

# Balkrishna Industries

Estimate change	
TP change	
Rating change	

Bloomberg	BIL IN
Equity Shares (m)	193
M.Cap.(INRb)/(USDb)	457.2 / 5
52-Week Range (INR)	2916 / 2152
1, 6, 12 Rel. Per (%)	5/-16/-23
12M Avg Val (INR M)	683

## Financials & valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	105.2	119.6	132.9
EBITDA	24.4	28.7	32.6
Adj. PAT	13.3	17.7	20.2
EPS (Rs)	68.7	91.3	104.6
EPS Growth (%)	-19.7	32.9	14.5
BV/Share (Rs)	590.5	663.8	748.4
<b>Ratios</b>			
RoE (%)	12.2	14.6	14.8
RoCE (%)	10.7	12.0	12.3
Payout (%)	23.2	19.7	19.1
<b>Valuations</b>			
P/E (x)	34.4	25.9	22.6
P/BV (x)	4.0	3.6	3.2
Div. yield (%)	0.7	0.8	0.8
FCF yield (%)	-0.8	0.4	1.2

## Shareholding pattern (%)

As of	Dec-25	Sep-25	Dec-24
Promoter (%)	58.3	58.3	58.3
DII (%)	24.4	24.7	24.0
FII (%)	11.0	10.7	11.3
Others (%)	6.3	6.3	6.5

FII includes depository receipts

**CMP: INR2,365**

**TP: INR2,229 (-6%)**

**Neutral**

## Margins under pressure despite volume revival

### Demand outlook remains uncertain in key markets

- Balkrishna Industries' (BIL) 3Q earnings at INR3.8b were above our estimate of INR2.8b, primarily due to MTM gains of INR360m and higher other income. However, despite a healthy pick-up in volume on a QoQ basis, its margin remained under pressure at 22.9% (vs. our est. of 23.1%) due to adverse mix and the impact of US tariffs.
- BIL continues to face demand headwinds in its key global markets. While the stock has underperformed in the recent past and valuations at 34.4x FY26E and 25.9x FY27E are not too demanding, its future target multiple is likely to depend on its ability to succeed in the new segments (TBR/PCR) – not only by capturing market share but by doing so without materially hurting core returns—which, in our view, is likely to be a challenge. We have not changed our target multiple for BIL yet and continue to value it at 22x Dec'27E. **Reiterate Neutral with a TP of INR2,229.**

## Margins remain under pressure despite volume revival

- BIL's revenue grew 4.3% YoY to INR26.8b, coming in above our estimates of INR25.2b. The primary reason for the beat was volume growth of ~6% YoY to 80,620MT, which was ahead of our estimate of 75k MT.
- However, blended ASPs were down 1.2% YoY to ~INR333 per MT and below our estimate of INR 337 per MT.
- Gross profit margin was hit by a lower share of exports (India mix now at 36% of total volumes).
- As part of its employee cost, the company has recognized INR83.2m as a provision for the new labor code for the prior period.
- Adjusted for this, EBITDA dipped 4% YoY to INR6.1b (above our estimate of INR5.8b). Consequently, EBITDA margin contracted 200bp YoY (+140bp QoQ) to 22.9% (slightly below our estimate of 23.1%). Apart from the adverse mix, the margin was hit by the impact of tariffs on sales to the US (the Americas now at 14% of the mix).
- The MTM gain of INR360m boosted profitability in 3QFY26.
- PAT dipped 15% YoY to INR3.8b, above our estimate of INR2.8b, mainly due to MTM gains and higher-than-expected other income.
- The Board declared an INR4/share interim dividend, maintaining the payout despite a dip in PAT.
- BIL's revenue/EBITDA/PAT for 9MFY26 dipped 0.2%/10.2%/26.3% YoY to INR77.6b/INR17.7b/INR9.3b.

### Key highlights from the management commentary

- The geopolitical and macroeconomic environment remains challenging, and hence, management refrained from giving any growth guidance for FY27E. However, given that the destocking in key regions was behind, BKT was able to ramp up volumes in key regions in 3Q.
- India continues to outperform other markets and currently makes up 35.8% of the regional mix for 9MFY26
- Currently, Indian exports to Europe attract ~4% customs duty. However, it is still not clear whether this will be reduced after the recently announced India-EU FTA.
- Average EURO/INR realization was ~INR97 for 3Q. Benefits from the euro appreciation were partly offset by forward hedging and a lower European sales mix.
- Overall, capex guidance for FY26E stands at about INR 25-26b.
- As of 9MFY26, gross debt stood at INR36.5b, cash and cash equivalents at INR30.1b, and net debt at INR6.4b.

### Valuation and view

BIL continues to face demand headwinds in its key global markets. Further, its foray into the PCR/TBR segments is likely to be closely monitored for: 1) the pace at which it gains material traction and 2) whether margins and returns will be materially dilutive in the long run. While the stock has underperformed in the recent past and valuations at 34.4x FY26E and 25.9x FY27E are not too demanding, its future target multiple is likely to depend on its ability to succeed in these new segments—not only by capturing market share, but by doing so without materially hurting core returns—which, in our view, is likely to be a challenge. We have not changed our target multiple for BIL yet and continue to value it at 22x Dec'27E. However, this may warrant a revision going forward if BIL's returns plunge due to this foray.

**Reiterate Neutral with a TP of INR2,229.**

**Quarterly Earnings Model (Standalone)**
**(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E	3QE	VAR (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE					
<b>Volumes (Ton)</b>	<b>83,570</b>	<b>73,298</b>	<b>76,343</b>	<b>82,062</b>	<b>80,664</b>	<b>70,252</b>	<b>80,620</b>	<b>81,883</b>	<b>315,273</b>	<b>313,419</b>	<b>74,816</b>	<b>7.8</b>	
YoY Change (%)	24.3	3.8	4.9	0.0	-3.5	-4.2	5.6	-0.2	7.7	-0.6	-2.0		
<b>Realizations (INR '000/ton)</b>	<b>328.1</b>	<b>336.3</b>	<b>336.8</b>	<b>345.8</b>	<b>342.1</b>	<b>330.3</b>	<b>332.8</b>	<b>332.0</b>	<b>336.7</b>	<b>334.4</b>	<b>336.8</b>	<b>-1.2</b>	
YoY Change (%)	4.2	5.6	5.8	5.2	4.3	-1.8	-1.2	-4.0	5.1	-0.7	0.0		
<b>Net Revenues</b>	<b>27,415</b>	<b>24,648</b>	<b>25,716</b>	<b>28,376</b>	<b>27,594</b>	<b>23,207</b>	<b>26,827</b>	<b>27,188</b>	<b>106,150</b>	<b>104,816</b>	<b>25,201</b>	<b>6.5</b>	
YoY Change (%)	29.6	9.7	11.0	5.2	0.7	-5.8	4.3	-4.2	13.2	-1.3	-2.0		
<b>EBITDA</b>	<b>7,137</b>	<b>6,185</b>	<b>6,391</b>	<b>7,035</b>	<b>6,560</b>	<b>4,999</b>	<b>6,134</b>	<b>6,295</b>	<b>26,813</b>	<b>23,988</b>	<b>5,814</b>	<b>5.5</b>	
Margins (%)	26.0	25.1	24.9	24.8	23.8	21.5	22.9	23.2	25.3	22.9	23.1	-20bp	
YoY Change (%)	46.8	12.9	8.9	-0.9	-8.1	-19.2	-4.0	-10.5	15.0	-10.5	-9.0		
Depreciation	1,617	1,647	1,708	1,760	1,862	1,901	1,921	1,992	6,735	7,676	2,000		
Interest	143	404	150	490	290	319	420	333	1,252	1,362	340		
Forex loss/(gain)	-60	530	-1,120	580	1,540	10	-360	0	-68	1,190	0		
Other Income	830	1,048	240	550	1,042	709	768	780	2,668	780	280		
<b>PBT before EI</b>	<b>6,267</b>	<b>4,653</b>	<b>5,894</b>	<b>4,755</b>	<b>3,910</b>	<b>3,478</b>	<b>4,920</b>	<b>4,751</b>	<b>21,562</b>	<b>17,059</b>	<b>3,754</b>	<b>31.1</b>	
Extra-Ord expense	0	0	0	0	0	0	83	0	0	83	0		
<b>PBT</b>	<b>6,267</b>	<b>4,653</b>	<b>5,894</b>	<b>4,755</b>	<b>3,910</b>	<b>3,478</b>	<b>4,837</b>	<b>4,751</b>	<b>21,562</b>	<b>16,976</b>	<b>3,754</b>	<b>28.9</b>	
Rate (%)	23.8	24.9	25.4	23.8	26.6	23.7	22.4	23.3	24.5	23.5	24.5		
<b>Adj PAT</b>	<b>4,773</b>	<b>3,496</b>	<b>4,398</b>	<b>3,622</b>	<b>2,869</b>	<b>2,652</b>	<b>3,816</b>	<b>3,645</b>	<b>16,283</b>	<b>12,983</b>	<b>2,834</b>	<b>34.7</b>	
YoY Change (%)	52.7	4.3	42.6	-25.8	-39.9	-24.1	-13.2	0.6	12.6	-20.3	-35.6		

E: MOFSL Estimates

**Key Performance Indicators**

Y/E March	FY25				FY26E				FY25	FY26E	FY26	3QE	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE					
<b>Volumes (Ton)</b>	<b>83,570</b>	<b>73,298</b>	<b>76,343</b>	<b>82,062</b>	<b>80,664</b>	<b>70,252</b>	<b>80,620</b>	<b>81,883</b>	<b>315,273</b>	<b>313,419</b>	<b>74,816</b>		
YoY Change (%)	24.3	3.8	4.9	0.0	-3.5	-4.2	5.6	-0.2	7.7	-0.6	-2.0		
<b>Realizations (INR '000/ton)</b>	<b>328.1</b>	<b>336.3</b>	<b>336.8</b>	<b>345.8</b>	<b>342.1</b>	<b>330.3</b>	<b>332.8</b>	<b>332.0</b>	<b>336.7</b>	<b>334.4</b>	<b>336.8</b>		
YoY Change (%)	4.2	5.6	5.8	5.2	4.3	-1.8	-1.2	-4.0	5.1	-0.7	0.0		
Gross Margins (%)	53.1	52.5	52.4	51.2	51.5	50.1	50.5	50.5	52.3	50.7	51.0		
EBITDA Margins (%)	26.0	25.1	24.9	24.8	23.8	21.5	22.9	23.2	25.3	22.9	23.1		
Gross Profit (INR '000/ton)	174.2	176.7	176.6	177.1	176.2	165.6	168.2	167.7	176.1	169.5	171.8		
EBITDA (INR '000/ton)	85.4	84.4	83.7	85.7	81.3	71.2	76.1	76.9	85.0	76.5	77.7		

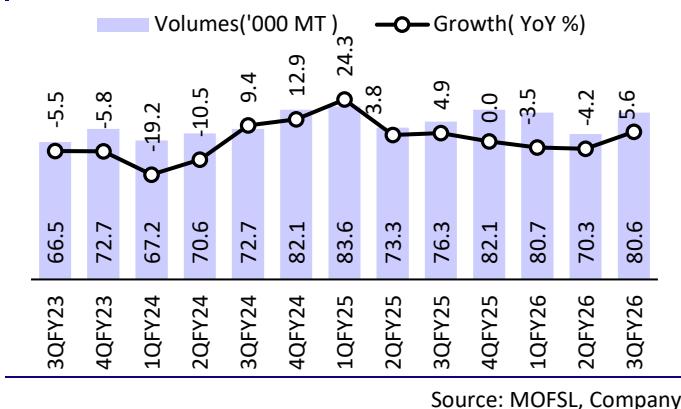


## Highlights from the management commentary

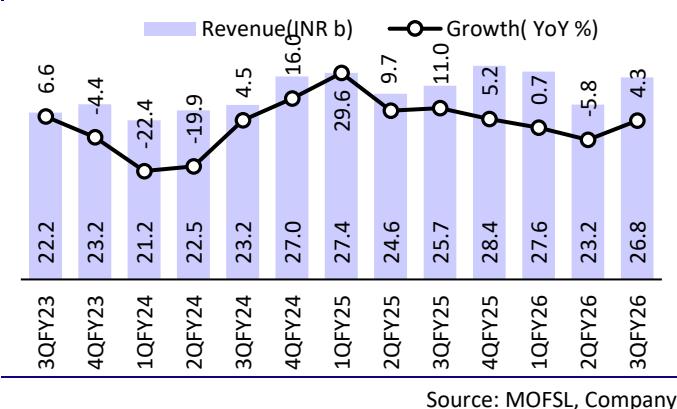
- The geopolitical and macroeconomic environment remains challenging, and hence, management refrained from giving any growth guidance for FY27E. However, given that the destocking in key regions was behind, BKT was able to ramp up volumes in key regions in 3Q.
- While there is no relief yet on US tariffs, they continue to share the impact of the same with their channel partners.
- India continues to outperform other markets and currently makes up 35.8% of the regional mix for 9MFY26. India's growth was driven largely by improved consumer sentiments post the GST rate cuts, as per the management. The India business volume mix is currently at ~60% for industrial tyres and 40% for farm tyres.
- Europe saw improved performance during the quarter as destocking was behind and supported by the anticipation of the upcoming season. Additionally, the EUDR norms, which were scheduled for implementation from 1<sup>st</sup> Jan'26 has been deferred by one year and is expected to be implemented from 1<sup>st</sup> Jan 2027. Currently, Indian exports to Europe attract about 4% customs duty. However, it is still not clear whether this will be reduced after the recently announced India-EU FTA. As of 9MFY26, Europe's share in revenue was 39.7%
- Average EURO/INR realization stood at ~INR97 for Q3FY26. The benefits from the euro appreciation were partly offset by forward hedging and a lower European sales mix.
- Freight costs declined to ~5% of revenue in Q3 (from ~6% earlier) and are expected to remain stable, while commodity inputs such as crude oil and natural rubber have been trending up.
- Capex spend during the first nine months of FY26 was ~INR22b, including commissioning of a new carbon black line that increased total capacity to 265k TPA. The remaining projects are progressing as per schedule, with total planned capex largely on track with no material overruns. Overall, capex guidance for FY26E stands at about INR 25-26b.
- As of 9MFY26, gross debt stood at INR36.5b, cash and cash equivalents at INR30.1b, and net debt at INR6.4b.
- The entire incremental carbon black capacity is earmarked for external sales, with utilization and realizations expected to improve gradually as customer approvals ramp up, in line with industry-average margins. Carbon black sales contributed less than 10% of revenues this quarter.
- New initiatives such as CV tyres and the rubber tracks are progressing as per plan, with validation and acceptance underway. Near-term volume contribution remains limited, and management reiterated confidence in its long-term growth vision toward 2030.
- BIL is investing in brand-building activities aimed at strengthening its presence in the mining and OHT segments. The company commissioned a 15,000 sq. ft. sports injury and rehabilitation center at KEM Hospital and became the official partner of all five Women's IPL teams, enhancing brand visibility.

## Key exhibits

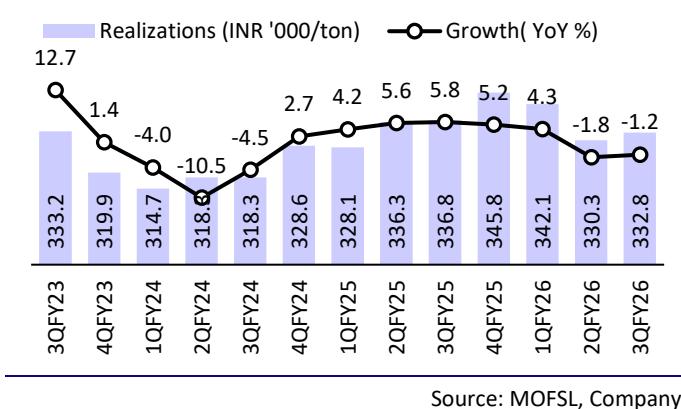
### Exhibit 1: Volume trend



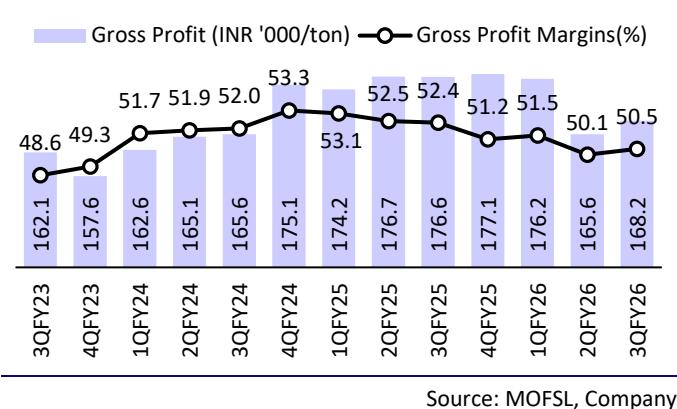
### Exhibit 2: Trend in revenue



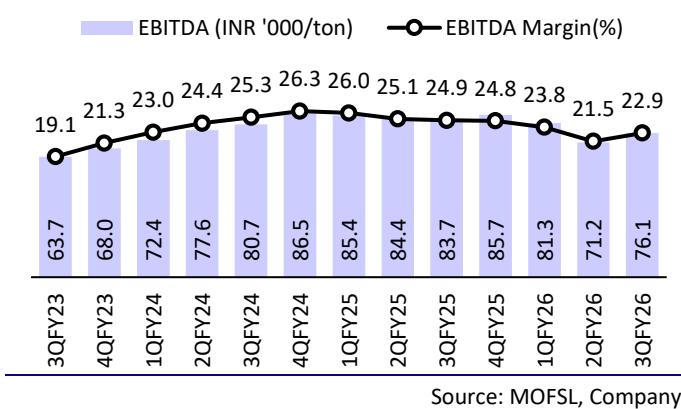
### Exhibit 3: Net realization trend



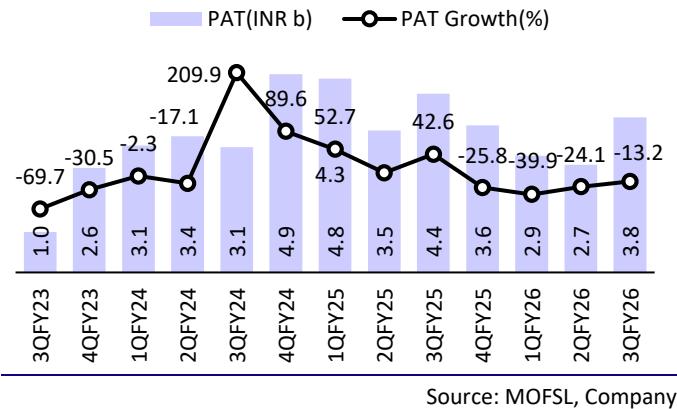
### Exhibit 4: Gross profit margin trend



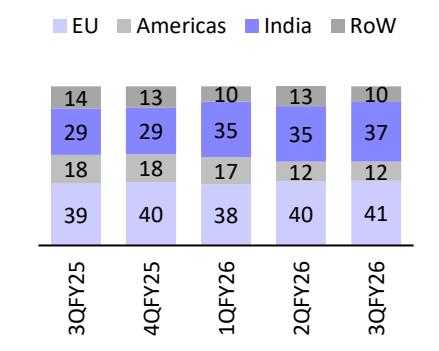
### Exhibit 5: EBITDA margin trend



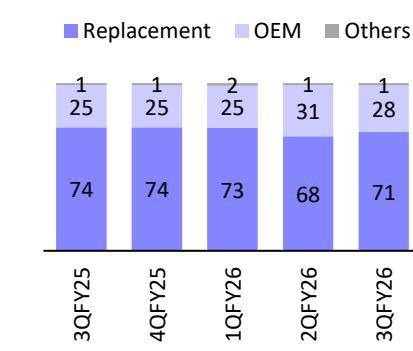
### Exhibit 6: PAT and PAT growth trends



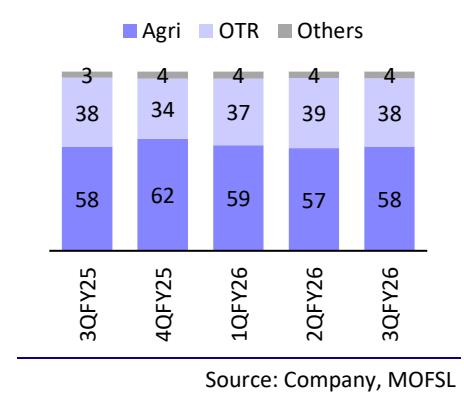
### Exhibit 7: Geography-wise contribution



### Exhibit 8: Channel-wise sales



### Exhibit 9: Segment-wise sales



## Valuation and view

- **Global macro remains challenging:** BIL has a well-established competitive advantage, which has enabled consistent market share gains. Its competitive advantage is driven by: a) competitive cost and pricing, b) consistent product portfolio expansion, and c) expanding reach. However, the current demand environment remains challenging in key markets. With the US imposing tariffs on OHT tire imports of 50%, economics are unviable for Indian exporters. Given that the US is a net importer of OHT tires, there is an expectation of normalization of tariffs in the coming months. Further, demand in Europe also remains weak but is now stabilizing at lower levels. The only key growth driver for BKT currently remains India. Overall, we factor in a gradual pickup in demand over FY27-28E after a weak FY26E. We estimate BKT to post 4% volume CAGR over FY25-28E.
- **Giant strides taken for growth; unlikely to be an easy journey:** Management has earmarked significant growth plans to ramp up revenue by 2.2x over the next five years to INR230b. While its core business is likely to post about 9% revenue CAGR during this period, which appears achievable, its foray into the TBR and PCR segments has taken us by surprise. Though we do not doubt the management's capabilities, we are unsure if this move was warranted at a time when there is a large global OHT market that remains untapped (BIL holds just about 6% share in these segments). Further, we believe BIL is likely to take much longer to establish a meaningful presence in the TBR and PCR segments in India, given that established players have invested in brand building in these segments over the past few decades. In fact, its foray into niche premium segments is likely to take even longer, in our view, as these segments would be highly brand conscious. The same is the case with the TBR segment, where fleet operators are unlikely to change to a new brand easily, given that they are highly cost-conscious. Even if BIL succeeds in these segments in the long run, given that both Carbon Black and TBR/PCR are lower-margin segments than its core, its margins/returns are likely to get diluted in the long run, as these segments form a larger share of the pie. Hence, we are not particularly enthused by the management's foray into these segments.
- **Earnings cut led by weak global demand:** Given the weak 1H performance, we have lowered our earnings estimates by ~8% for FY26E, while FY27E remains more or less unchanged (+0.2%). As highlighted above, we now factor in a gradual pick-up in demand over FY27-28E after a weak FY26E. We expect margins to recover to 25% levels by FY28E. Overall, we estimate revenue/EBITDA/PAT for BIL to grow at 8%/6%/3% over FY25-28E.
- **Valuations and view:** BIL continues to face demand headwinds in its key global markets. Further, its foray into the PCR/TBR segments is likely to be closely monitored for: 1) the pace at which it gains material traction and 2) whether margins and returns will be materially dilutive in the long run. While the stock has underperformed in the recent past and valuations at 34.4x FY26E and 25.9x FY27E are not too demanding, its future target multiple is likely to depend on its ability to succeed in these new segments—not only by capturing market share, but by doing so without materially hurting core returns—which, in our view, is likely to be a challenge. We have not changed our target multiple for BIL yet and continue to value it at 22x Dec'27E. However, this may warrant a change going forward if BIL's returns plunge due to this foray. **Reiterate Neutral with a TP of INR2,229.**

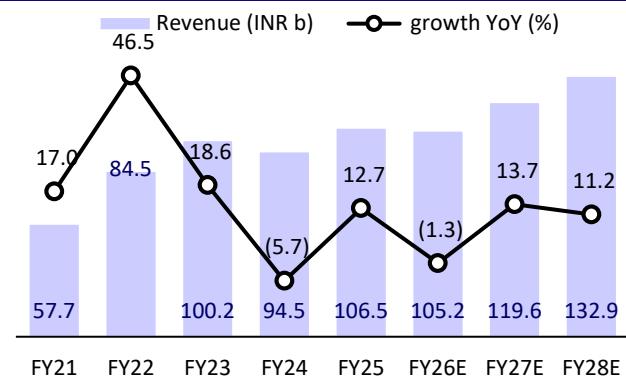
**Exhibit 10: Revisions to our estimates**

(INR M)	FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	105,155	104,718	0.4	119,600	117,122	2.1
EBITDA	24,358	23,833	2.2	28,726	28,066	2.4
EBITDA (%)	23.2	22.8	40bp	24.0	24.0	10bp
Adj. PAT	13,289	14,427	-7.9	17,658	17,621	0.2
EPS (INR)	68.7	74.6	-7.9	91.3	91.2	0.2

Source: MOFSL, Company

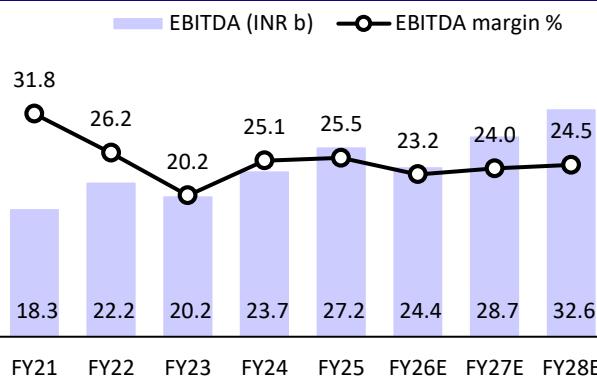
**Story in charts**

**Exhibit 11: Revenue to post ~8% CAGR over FY25-28E**



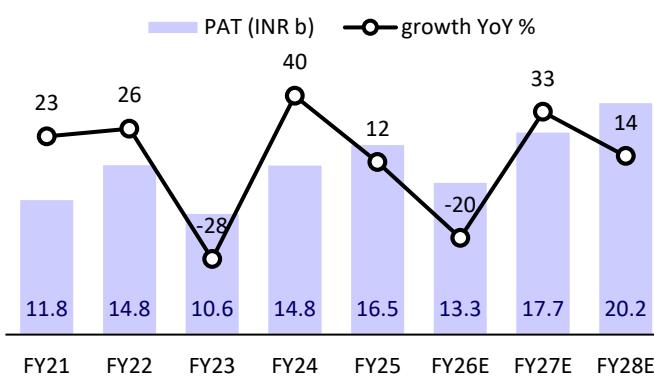
Source: Company, MOFSL

**Exhibit 12: EBITDA margin to normalize by FY28E**



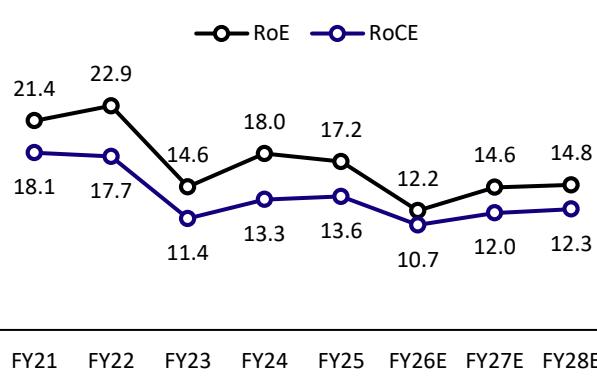
Source: Company, MOFSL

**Exhibit 13: PAT to post ~7% CAGR over FY25-28E**



Source: Company, MOFSL

**Exhibit 14: Returns to decline over the forecast period**



Source: Company, MOFSL

## Financials and valuations

Consolidated - Income Statement								
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	(INR M) FY28E
<b>Adj. Net Revenues</b>	<b>57,652</b>	<b>84,471</b>	<b>1,00,215</b>	<b>94,459</b>	<b>1,06,490</b>	<b>105,155</b>	<b>119,600</b>	<b>132,936</b>
Change (%)	17.0	46.5	18.6	-5.7	12.7	-1.3	13.7	11.2
<b>EBITDA</b>	<b>18,341</b>	<b>22,158</b>	<b>20,201</b>	<b>23,734</b>	<b>27,183</b>	<b>24,358</b>	<b>28,726</b>	<b>32,599</b>
EBITDA Margin (%)	31.8	26.2	20.2	25.1	25.5	23.2	24.0	24.5
Depreciation	4,163	4,554	5,708	6,507	6,807	7,747	8,970	10,190
<b>EBIT</b>	<b>14,178</b>	<b>17,604</b>	<b>14,493</b>	<b>17,227</b>	<b>20,377</b>	<b>16,611</b>	<b>19,756</b>	<b>22,409</b>
EBIT Margin (%)	24.6	20.8	14.5	18.2	19.1	15.8	16.5	16.9
Int. and Finance Charges	114	92	480	1,129	1,283	1,393	1,187	1,214
Fx loss/(gain)	-180	-390	880	-550	-68	1,190	0	0
Other Income	1,297	1,920	1,217	2,810	2,712	3,344	4,665	5,404
<b>PBT bef. EO Exp.</b>	<b>15,541</b>	<b>19,822</b>	<b>14,350</b>	<b>19,458</b>	<b>21,874</b>	<b>17,371</b>	<b>23,234</b>	<b>26,600</b>
EO Items	0	-615	-23	-98	0	83	0	0
<b>PBT after EO Exp.</b>	<b>15,541</b>	<b>19,207</b>	<b>14,327</b>	<b>19,360</b>	<b>21,874</b>	<b>17,454</b>	<b>23,234</b>	<b>26,600</b>
Total Tax	3,774	4,852	3,751	4,645	5,324	4,102	5,576	6,384
Eff. Tax Rate (%)	24.3	25.3	26.2	24.0	24.3	23.5	24.0	24.0
<b>Reported PAT</b>	<b>11,767</b>	<b>14,354</b>	<b>10,576</b>	<b>14,715</b>	<b>16,550</b>	<b>13,352</b>	<b>17,658</b>	<b>20,216</b>
<b>Adjusted PAT</b>	<b>11,767</b>	<b>14,814</b>	<b>10,593</b>	<b>14,790</b>	<b>16,550</b>	<b>13,289</b>	<b>17,658</b>	<b>20,216</b>
Change (%)	22.7	25.9	-28.5	39.6	11.9	-19.7	32.9	14.5

Consolidated - Balance Sheet								
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	(INR M) FY28E
Equity Share Capital	387	387	387	387	387	387	387	387
Total Reserves	59,612	68,944	75,183	88,152	1,03,489	113,749	127,928	144,278
<b>Net Worth</b>	<b>59,998</b>	<b>69,330</b>	<b>75,569</b>	<b>88,538</b>	<b>1,03,876</b>	<b>114,136</b>	<b>128,314</b>	<b>144,664</b>
Total Loans	10,006	25,286	33,465	30,994	32,675	33,675	34,175	35,175
Deferred Tax Liabilities	2,035	2,509	2,419	3,490	4,563	4,563	4,563	4,563
<b>Capital Employed</b>	<b>72,039</b>	<b>97,125</b>	<b>1,11,453</b>	<b>1,23,023</b>	<b>1,41,114</b>	<b>152,373</b>	<b>167,052</b>	<b>184,402</b>
Gross Block	52,954	64,051	83,240	99,070	1,12,053	137,053	157,053	177,053
Less: Accum. Deprn.	20,115	24,651	30,108	36,538	43,255	51,002	59,972	70,162
<b>Net Fixed Assets</b>	<b>32,839</b>	<b>39,401</b>	<b>53,133</b>	<b>62,532</b>	<b>68,798</b>	<b>86,051</b>	<b>97,081</b>	<b>106,890</b>
Capital WIP	8,555	12,584	13,916	9,444	9,860	9,860	9,860	9,860
Investment property	864	793	708	643	612	612	612	612
<b>Total Investments</b>	<b>14,177</b>	<b>18,967</b>	<b>20,367</b>	<b>26,857</b>	<b>38,233</b>	<b>33,033</b>	<b>33,633</b>	<b>38,133</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>25,230</b>	<b>38,045</b>	<b>35,353</b>	<b>37,370</b>	<b>38,844</b>	<b>38,105</b>	<b>43,254</b>	<b>48,233</b>
Inventory	9,397	16,721	16,674	13,315	17,819	17,574	19,988	22,217
Account Receivables	7,536	10,962	11,153	14,454	14,945	14,693	16,711	18,575
Cash and Bank Balance	549	459	693	746	802	653	657	886
Loans and Advances	7,748	9,904	6,834	8,854	5,277	5,186	5,898	6,556
<b>Curr. Liability &amp; Prov.</b>	<b>9,626</b>	<b>12,665</b>	<b>12,024</b>	<b>13,823</b>	<b>15,233</b>	<b>15,288</b>	<b>17,388</b>	<b>19,327</b>
Account Payables	6,550	8,293	4,921	9,102	7,539	7,490	8,519	9,469
Other Current Liabilities	2,750	4,056	6,754	4,329	7,160	7,202	8,192	9,105
Provisions	326	316	348	392	534	595	676	752
<b>Net Current Assets</b>	<b>15,604</b>	<b>25,380</b>	<b>23,330</b>	<b>23,547</b>	<b>23,611</b>	<b>22,817</b>	<b>25,866</b>	<b>28,906</b>
<b>Appl. of Funds</b>	<b>72,039</b>	<b>97,125</b>	<b>1,11,453</b>	<b>1,23,023</b>	<b>1,41,114</b>	<b>152,373</b>	<b>167,052</b>	<b>184,402</b>

E: MOFSL Estimates

## Financials and valuations

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Basic (INR)</b>								
EPS	<b>60.9</b>	<b>76.6</b>	<b>54.8</b>	<b>76.5</b>	<b>85.6</b>	<b>68.7</b>	<b>91.3</b>	<b>104.6</b>
Cash EPS	82.4	100.2	84.3	110.2	120.8	108.8	137.8	157.3
BV/Share	310.4	358.7	390.9	458.0	537.4	590.5	663.8	748.4
DPS	17.0	28.0	16.0	16.0	16.0	16.0	18.0	20.0
Payout (%)	27.9	37.7	29.2	21.0	18.7	23.2	19.7	19.1
<b>Valuation (x)</b>								
P/E	38.9	30.9	43.2	30.9	27.6	34.4	25.9	22.6
Cash P/E	28.7	23.6	28.1	21.5	19.6	21.7	17.2	15.0
P/BV	7.6	6.6	6.1	5.2	4.4	4.0	3.6	3.2
EV/Sales	8.1	5.7	4.9	5.2	4.6	4.7	4.1	3.7
EV/EBITDA	25.5	21.8	24.3	20.5	18.0	20.1	17.1	15.1
Dividend Yield (%)	0.7	1.2	0.7	0.7	0.7	0.7	0.8	0.8
FCF per share	21.5	-35.2	-15.7	51.8	16.3	-19.8	8.9	27.4
<b>Return Ratios (%)</b>								
RoE	21.4	22.9	14.6	18.0	17.2	12.2	14.6	14.8
RoCE	18.1	17.7	11.4	13.3	13.6	10.7	12.0	12.3
RoIC	23.1	23.1	15.1	16.1	17.3	12.6	13.0	13.2
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	1.1	1.3	1.2	1.0	1.0	0.8	0.8	0.8
Inventory (Days)	59	72	61	51	61	61	61	61
Debtor (Days)	48	47	41	56	51	51	51	51
Creditor (Days)	41	36	18	35	26	26	26	26
<b>Leverage Ratio (x)</b>								
Current Ratio	2.6	3.0	2.9	2.7	2.5	2.5	2.5	2.5
Interest Cover Ratio	124.6	192.4	30.2	15.3	15.9	11.9	16.6	18.5
Net Debt/Equity	-0.1	0.1	0.2	0.0	-0.1	0.0	0.0	0.0

### Consolidated - Cash Flow Statement

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	15,541	19,207	14,327	19,410	21,874	17,454	23,234	26,600
Depreciation	4,163	4,554	5,708	6,507	6,807	7,747	8,970	10,190
Interest & Finance Charges	-289	-324	116	661	650	-567	-1,860	-2,294
Direct Taxes Paid	-3,510	-4,579	-3,429	-4,235	-4,833	-4,102	-5,576	-6,384
(Inc)/Dec in WC	-1,273	-8,289	-1,865	1,536	-4,437	644	-3,045	-2,811
<b>CF from Operations</b>	<b>14,632</b>	<b>10,569</b>	<b>14,857</b>	<b>23,879</b>	<b>20,061</b>	<b>21,176</b>	<b>21,723</b>	<b>25,301</b>
Others	-1,242	-1,488	-378	-3,053	-2,420	0	0	0
<b>CF from Operating incl EO</b>	<b>13,390</b>	<b>9,080</b>	<b>14,480</b>	<b>20,826</b>	<b>17,641</b>	<b>21,176</b>	<b>21,723</b>	<b>25,301</b>
(Inc)/Dec in FA	-9,232	-15,889	-17,523	-10,814	-14,484	-25,000	-20,000	-20,000
<b>Free Cash Flow</b>	<b>4,159</b>	<b>-6,809</b>	<b>-3,043</b>	<b>10,013</b>	<b>3,157</b>	<b>-3,824</b>	<b>1,723</b>	<b>5,301</b>
(Pur)/Sale of Investments	-2,891	-3,516	-883	-4,574	-1,760	5,200	-600	-4,500
Others	388	431	575	632	1,451	1,960	3,048	3,508
<b>CF from Investments</b>	<b>-11,734</b>	<b>-18,975</b>	<b>-17,831</b>	<b>-14,755</b>	<b>-14,794</b>	<b>-17,840</b>	<b>-17,553</b>	<b>-20,993</b>
Inc/(Dec) in Debt	857	15,498	7,097	-1,902	1,433	1,000	500	1,000
Interest Paid	-114	-90	-420	-1,022	-1,128	-1,393	-1,187	-1,214
Dividend Paid	-2,316	-5,603	-3,091	-3,095	-3,095	-3,093	-3,479	-3,866
Others	-3	0	-1	1	-1	0	0	0
<b>CF from Fin. Activity</b>	<b>-1,575</b>	<b>9,804</b>	<b>3,585</b>	<b>-6,018</b>	<b>-2,791</b>	<b>-3,486</b>	<b>-4,167</b>	<b>-4,080</b>
<b>Inc/Dec of Cash</b>	<b>81</b>	<b>-90</b>	<b>234</b>	<b>53</b>	<b>56</b>	<b>-150</b>	<b>4</b>	<b>229</b>
Opening Balance	468	549	459	693	746	802	653	657
<b>Closing Balance</b>	<b>549</b>	<b>459</b>	<b>693</b>	<b>746</b>	<b>802</b>	<b>653</b>	<b>657</b>	<b>886</b>

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

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