this venture remains highly uncertain at this stage.
- **Valuation and view**: The outlook for the lead-acid business remains positive across the auto and industrial segments (excluding telecom). However, we remain cautious about the long-term returns from the lithium-ion business. Moreover, the stock, trading at ~21.3x/19.1x FY27E/28E EPS, appears fairly valued. **We reiterate our Neutral rating with an SoTP-based TP of INR381. We value the core (lead acid) business at 14x FY28E EPS. We add a value of INR71 per share for the EV business (based on book value) and INR45 per share for its stake in HDFC Life.**

Exhibit 6: Our revised estimates

(INR m)	FY27E			FY28E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	198,541	195,972	1.3	213,339	211,550	0.8
EBITDA Margin (%)	**12.1**	**11.2**	**90bp**	**12.2**	**11.9**	**30bp**
PAT	14,492	12,859	12.7	16,155	15,368	5.1
EPS (INR)	17.0	**15.1**	**12.7**	19.0	**18.1**	**5.1**

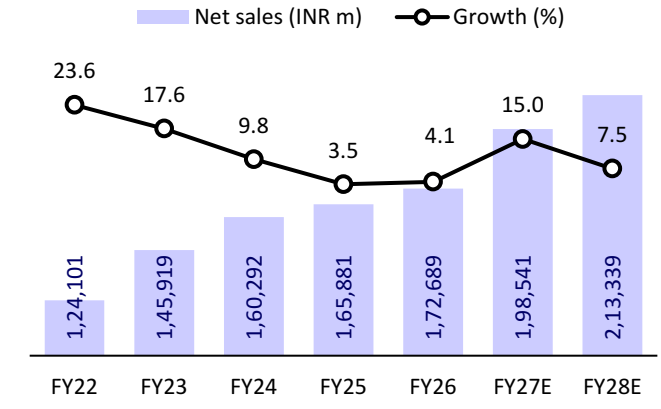
Source: MOFSL

Exhibit 7: Valuations – P/E and P/B trading bands



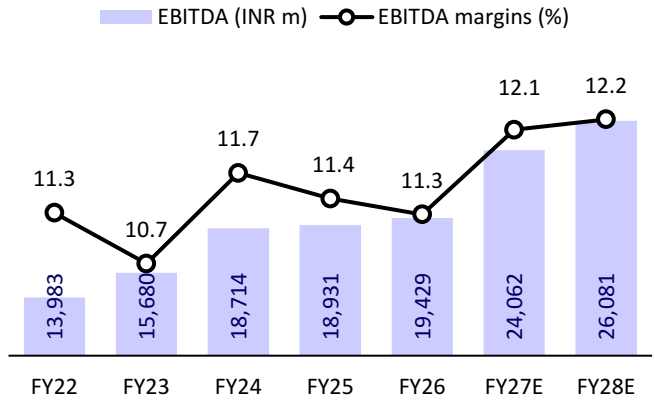
Story in charts

Exhibit 8: Trends in revenue and growth



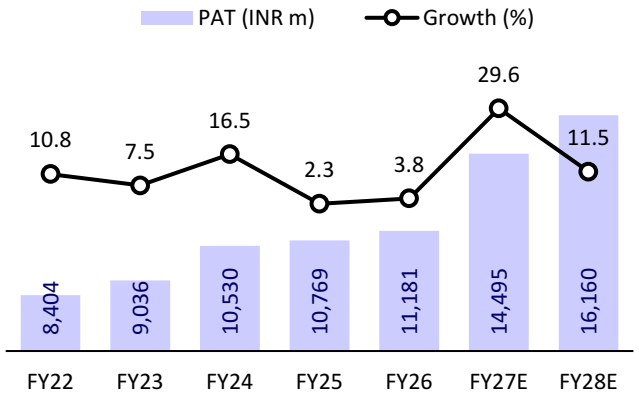
Source: Company, MOFSL

Exhibit 9: Trends in EBITDA and EBITDA margin



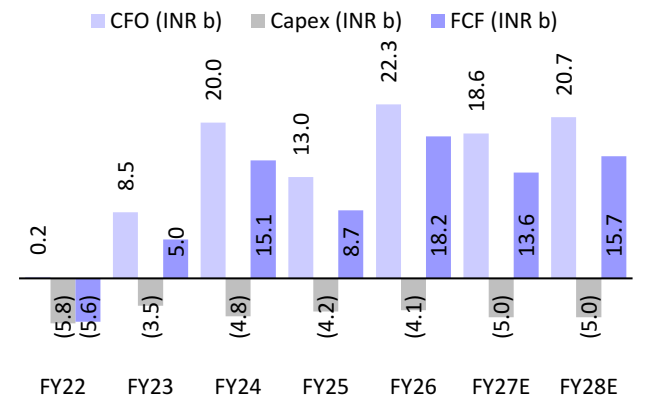
Source: Company, MOFSL

Exhibit 10: PAT and PAT growth trends



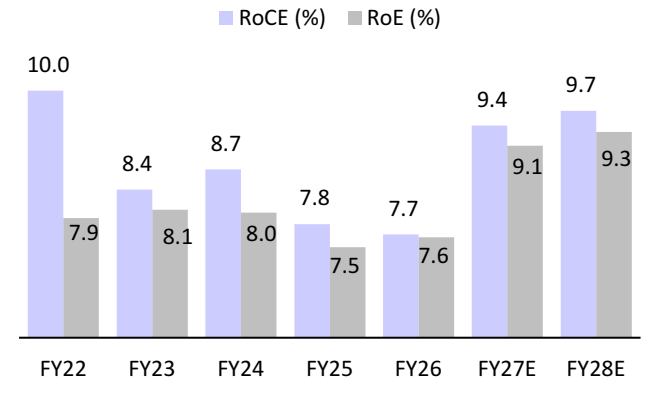
Source: Company, MOFSL

Exhibit 11: Strong FCF driven by healthy CFO



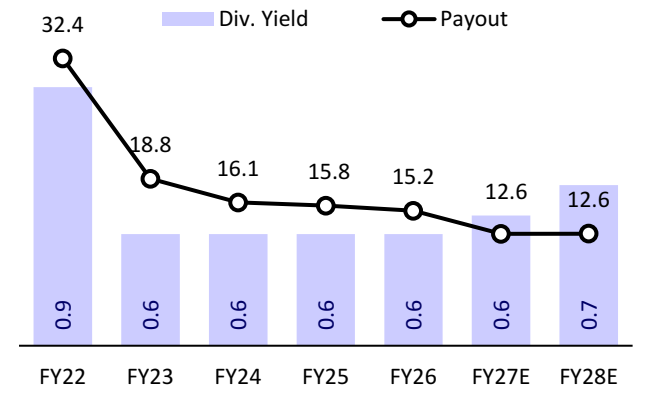
Source: Company, MOFSL

Exhibit 12: Trend in return ratios



Source: Company, MOFSL

Exhibit 13: Dividend yield and dividend payout (%) trends



Source: Company, MOFSL

Financials and valuations

Income Statement								(INR M)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Total Income	**100,408**	**124,101**	**145,919**	**160,292**	**165,881**	**172,689**	**198,541**	**213,339**
Change (%)	1.9	23.6	17.6	9.8	3.5	4.1	15.0	7.5
EBITDA	**13,557**	**13,984**	**15,681**	**18,715**	**18,932**	**19,430**	**24,063**	**26,082**
EBITDA Margins (%)	13.5	11.3	10.7	11.7	11.4	11.3	12.1	12.2
Change (%)	-0.7	3.1	12.1	19.3	1.2	2.6	23.8	8.4
Depreciation	3,794	4,131	4,558	4,975	5,039	5,010	5,140	5,148
EBIT	**9,763**	**9,852**	**11,123**	**13,740**	**13,893**	**14,420**	**18,923**	**20,935**
Interest Charges	238	394	295	486	439	349	356	363
Other Income	654	805	1,324	845	962	931	890	1,266
EO Exp/(Inc)	-	(46,938)	-	-	-	-	-	-
PBT	**10,179**	**57,199**	**12,151**	**14,099**	**14,415**	**14,911**	**19,456**	**21,837**
Tax	2,596	10,356	3,115	3,569	3,646	3,797	4,961	5,678
Effective Rate (%)	25.5	18.1	25.6	25.3	25.3	25.5	25.5	26.0
Rep. PAT	**7,583**	**46,843**	**9,036**	**10,530**	**10,769**	**11,113**	**14,495**	**16,160**
Change (%)	-8.1	517.8	-80.7	16.5	2.3	3.2	30.4	11.5
Adj. PAT	**7,583**	**8,404**	**9,036**	**10,530**	**10,769**	**11,181**	**14,495**	**16,160**
Change (%)	-10.0	10.8	7.5	16.5	2.3	3.8	29.6	11.5

Balance Sheet								(INR M)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Share Capital	850	850	850	850	850	850	850	850
Reserves	68,085	105,131	111,248	130,522	143,573	145,886	158,553	172,673
Net Worth	**68,935**	**105,981**	**112,098**	**131,372**	**144,423**	**146,736**	**159,403**	**173,523**
Loans	0	0	2,708	3,856	3,752	3,644	3,644	3,644
Deferred Tax Liability	771	-654	-1,160	-137	108	-1,349	-1,349	-1,349
Capital Employed	**69,706**	**105,327**	**113,646**	**135,092**	**148,283**	**149,031**	**161,698**	**175,818**
Application of Funds								
Gross Fixed Assets	42,740	48,245	53,473	58,005	62,447	66,039	71,039	76,039
Less: Depreciation	16,361	20,509	24,970	29,353	33,687	38,328	43,468	48,616
Net Fixed Assets	**26,379**	**27,736**	**28,503**	**28,652**	**28,759**	**27,711**	**27,570**	**27,423**
Capital WIP	2,008	3,124	1,009	2,017	1,375	1,623	1,623	1,623
Investments	31,012	60,773	63,477	86,258	99,766	107,386	115,706	129,206
Curr. Assets	**36,889**	**41,352**	**46,362**	**51,600**	**58,291**	**54,499**	**65,589**	**69,890**
Inventory	23,462	24,647	29,891	32,493	38,274	34,921	40,252	43,252
Sundry Debtors	8,874	11,945	12,745	12,650	15,772	14,606	16,862	18,119
Cash & Bank Balance	825	1,536	681	2,174	1,113	1,646	4,667	4,427
Other Current Assets	3,345	3,223	3,045	4,282	3,132	3,325	3,808	4,091
Current Liab. & Prov.	**26,582**	**27,657**	**25,705**	**33,435**	**39,908**	**42,187**	**48,789**	**52,323**
Sundry Creditors	16,483	16,268	15,360	23,199	28,431	31,409	35,357	37,992
Other Liabilities	6,856	8,191	6,962	6,456	6,794	6,041	8,159	8,767
Provisions	3,244	3,198	3,383	3,780	4,683	4,737	5,273	5,563
Net Current Assets	**10,307**	**13,695**	**20,657**	**18,165**	**18,383**	**12,312**	**16,800**	**17,567**
Application of Funds	**69,705**	**105,327**	**113,646**	**135,092**	**148,283**	**149,031**	**161,698**	**175,818**

E: MOFSL Estimates

Financials and valuations

Ratios								
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Basic (INR)								
EPS	**8.9**	**9.9**	**10.6**	**12.4**	**12.7**	**13.2**	**17.1**	**19.0**
Cash EPS	13.4	14.7	16.0	18.2	18.6	19.0	23.1	25.1
Book Value per Share	81.1	124.7	131.9	154.6	169.9	172.6	187.5	204.1
DPS	2.0	3.2	2.0	2.0	2.0	2.0	2.2	2.4
Payout (Incl. Div. Tax) %	22.4	32.4	18.8	16.1	15.8	15.2	12.6	12.6
Valuation (x)								
P/E	40.6	36.7	34.1	29.3	28.6	27.6	21.3	19.1
Cash P/E	27.1	24.6	22.7	19.9	19.5	19.0	15.7	14.5
EV/EBITDA	20.4	17.6	15.7	11.9	11.1	10.4	8.0	6.8
EV/Sales	2.8	2.0	1.7	1.4	1.3	1.2	1.0	0.8
Price to Book Value	4.5	2.9	2.7	2.3	2.1	2.1	1.9	1.8
Dividend Yield (%)	0.6	0.9	0.6	0.6	0.6	0.6	0.6	0.7
Profitability Ratios (%)								
RoE	11.0	7.9	8.1	8.0	7.5	7.6	9.1	9.3
RoCE	11.8	10.0	8.4	8.7	7.8	7.7	9.4	9.7
RoIC	19.6	21.3	18.7	22.0	22.9	25.5	36.1	38.6
Turnover Ratios								
Debtors (Days)	32	35	32	29	35	31	31	31
Inventory (Days)	85	72	75	74	84	74	74	74
Creditors (Days)	60	48	38	53	63	66	65	65
Working Capital (Days)	58	60	68	50	56	38	40	40
Gross Fixed Asset Turnover (x)	2.3	2.6	2.7	2.8	2.7	2.6	2.8	2.8
Leverage Ratio								
Net Debt/Equity (x)	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0

Cash Flow Statement								(INR M)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
OP/(Loss) before Tax	10,179	57,199	12,151	14,099	14,415	14,911	18,922	20,934
Interest/Dividends Received	-362	-225	-233	-237	-212	193	890	1,266
Depreciation & Amortisation	3,794	4,131	4,558	4,975	5,039	5,010	5,140	5,148
Direct Taxes Paid	-2,721	-10,472	-3,212	-3,707	-3,726	-3,898	-4,961	-5,678
(Inc)/Dec in Working Capital	3,044	-3,479	-4,538	4,874	-2,637	6,400	-1,424	-1,007
Other Items	200	-46,951	-242	-38	100	-304	0	0
CF from Oper. Activity	**14,134**	**205**	**8,484**	**19,965**	**12,979**	**22,312**	**18,567**	**20,663**
(Inc)/Dec in FA+CWIP	-3,384	-5,783	-3,493	-4,844	-4,245	-4,090	-5,000	-5,000
Free Cash Flow	**10,750**	**-5,579**	**4,991**	**15,122**	**8,735**	**18,222**	**13,567**	**15,663**
(Pur)/Sale of Invest.	-9,385	8,537	-5,385	-11,328	-7,558	-8,435	-8,364	-13,500
CF from Inv. Activity	**-12,769**	**2,754**	**-8,878**	**-16,172**	**-11,803**	**-12,525**	**-13,364**	**-18,500**
Interest Rec./(Paid)	-289	-549	-461	-601	-539	-452	-356	-363
Dividends Paid	-1,700	-1,698	0	-2,848	-1,596	-1,592	-1,828	-2,040
CF from Fin. Activity	**-1,989**	**-2,247**	**-461**	**-2,301**	**-2,239**	**-9,253**	**-2,183**	**-2,403**
Inc/(Dec) in Cash	**-623**	**711**	**-855**	**1,493**	**-1,062**	**534**	**3,020**	**-240**
Add: Beginning Balance	1,449	826	1,536	681	2,174	1,113	1,646	4,667
Closing Balance	**826**	**1,536**	**681**	**2,174**	**1,113**	**1,646**	**4,666**	**4,427**

E: MOFSL Estimates

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