11 February 2026
3QFY26 Results Update | Sector: Automobile

Samvardhana Motherson

Estimate changes	↑
TP change	↑
Rating change	↔

Bloomberg	MOTHERSO IN
Equity Shares (m)	10554
M.Cap.(INRb)/(USDb)	1366 / 15.1
52-Week Range (INR)	132 / 72
1, 6, 12 Rel. Per (%)	11/35/32
12M Avg Val (INR M)	2139

MOTHERSO: Financials & Valuations

INR Billion	2026E	2027E	2028E
Sales	1,250	1,387	1,550
EBITDA	113.4	135.2	158.0
Adj. PAT	38.8	54.6	70.2
EPS (Rs)	3.6	5.1	6.6
EPS Growth (%)	1.9	40.9	28.6
BV/Share (Rs)	35.1	38.6	43.2
Ratios			
Net D:E	-0.1	-0.2	-0.3
RoE (%)	10.7	13.9	16.1
RoCE (%)	8.8	11.4	13.1
Payout (%)	30.0	30.0	30.0
Valuations			
P/E (x)	35.7	25.3	19.7
P/BV (x)	3.7	3.4	3.0
Div. Yield (%)	0.8	1.2	1.5
FCF Yield (%)	6.6	5.4	6.7

Shareholding pattern (%)

As Of	Dec-25	Sep-25	Dec-24
Promoter	48.6	48.6	58.1
DII	21.6	21.0	19.3
FII	11.9	12.0	14.3
Others	17.9	18.4	8.3

FII includes depository receipts

CMP: INR129 TP: INR148 (+15%) Buy

Resilient performance in an adverse macro

Earnings beat led by Modules and Polymers performance

- Samvardhana Motherson's (SAMIL) 3QFY26 adjusted PAT at INR10.6b was above our estimate of INR10b, up 21% YoY. EBITDA margin was largely stable at 9.7% YoY and ahead of our estimate of 9%. Margin beat was driven by Modules and Polymers business, which saw 200bp margin expansion QoQ to 9.4%, and Integrated Assemblies (+300bp QoQ to 15.2%).
- Given the better-than-expected performance in 3Q despite adverse global macro, we raise our earnings estimates by 6%/1% for FY26/FY27. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful integration of recent acquisitions. Given the long-term growth opportunities, **we reiterate our BUY rating on the stock** with a revised TP of INR148, based on 24x Dec'27E EPS.

Margins remain stable YoY despite adverse macro

- Consolidated revenue grew 13.5% YoY to INR314.1b (in line with our estimate of INR315.3b), aided by organic growth, M&A integration and favorable forex rates.
- EBITDA margin was largely stable YoY but improved 100bp QoQ to 9.7%, above our estimate of 9%.
- Margin beat was driven by Modules and Polymers business, which saw 200bp margin expansion QoQ to 9.4% (well ahead of our estimate of 7.5%) due to benefits of transformative measures. Even Integrated Assembly division saw strong margin improvement to 15.2% (+300bp QoQ), ahead of our estimate of 12%.
- The two segments that dragged down the overall performance were wiring harness (margin down 210bp YoY to 9.7% and below our est. of 10.3%) and emerging business (margin down 410bp to 9.3% and below our estimate of 10.5%). The wiring harness business was hit by cyclicality in the American CV market and copper price inflation, while the emerging business faced business mix issues.
- Overall, EBITDA grew 13.3% YoY to INR30.4b, ahead of estimate of INR28.2b.
- The company incurred an extraordinary expense of INR465m as provisions for changes in the labor code. Adjusted for this expense, PAT beat our estimates, growing 20.7% YoY to INR10.6b (ahead of estimate of INR10b).
- Net debt has increased to ~INR120b from INR116b QoQ due to increase in short-term debt and RCF rollover.
- Total capex during the quarter stood at INR15.9b, primarily allocated for upcoming Greenfields and maintenance.

Research analyst - Aniket Mhatre (Aniket.Mhatre@MotilalOswal.com)
Research analyst - Jeemit Shah (Jeemit.Shah@MotilalOswal.com) | **Uday Nair** (Uday.Nair@MotilalOswal.com)

Key highlights from the management commentary

- **Consumer electronics** continued to scale up rapidly (+75% QoQ), with facilities on track to reach annual run-rate of over 16m units by FY26 end. An additional plant is scheduled for 3QFY27, which will double capacity and enhance vertical integration.
- **Aerospace** business grew 41% YoY in 3Q with continued traction in order book. Additionally, product portfolio was further expanded to supply business jets and rotary wing aircrafts.
- SAMIL currently has 10 greenfield projects at various stages of completion spread across India, Poland, the UAE, and Morocco. Of these, eight are expected to commence production by 2QFY27.
- The acquisition of the Nexans AutoElectric wiring harness business is expected to create a scalable global platform for both PV and CV customers and is expected to close by 1HFY27.
- The earlier announced acquisition of Yutaka Giken is expected to close in the 1HFY27, with the tender offer for shareholding in Yutaka already commenced as of 9th of Feb.
- Effective net debt rose to ~INR120b (vs. INR116b QoQ) due to expanded working capital and sharp forex volatility. Leverage ratio stood at 1.1x (flat QoQ). Management expects the same to reduce further to 0.9x by end of FY26.
- Capex guidance is maintained at INR60b for FY26, with current quarter capex standing at INR15.9b, largely directed toward greenfield expansion and maintenance capex.

Valuation and view

Given the better-than-expected performance in 3Q despite adverse global macro, we raise our earnings estimates by 6%/1% for FY26/FY27. Management has alluded to its next five-year revenue growth aspiration, which now stands at a staggering USD108b. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful integration of recent acquisitions. While the ongoing tariff issue may lead to some near-term slowdown in some of its key geographies, we expect SAMIL to be the least impacted by these tariffs as it has all its facilities close to its customers and can effectively realign supplies as per customer needs. Further, this is likely to lead to industry consolidation, with players like SAMIL likely to emerge as key beneficiaries in the long run. Given the long-term growth opportunities, **we reiterate our BUY rating** with a revised TP of INR148, based on 24x Dec’27E EPS.

Quarterly performance (Consol.) **(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E	FY26	var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Net Sales	**288,680**	**278,119**	**276,659**	**293,168**	**302,120**	**301,730**	**314,094**	**331,769**	**1,136,626**	**1,249,713**	**315,253**	-0.4
YoY Change (%)	28.5	18.2	7.9	9.1	4.7	8.5	13.5	13.2	15.4	9.9	13.9	
EBITDA	**27,753**	**24,479**	**26,858**	**26,429**	**24,583**	**26,107**	**30,431**	**32,249**	**105,519**	**113,370**	**28,244**	7.7
Margins (%)	9.6	8.8	9.7	9.0	8.1	8.7	9.7	9.7	9.3	9.1	9.0	
YoY Change (%)	44.2	23.1	16.0	-1.0	-11.4	6.6	13.3	22.0	17.0	7.4	5.2	
Depreciation	10,646	11,028	11,124	12,137	12,297	12,179	13,208	13,850	44,934	51,534	12,500	
Interest	4,445	5,462	4,661	4,256	4,250	3,865	3,411	3,403	18,824	14,930	3,700	
Other income	709	862	1,112	1,164	805	1,212	514	816	5,577	3,346	1,250	
PBT before EO expense	**13,371**	**8,852**	**12,185**	**11,200**	**8,841**	**11,275**	**14,325**	**15,811**	**47,338**	**50,253**	**13,294**	7.8
Extra-Ord expense	0	-1,730	0	1,730	1,365	362	465	0	0	2,191	0	
PBT after EO Expense	**13,371**	**10,582**	**12,185**	**9,470**	**7,476**	**10,914**	**13,861**	**15,811**	**47,338**	**48,061**	**13,294**	
Tax Rate (%)	26.0	33.2	27.7	12.2	30.1	34.7	31.7	27.0	23.6	30.6	29.0	
Min. Int & Share of profit	-51	-1,152	26	-672	-300	-1,270	-920	-1,085	-1,848	-3,575	-643	
Reported PAT	**9,942**	**8,797**	**8,786**	**8,775**	**5,118**	**8,270**	**10,237**	**12,631**	**38,030**	**36,257**	**10,081**	
Adj PAT	**9,942**	**7,470**	**8,790**	**10,030**	**6,047**	**8,516**	**10,553**	**12,631**	**38,030**	**37,747**	**10,081**	4.7
YoY Change (%)	65.5	65.7	62.2	9.4	-39.2	14.0	20.1	25.9	51.5	-0.7	14.7	

E: MOFSL Estimates

Key performance indicators **(INR Million)**

Y/E March	FY25				FY26E				FY25	FY26E	3QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			
Business-wise Revenue (INR m)											
Wiring harness	83,260	81,110	78,290	85,940	86,400	85,496	90,826	94,129	328,610	356,851	90,522
Modules & Polymer products	151,930	146,400	146,140	153,590	150,080	153,738	157,753	166,091	598,060	627,662	157,844
Vision systems	49,970	48,070	47,290	49,720	51,370	50,838	52,471	58,576	195,060	213,255	52,299
Integrated assemblies	25,230	25,280	26,600	23,980	28,190	25,801	27,587	24,291	101,090	105,868	31,023
Emerging businesses	25,910	29,050	26,930	32,280	37,020	40,013	42,182	48,473	114,180	167,688	41,472
Less: Inter-segment	12,330	12,070	9,910	13,200	12,030	12,099	12,525	13,869	47,550	50,522	12,708
Less: Revenues of Associates/JVs	35,290	39,720	38,680	39,140	38,910	42,058	44,200	45,922	152,830	171,090	45,200
Net Revenues	**288,680**	**278,120**	**276,660**	**293,170**	**302,120**	**301,730**	**314,094**	**331,769**	**1,136,620**	**1,249,713**	**315,253**
Business-wise EBITDA Margins (%)											
Wiring harness	11.7	11.2	11.8	12.4	11.4	10.5	9.7	11.2	11.8	10.7	10.3
Modules & Polymer products	8.7	7.4	8.0	6.5	6.4	7.4	9.4	8.9	7.7	8.0	7.5
Vision systems	9.5	9.2	9.2	12.0	9.2	9.2	9.2	11.5	10.0	9.8	9.2
Integrated assemblies	10.1	11.9	13.3	10.6	11.4	12.2	15.2	12.8	11.5	12.9	12.0
Emerging businesses	12.2	13.3	13.4	12.1	8.3	9.5	9.3	9.2	12.7	9.1	10.5
Consol EBITDA Margins (%)	**9.6**	**8.8**	**9.7**	**9.0**	**8.1**	**8.7**	**9.7**	**9.7**	**9.6**	**9.2**	**9.0**

Note: Segmental EBITDA margins include part of other income; E: MOFSL Estimates

CONFERENCE CALL

Highlights from the management commentary

- **Operation updates:** SAMIL currently has 10 greenfield projects at various stages of completion spread across India, Poland, the UAE, and Morocco. Two new greenfield projects were announced during the quarter, viz. a wiring harness manufacturing facility in Morocco slated for operations in 1QFY27 and a vision systems facility in Pune, which will commence operations in 1QFY28. Of these, eight are expected to commence production by 2QFY27.
- The acquisition of the Nexans AutoElectric wiring harness business is expected to create a scalable global platform for both PV and CV customers and is expected to close by 1HFY27.
- They have signed multiple partnerships, including the development of a dedicated state of the art terminal at Dighi Port in Maharashtra to handle finished vehicles and a joint venture with Egtronics Co. Ltd to focus on manufacturing clean mobility electronics.
- The earlier announced acquisition of Yutaka Giken is expected to close in the 1HFY27, with the tender offer for shareholding in Yutaka already commenced as of 9th of Feb.
- **SAMIL outperforms industry:** SAMIL's revenues grew 14% YoY in 3Q, the global LV market fell by ~1%, while CVs grew by 9%. Revenue growth included the benefit from currency translation (EUR-INR) and the Atsumitec acquisition. Its healthy growth was despite the fact that the US Class 8 market was down 27% YoY.
- **Financial performance and capital allocation:** Effective net debt rose to ~INR120b (vs. INR116b QoQ) due to expanded working capital and sharp forex volatility. Leverage ratio stood at 1.1x (flat QoQ). Management expects the same to reduce further to 0.9x by end of FY26.
- Capex guidance is maintained at INR60b for FY26, with current quarter capex standing at INR15.9b largely directed towards greenfield expansion and maintenance capex.

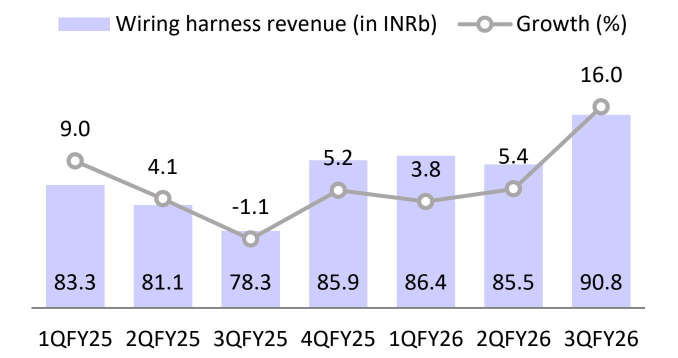
Segmental updates

- **Wiring Harness** revenues stood at INR90.8b (+16% YoY) with EBITDA margins of 9.7% (down 210bp YoY), impacted by softer commercial vehicle volumes in North America and elevated commodity prices, which are generally passed through with a lag of a quarter.
- **Vision Systems** reported revenues of INR52.5b (+11% YoY) with EBITDA margins of 9.2% (flat YoY), benefiting from improved business mix, operational optimization, and early-stage integration of acquired assets.
- **Integrated Assemblies** delivered revenues of INR27.6b (+4% YoY) and EBITDA margins of 15.2% (+190bp YoY), the highest among all divisions, driven by deeper group integration, manufacturing synergies, and focused execution.
- **Emerging Businesses** (including elastomers, lighting, precision metals, aerospace, health & medical, logistics and technology solutions) recorded revenues of INR42.2b (+57% YoY) with EBITDA margins of 9.3% (down 410bp YoY). Revenue growth was primarily led by meaningful contributions from Atsumitech, consumer electronics and aerospace. Margins were, however, hit by adverse business mix and early-stage integration of newly acquired assets.

- **Modules and Polymer Products** generated revenues of INR157.8b (+8% YoY) with EBITDA margins of 9.4% (+140bp YoY), supported by operational efficiencies further aided by realization of transformative measures.
- **Consumer electronics** continued to scale rapidly (+75% QoQ), with facilities on track to reach annual run-rate of over 16m units by end of FY26. An additional plant is scheduled for 3QFY27, which will double capacity and enhance vertical integration.
- **Aerospace** business grew 41% YoY in 3Q with continued traction in order book. Additionally, product portfolio was further expanded to supply business jets and rotary wing aircraft.

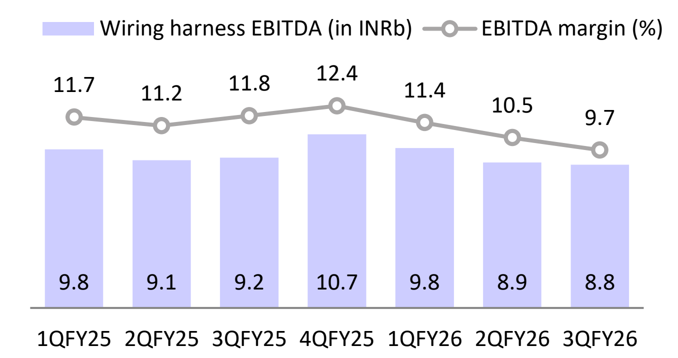
Key exhibits

Exhibit 1: Trends in wiring harness revenue and growth



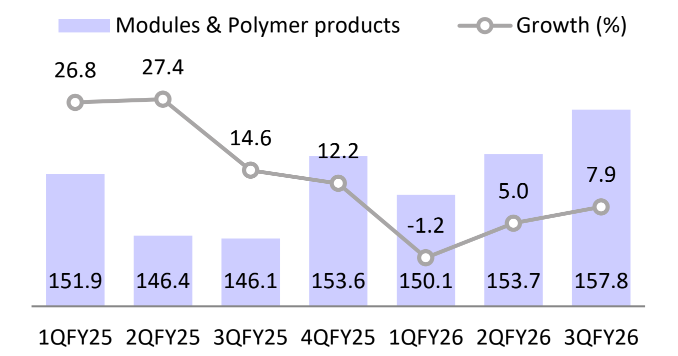
Source: Company, MOFSL

Exhibit 2: Wiring harness EBITDA and EBITDA margin trends



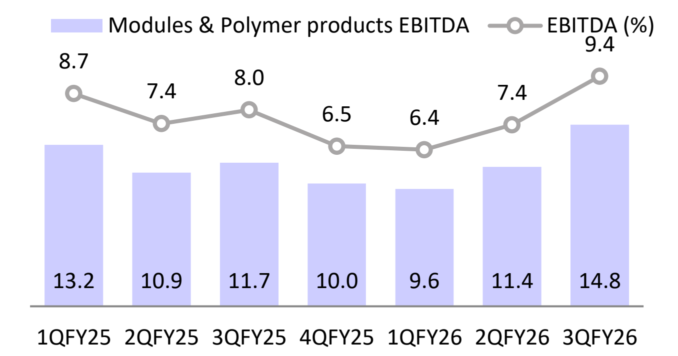
Source: Company, MOFSL

Exhibit 3: Trends in modules and polymer products revenue



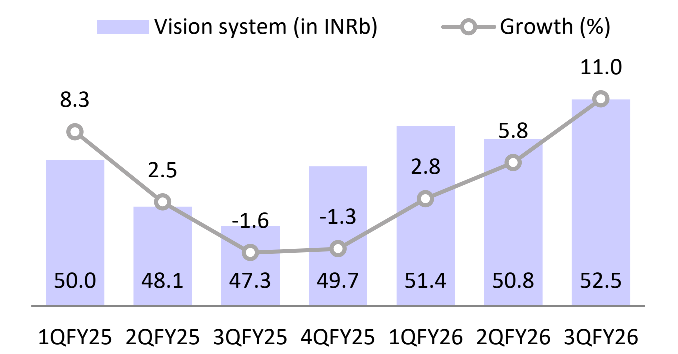
Source: Revenues in INRb, Company, MOFSL

Exhibit 4: Modules & polymer product EBITDA margin trends



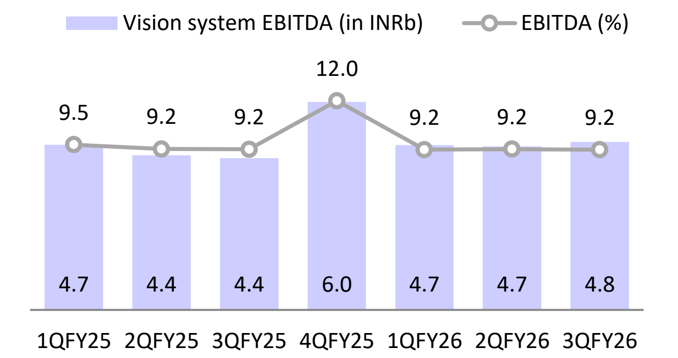
Source: EBITDA in INRb, Company, MOFSL

Exhibit 5: Trend in vision systems revenue



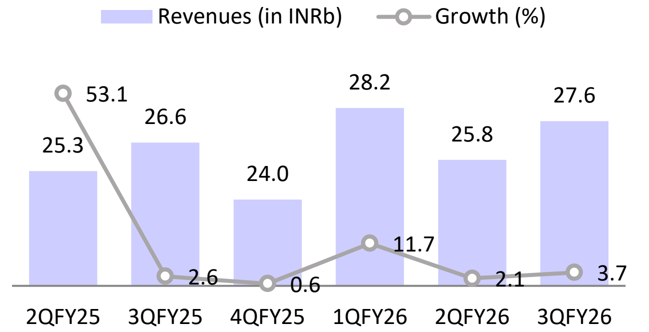
Source: Company, MOFSL

Exhibit 6: Vision systems EBITDA margin



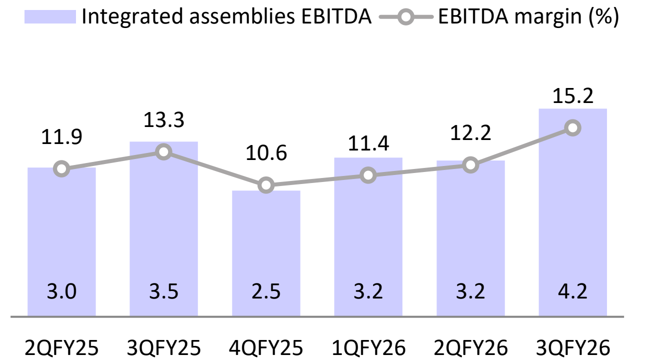
Source: Company, MOFSL

Exhibit 7: Trend in integrated assemblies revenue



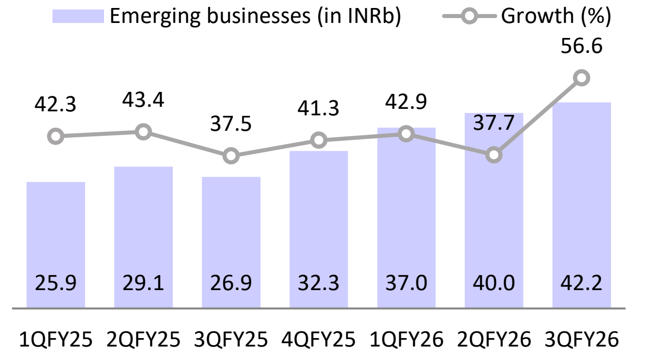
Source:, Company, MOFSL

Exhibit 8: Integrated assemblies EBITDA margin



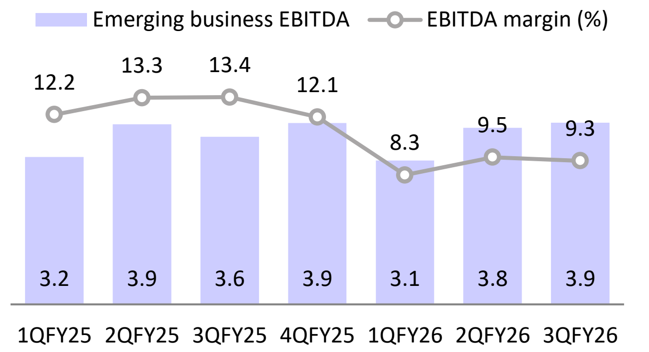
Source: EBITDA in INRb, Company, MOFSL

Exhibit 9: Trend in emerging businesses' revenue



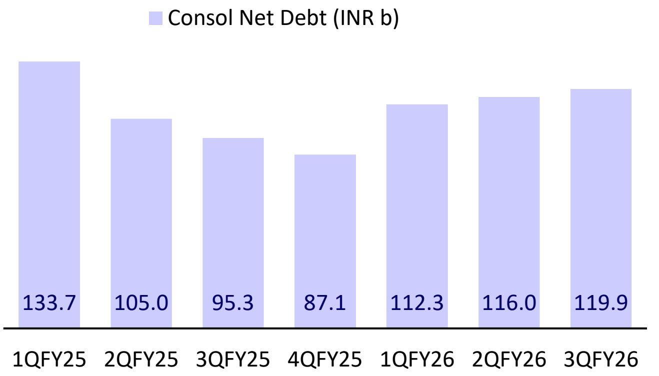
Source: Company, MOFSL

Exhibit 10: Emerging businesses' EBITDA margin



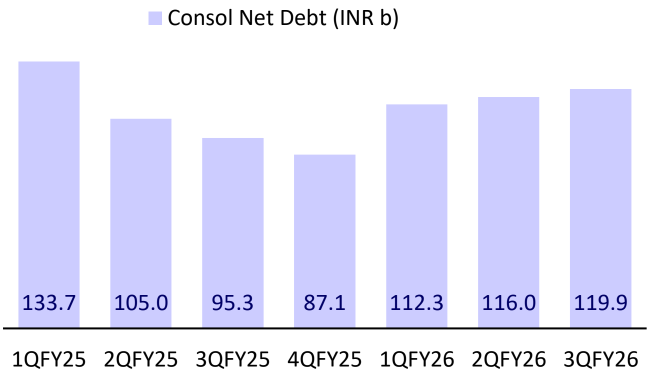
Source: EBITDA in INR b, Company, MOFSL

Exhibit 11: Trend in Capex (INR b)



Source: Company, MOFSL

Exhibit 12: Trend in net debt (excl. lease liabilities, INR b)



Source: Company, MOFSL

Valuation and view

- **Well-diversified business model:** Over the years, SAMIL has developed a well-diversified business model that focuses on its principle of 3CX10 (vs. 3CX15 earlier) – which implies no country, customer, or client should account for more than 10% of its revenue. This has helped the company achieve steady growth regardless of the end-market demand environment (achieved 9% revenue CAGR vs. 3% compounded volume decline in the global auto industry over the last five years). It is among the top 3 players globally for exterior rear-view mirrors, a market leader in PV wiring harnesses in India, and a major player in wiring harnesses for CVs in North America and Europe. Additionally, the company is a critical supplier of polymer parts to luxury OEMs worldwide, one of the leading lighting suppliers in India, and one of the largest shock absorber exporters from India.
- **To be a key beneficiary of evolving megatrends in Autos:** SAMIL is emerging as one of the major beneficiaries of the rising premiumization trend and EV transition, which in turn should drive higher content going forward. The following are some of the indicators of increasing content per vehicle for SAMIL: when transitioning to sedans and SUVs, content surges 1.4-1.5x for wiring harnesses, 1.4-1.7x for bumpers, 1.2-2.5x for door panels, and 1.7-3.0x for rear-view mirrors. Similarly, transitioning from ICE to EVs results in a 2.4x increase in the content for 4W wiring harnesses, an 8x increase for 2W wiring harnesses, a 1.5x increase for bumpers, a 3.3x increase for door panels, and a 1.4x increase for mirrors. These favorable trends have led to a notable ramp-up in its order book in the recent past.
- **Closure of recent acquisitions provides huge growth opportunities:** Taking advantage of the global macro headwinds and at the customer's behest, SAMIL has acquired 15 entities since Sep'22, whose combined pro forma net revenue stood at USD2.8b. Apart from this, these entities offer multiple synergy benefits, which include the company's entry into the Japanese supplier network (Yachio + Ichikoh), evolution as a cockpit assembler (SAS), complementary new segment addition (Yachio + Dr. Schneider), and strong opportunities in aerospace and medical equipment (Cirma, AD Industries, Irillic, and SMAST). These acquisitions provide SAMIL with significant growth opportunities in the long run, in our view.
- **Aggressive targets indicate ambitions; a disciplined approach has been the key:** SAMIL has a track record of setting ambitious five-year targets since 2000. Its 2025 targets include revenue of USD36b, RoCE and dividend payout of 40%, and 3CX10. While most of its targets until 2015 have been achieved, it has missed its 2020 and 2025 target by a margin. However, management has always refrained from acquiring entities solely to meet its targets, as was evident immediately after Covid-19. Thus, while its aggressive targets highlight management's growth aspirations, its disciplined approach would help generate long-term shareholder returns, in our view. The same can also be highlighted by the fact that it has acquired 15 entities since Sep'22, after patiently waiting throughout the entire Covid period for the right opportunity.
- **Valuation and view:** Management has alluded to its next five-year revenue growth aspiration, which now stands at a staggering USD108b. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful integration of recent acquisitions. While the ongoing tariff issue may lead to some near-term slowdown in some of its key geographies, we

expect SAMIL to be the least impacted by these tariffs as it has all its facilities close to its customers and can effectively realign supplies as per customer needs. Further, this is likely to lead to industry consolidation, with players like SAMIL likely to emerge as key beneficiaries in the long run. Given the long-term growth opportunities, **we reiterate our BUY rating** with a TP of INR148, based on 24x Dec'27E EPS.

Exhibit 13: Our revised estimates (consolidated)

(INR M)	FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	1,249,713	1,249,239	0.0	1,387,182	1,379,216	0.6
EBITDA	113,370	109,041	4.0	135,245	131,881	2.6
EBITDA (%)	9.1	8.7	30bp	9.7	9.6	20bp
Adj. PAT	38,752	36,454	6.3	54,585	54,005	1.1
EPS (INR)	3.6	3.4	6.3	5.1	5.1	1.1

Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement (INR M)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total Income from Operations	**582,250**	**637,740**	**787,881**	**984,947**	**1,136,626**	**1,249,713**	**1,387,182**	**1,550,152**
Change (%)	-4.1	9.5	23.5	25.0	15.4	9.9	11.0	11.7
Raw Materials	325,979	367,363	453,174	544,147	610,522	692,484	769,819	866,751
Employees Cost	140,996	153,746	179,314	235,385	283,870	298,063	312,966	328,615
Other Expenses	63,135	69,637	93,032	115,209	136,715	145,796	169,152	196,738
Total Expenditure	**530,110**	**590,746**	**725,519**	**894,741**	**1,031,107**	**1,136,342**	**1,251,937**	**1,392,103**
% of Sales	91.0	92.6	92.1	90.8	90.7	90.9	90.3	89.8
EBITDA	**46,880**	**46,994**	**62,362**	**90,206**	**105,519**	**113,370**	**135,245**	**158,049**
Margin (%)	8.1	7.4	7.9	9.2	9.3	9.1	9.7	10.2
Change (%)	0.7	0.2	32.7	44.6	17.0	7.4	19.3	16.9
Depreciation	30,260	29,582	31,358	38,105	44,934	51,534	56,574	61,614
EBIT	**16,620**	**17,412**	**31,003**	**52,101**	**60,585**	**61,836**	**78,671**	**96,435**
Interest Charges		5,426	7,809	18,112	18,824	14,930	13,194	10,794
PBT bef. EO Exp.	**16,620**	**14,562**	**24,890**	**35,865**	**47,338**	**50,253**	**69,325**	**90,066**
Tax Rate (%)	33.6	43.1	29.6	27.4	23.6	32.0	27.0	27.0
MI and Income from associates	440	-290	2,178	658	-1,848	-3,575	-3,977	-4,423
Reported PAT	**10,590**	**8,304**	**15,306**	**27,162**	**38,030**	**36,257**	**54,585**	**70,171**
Adjusted PAT	**10,590**	**8,237**	**15,344**	**25,108**	**38,030**	**38,752**	**54,585**	**70,171**
Change (%)	30.8	-22.2	86.3	63.6	51.5	1.9	40.9	28.6

Consolidated - Balance Sheet (INR M)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	4,518	4,518	6,776	6,776	7,115	10,673	10,673	10,673
Total Reserves	121,088	201,365	217,739	254,773	341,688	363,510	401,720	450,839
Net Worth	**125,606**	**205,882**	**224,515**	**261,549**	**348,804**	**374,183**	**412,392**	**461,512**
Minority Interest	40,233	17,763	19,254	20,606	22,482	24,710	27,115	29,713
Total Loans	107,580	127,609	121,657	173,513	146,437	137,937	125,937	113,937
Deferred Tax Liabilities	-10,224	-11,486	-13,645	-20,746	-24,413	-24,413	-24,413	-24,413
Capital Employed	**263,195**	**339,768**	**351,781**	**434,922**	**493,309**	**512,416**	**541,031**	**580,749**
Net Fixed Assets	**192,782**	**175,128**	**188,750**	**237,877**	**259,358**	**267,824**	**266,249**	**259,635**
Goodwill	24,718	33,743	37,726	57,501	65,540	65,540	65,540	65,540
Capital WIP	8,769	13,097	14,779	24,978	26,457	26,457	26,457	26,457
Total Investments	**2,581**	**7,212**	**6,834**	**8,976**	**72,906**	**106,906**	**160,906**	**214,906**
Curr. Assets, Loans&Adv.	**178,716**	**194,908**	**227,640**	**350,435**	**432,388**	**401,511**	**414,216**	**450,313**
Inventory	49,956	64,417	78,228	91,386	107,873	114,413	126,426	140,831
Account Receivables	56,931	65,731	85,135	156,371	174,307	147,103	162,548	181,069
Cash and Bank Balance	59,367	48,775	45,381	67,432	56,426	78,638	57,299	52,618
Loans and Advances	12,463	15,985	18,897	35,246	93,782	61,356	67,942	75,796
Curr. Liability & Prov.	**207,430**	**211,447**	**253,091**	**394,549**	**410,751**	**403,233**	**439,748**	**483,514**
Account Payables	111,407	124,775	141,363	226,172	236,692	260,361	286,397	315,037
Other Current Liabilities	89,575	81,567	106,258	156,687	164,114	129,176	138,149	151,489
Provisions	6,449	5,104	5,471	11,690	9,945	13,695	15,202	16,988
Net Current Assets	**-28,714**	**-16,538**	**-25,451**	**-44,115**	**21,637**	**-1,722**	**-25,532**	**-33,200**
Other non-current asset	63,060	127,126	129,145	149,705	47,410	47,410	47,410	47,410
Appl. of Funds	**263,195**	**339,768**	**351,781**	**434,922**	**493,309**	**512,416**	**541,031**	**580,749**

Financials and valuations

Ratios								
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Basic (INR)								
EPS	**1.0**	**0.8**	**1.4**	**2.4**	**3.6**	**3.6**	**5.1**	**6.6**
BV/Share	11.8	19.3	21.0	24.5	32.7	35.1	38.6	43.2
DPS	0.6	0.3	0.4	0.5	1.1	1.0	1.5	2.0
Payout (%)	64.0	35.4	28.8	20.0	30.0	30.0	30.0	30.0
Valuation (x)								
P/E	130.5	167.7	90.0	55.0	36.3	35.7	25.3	19.7
P/BV	11.0	6.7	6.2	5.3	4.0	3.7	3.4	3.0
EV/Sales	2.3	2.2	1.8	1.4	1.2	1.1	1.0	0.9
EV/EBITDA	28.3	30.1	22.0	15.4	13.0	11.9	10.1	8.6
Dividend Yield (%)	0.5	0.2	0.3	0.4	0.8	0.8	1.2	1.5
FCF per share (Eco. Int. basis)	2.9	0.0	2.3	3.3	1.7	8.5	7.0	8.7
Return Ratios (%)								
RoE	8.9	5.0	7.1	10.3	12.5	10.7	13.9	16.1
RoCE (post-tax)	4.2	3.8	6.7	10.0	10.9	8.8	11.4	13.1
RoIC	5.6	4.3	7.9	12.2	13.8	13.2	19.2	24.1
Working Capital Ratios								
Fixed Asset Turnover (x)	2.4	2.4	2.3	2.1	2.0	2.0	2.0	2.1
Asset Turnover (x)	2.2	1.9	2.2	2.3	2.3	2.4	2.6	2.7
Inventory (Days)	31	37	36	34	35	33	33	33
Debtor (Days)	36	38	39	58	56	43	43	43
Creditor (Days)	70	71	65	84	76	76	75	74
Leverage Ratio (x)								
Current Ratio	0.9	0.9	0.9	0.9	1.1	1.0	0.9	0.9
Interest Cover Ratio	NA	3.2	4.0	2.9	3.2	4.1	6.0	8.9
Net Debt/Equity	0.4	0.3	0.3	0.4	0.0	-0.1	-0.2	-0.3

Consolidated - Cash Flow Statement								(INR M)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
OP/(Loss) before Tax	16,129	19,088	24,048	38,402	52,613	48,061	69,325	90,066
Depreciation	29,764	29,964	31,358	38,105	44,934	51,534	56,574	61,614
Interest & Finance Charges	4,544	4,346	7,809	18,112	18,824	14,930	13,194	10,794
Direct Taxes Paid	-5,600	-8,324	-8,535	-14,353	-18,198	-15,380	-18,718	-24,318
(Inc)/Dec in WC	6,432	-20,797	-6,846	-674	-20,783	45,571	2,472	2,986
Others	-757	351	-1,405	-3,902	-14,528	5,803	6,383	7,021
CF from Operating incl EO	**50,512**	**24,627**	**46,431**	**75,689**	**62,862**	**150,519**	**129,230**	**148,164**
(Inc)/Dec in FA	-19,325	-24,363	-21,829	-40,101	-44,330	-60,000	-55,000	-55,000
Free Cash Flow	**31,187**	**264**	**24,602**	**35,589**	**18,532**	**90,519**	**74,230**	**93,164**
(Pur)/Sale of Investments	-45	-123	-279	-1,958	-1,869	-34,000	-54,000	-54,000
Others	436	1,367	-340	-24,559	-2,417	0	0	0
CF from Investments	**-18,934**	**-23,119**	**-22,448**	**-66,618**	**-48,616**	**-94,000**	**-109,000**	**-109,000**
Issue of Shares	0	0	-1,453	236	63,762	0	0	0
Inc/(Dec) in Debt	-11,324	2,456	-10,562	40,377	-56,568	-8,500	-12,000	-12,000
Interest Paid	-4,141	-5,528	-8,083	-15,096	-18,311	-14,930	-13,194	-10,794
Dividend Paid	-1,576	-6,457	-3,308	-6,751	-7,463	-10,877	-16,375	-21,051
Others	-3,859	-2,570	-3,972	-5,786	-6,672	0	0	0
CF from Fin. Activity	-20,900	-12,099	-27,377	12,980	-25,252	-34,307	-41,569	-43,846
Inc/Dec of Cash	**10,678**	**-10,591**	**-3,395**	**22,052**	**-11,006**	**22,212**	**-21,339**	**-4,681**
Opening Balance	48,688	59,367	48,775	45,381	67,432	56,426	78,638	57,299
Closing Balance	**59,367**	**48,775**	**45,381**	**67,432**	**56,426**	**78,638**	**57,299**	**52,618**

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.