

Suzlon Energy

BSE SENSEX
83,246

S&P CNX
25,586

SUZLON

Bloomberg	SUEL IN
Equity Shares (m)	13709
M.Cap.(INRb)/(USDb)	657.9 / 7.2
52-Week Range (INR)	74 / 46
1, 6, 12 Rel. Per (%)	-7/-29/-26
12M Avg Val (INR M)	4470

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	171.4	231.6	271.6
EBITDA	30.8	42.5	49.1
Adj. PAT	19.7	29.6	33.7
EPS (INR)	1.4	2.2	2.5
EPS Gr. (%)	33.2	50.7	13.6
BV/Sh. (INR)	6.4	8.6	11.0

Ratios

ND/Equity	-0.3	-0.4	-0.5
ND/EBITDA	-1.0	-1.0	-1.5
RoE (%)	26.4	28.8	25.0
RoIC (%)	12.9	15.0	15.1

Valuations

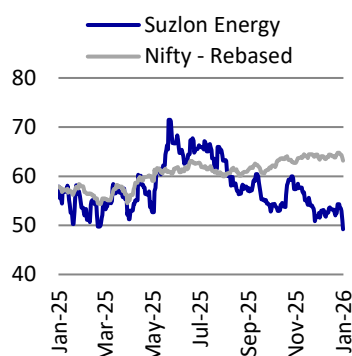
P/E (x)	33.4	22.2	19.5
EV/EBITDA (x)	20.4	14.5	11.9

Shareholding Pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	11.7	11.7	13.3
DII	9.2	10.2	9.3
FII	23.7	22.7	22.9
Others	55.3	55.4	54.6

FII includes depository receipts

Stock Performance (1-year)



CMP: INR48

TP: INR74 (+54%)

Buy

Risk-reward favorable at current levels

Suzlon Energy's (SUEL) share price has been under pressure, declining 15% so far in FY26. Key investor concerns are related to the cannibalization of wind's share in tenders from the solar + BESS segment, a slow pace of wind installation, and rising competitive intensity in wind. However, at the current price, we think the risk-reward is favorable for SUEL.

- **We estimate 20-24GW of incremental demand:** We estimate that data centers, C&I consumers and PSUs could together drive incremental wind demand of 20-24GW by 2030 (comprising ~20% from data centers, 45% from C&I consumers and 35% from PSUs), over and above India's targeted 100GW wind capacity by FY30.
- **EPC strategy as key differentiator:** SUEL's strategy to scale up its EPC share to 50% of the order book is a meaningful competitive advantage. The company's superior execution track record vs. domestic peers, coupled with the limited participation of Chinese OEMs in the EPC space, positions SUEL favorably to capture complex and large-scale projects.
- **Robust near-term opportunity pipeline:** About 15-17GW of wind projects are currently at the bidding/award stage, providing healthy visibility for near-term order inflows.
- **Strong order book coverage:** With the current order book of ~6.5GW, SUEL has full coverage of our estimated WTG deliveries for 2HFY26/FY27 of 1.5GW/3.4GW and ~38% of our estimated 4GW deliveries in FY28.
- **Potential upside from FDRE re-bids:** Of the 40GW of projects with pending PPAs, industry channel checks suggest ~17GW are pure solar, with wind accounting for a negligible share. SUEL management expects a portion of these projects to be re-bid as FDRE, which could materially improve the addressable opportunity for wind.
- **Exports as incremental growth lever:** Exports could emerge as an additional growth driver, with management expecting to start receiving export orders in early FY27 with supplies starting from FY28.
- **Learning from China's experience:** While wind's share in China's annual RE additions declined from 25% to 18% between CY15 and CY24, installed wind capacity in absolute terms increased 2.4x. We believe this has lessons for wind share trajectory in India too.
- **We reiterate our BUY with a target price of INR74.**

Abhishek Nigam – Research Analyst (Abhishek.Nigam@MotilalOswal.com)

Preksha Daga – Research Analyst (Preksha.Daga@MotilalOswal.com)

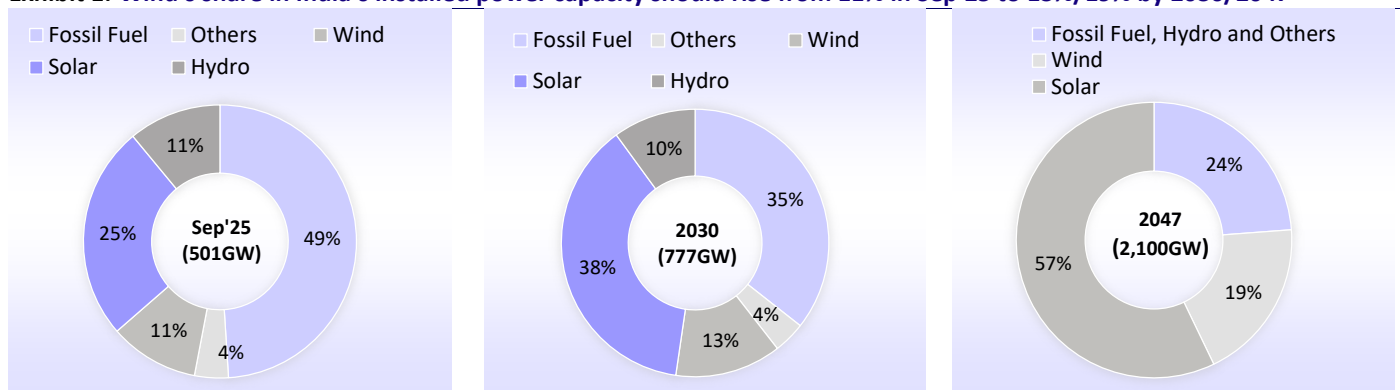
Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Wind capacity additions likely to improve going forward

- **India's installed wind capacity growth to rise from 5.8% historical CAGR to ~14.9% during FY25-30:** As of Mar'25, India's installed wind capacity stood at 50GW, up from 37.7GW in Mar'20, implying a historic CAGR of 5.8% over FY20-25. Under the National Electricity Plan (NEP), wind is envisaged to contribute 100GW out of the 500GW renewable capacity target by 2030, with a long-term ambition of 400GW of wind capacity by 2047. This translates into a required CAGR of ~14.9% over FY25-30, significantly higher than the historical growth rate.

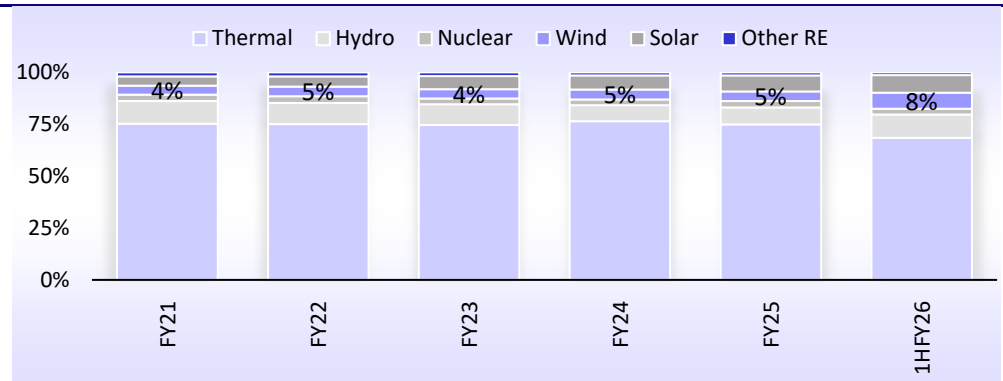
Exhibit 1: Wind's share in India's installed power capacity should rise from 11% in Sep'25 to 13%/19% by 2030/2047



Source: Company, MOFSL

- Global energy institutions like NREL, IEA, WRI, and Lawrence Berkeley suggest that an even higher wind capacity (121-164GW) is needed for a low-cost energy mix by 2030 in the low-cost supply mix scenario (Source: GWEC India Outlook, 2025).
- **SUEL Outlook FY26–28:** SUEL management expects India wind installations to reach 6GW by the end of FY26 and 8GW/10GW in FY27/FY28, giving wind OEMs a strong runway for growth. With 3.9GW of wind capacity already installed in 8MFY26 (total wind capacity now at 54GW at Nov'25 end) and installations expected to accelerate after monsoon, 6GW in FY26 is achievable.
- **FDRE bids favored, as vanilla solar bids lose steam:** In order to maintain grid stability and meet morning and evening peak demand, tendering activity for vanilla solar projects has dropped significantly. For maintaining grid stability and increasing the share of renewables, states prefer tenders of Firm and Dispatchable Renewable Energy (FDRE) projects. As per SECI's standard PPA for FDRE projects, the developer must maintain a 90% demand fulfillment ratio for each 15-minute time block.
- For a 300MW FDRE project requiring ~80% annual PLF, a minimum of 75% PLF on a monthly basis, and ~90% availability during peak periods, a solar + BESS configuration is estimated to result in a tariff of ~INR6.5/kWh. In contrast, a solar + wind + BESS hybrid configuration is estimated to achieve a significantly lower tariff of ~INR4.6–4.7/kWh. Accordingly, on a cost-of-energy basis, achieving round-the-clock (RTC) power at a lower tariff is structurally challenging with a solar + BESS only setup, whereas the inclusion of wind materially improves tariff competitiveness.

Exhibit 2: Wind's share in India's generation mix has been rising



Source: CEA, NPP, MOFSL

Market realignment creates growth potential for wind segment

- **Moderating sector activity but strong wind pipeline:** Although bidding activity is expected to taper down due to ~40GW of projects pending PPAs, SUEL management highlighted that ~15GW of wind projects remain in the bidding/award stage, representing near-term growth opportunities.
- **Wind positioned to gain as 40GW of PPAs are reassessed:** Of the 40GW pending PPAs, as per our industry channel checks, pure solar represents 17GW, while wind accounts for a negligible portion. SUEL management expects that these projects could be rebid as FDRE projects, giving wind another shot in the arm ([link](#)). The potential cancellation/re-bidding of ~40GW of PPAs (largely solar/solar + storage) reflects growing realism in the market—demand must guide supply addition, making wind an essential component of the energy mix.

Exhibit 3: Breakup of 40.8GW of the projects pending PPAs

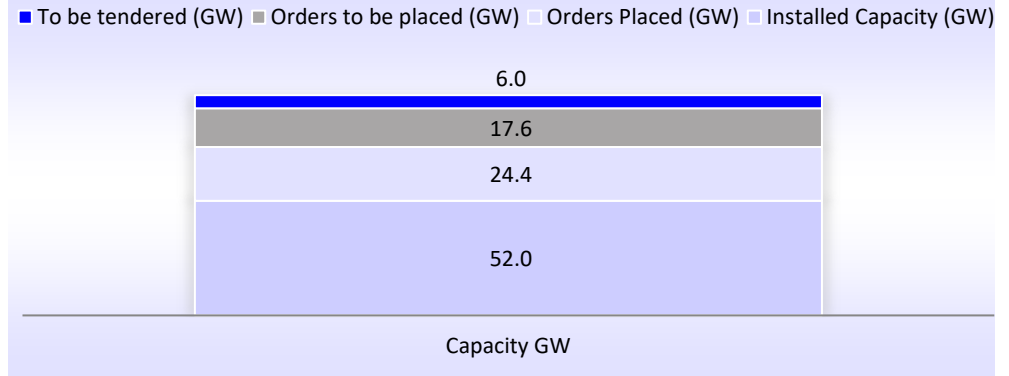
Capacity	Solar	Wind	Hybrid	FDRE	Total (GW)
SECI	8.8	0.1	2.4	0.8	12.1
NTPC	4.6	0	5.9	2.3	12.8
NHPC	2.4	0	0.9	4.6	7.9
SJVN	1.2	0.2	4.2	2.4	8.0
Total	17.0	0.3	13.4	10.1	40.8

Source: Industry, MOFSL

SUEL's order book provides visibility on FY26-28 deliveries and beyond

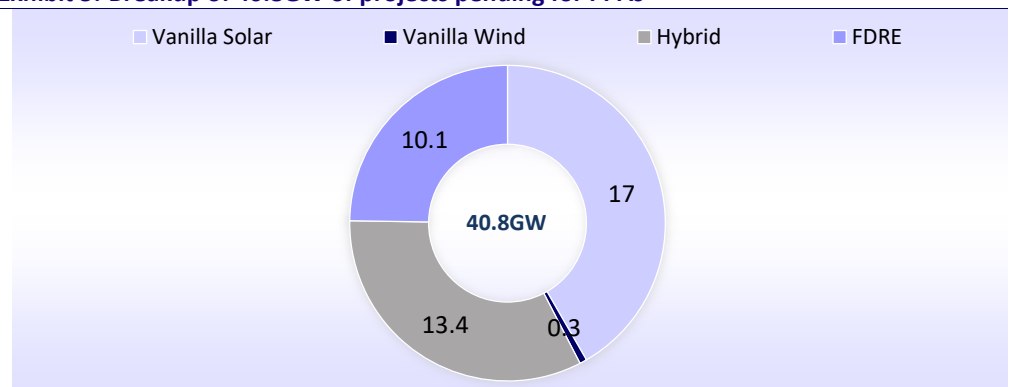
- **Robust order book supports near/medium-term deliveries:** India's installed wind capacity stands at 52GW, with 24.4GW of further orders placed, while SUEL currently has an order book of 6.2GW (~25% market share), including over 2GW of orders secured by the company in 1HFY26, reflecting healthy order inflows.
- The current order book of ~6.5GW covers 100% of our estimated WTG deliveries for 2HFY26/FY27 of 1.5GW/3.4GW and ~38% of 4GW deliveries estimated in FY28, providing clear visibility on near/medium-term execution.
- **Path to 100GW by FY30:** To meet India's 100GW wind target by FY30, an additional 17.6GW of orders need to be placed, with additional 6GW currently pending for tendering. SUEL is well positioned to capture a meaningful share of this upcoming opportunity of 23.6GW, and at an assumed 25% market share, the company could secure 6GW of incremental orders.

Exhibit 4: Breakup of India's wind target of 100GW by 2030



Source: Company, MOFSL

Exhibit 5: Breakup of 40.8GW of projects pending for PPAs



Source: Industry, MOFSL

SUEL embarks on new EPC strategy

- SUEL aims to increase its engineering, procurement and construction (EPC) share from 20% of the order book to 50% by FY28 as EPC remains critical to ensure control over execution. Despite being a lower-margin business, it is vital for growing the order book. Wind OEMs are well placed to address the multitude of sectoral challenges such as land acquisition, right-of-way issues, and grid connectivity delays.
- In line with this approach, SUEL has adopted a proactive strategy where it does land development in advance to curtail any execution delays. So far, SUEL has initiated land acquisition for 7-8GW of wind sites and has identified another 16GW of potential sites. This gives SUEL a strategic edge vs. domestic/Chinese peers as it already has a strong track record in EPC.

Renewable upside from data centers, PSUs and C&I customers

- **Wind contribution to recent RE capacity additions:** Of the total RE capacity additions in India during FY23-25, wind energy accounted for 15-18%, underscoring its continued relevance within the clean energy mix.
- **Incremental demand beyond national targets:** Incremental demand from C&I consumers, data centers and PSUs is expected to be incremental to India's stated 500GW RE target by FY30:
 - **Data center-led RE demand:** India's data center capacity is projected to scale up to 8GW by 2030 ([link](#)), implying a nearly 5x increase from the current 1.5GW. Assuming 4-5GW of RE capacity for 1GW of data center

capacity (given the 24x7 operational profile of data centers), this translates into incremental RE demand of 26-32GW. Assuming wind accounts for 15% of this requirement, wind demand of 4-5GW could emerge from data centers.

- **C&I demand outlook:** As per Mr. Santosh Kumar Sarangi, Secretary, the Ministry of New and Renewable Energy (MNRE), there could be an additional C&I demand of 60-80GW of RE capacity by 2030 ([link](#)). Assuming 15% of this capacity is sourced from wind, this implies potential wind demand of 9-12GW.
- **PSU-led renewable additions:** Based on cumulative disclosures across PSU annual reports, planned RE capacity additions are estimated to be at least 45GW by 2030. Assuming wind constitutes 15% of these additions, this creates incremental wind potential of 7GW.
- **Cumulatively, data centers, C&I consumers and PSUs could generate at least 20-24GW of incremental wind demand by 2030, over and above India's 100GW wind energy target for FY30.**

Exhibit 6: Incremental wind demand of 20-24GW by 2030

Type of Customer	Demand for Wind Capacity (GW)
C&I Customers	12
PSU	7
Data Centers	4-5
Total incremental demand	20-24

Source: Company, IBEF, MOFSL

Exhibit 7: Renewable capacity targets of energy-intensive PSUs

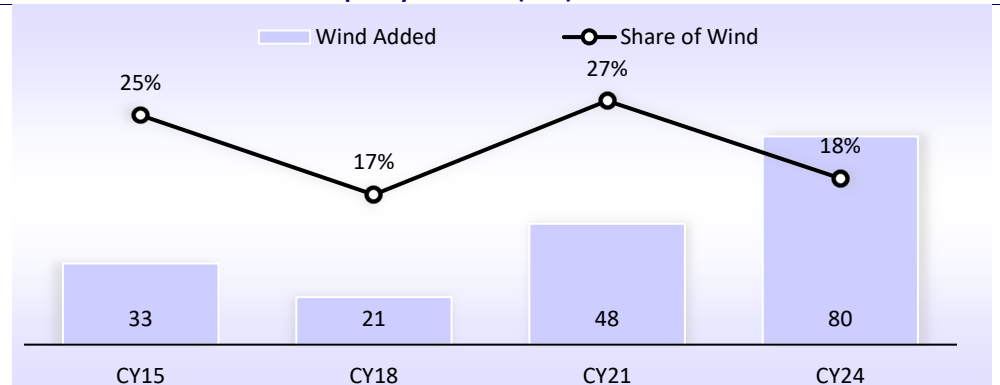
Company	Installed Capacity (GW)	Targeted Capacity (GW)	Year of Achievement	Expected Capacity till 030 (GW)	Capacity additions till 2030 (GW)
ONGC	2.50	10.00	2030	10.00	7.50
GAIL	0.15	3.50	2035	1.40	1.25
BPCL	0.16	10.00	2035	4.00	3.85
IOCL	0.25	31.00	2030	31.00	30.75
Oil India	0.19	5.00-5.50	2040	0	-
PLNG	-	Not specified		0	-
Total	3.25	54.50		46.40	43.35

Evolving energy landscape in China marks wind's indispensability

- **China targets minimum 120GW of wind additions each year till 2030:** China's installed wind capacity stood at 522GW as of CY24 end, with a target to add not less than 120GW each year to reach 1.3TW by 2030 as per the Beijing Declaration on Wind Energy 2.0. This shows the continued significance of wind in sustainable power generation.
- **Wind installations continue to grow even as energy mix share dwindles:** The share of wind in China's installed base has fallen from 25% in CY15 to 18% in CY24, though absolute annual wind installations have increased from 33GW added in CY15 to 79.8GW added in CY24, which shows a 10.3% CAGR over this nine-year period.
- **Wind is indispensable for providing firm and economic energy:** Drawing from China's experience, we can see that as a country progresses toward additional renewable capacity, solar capacity will be added at a faster pace, but wind will

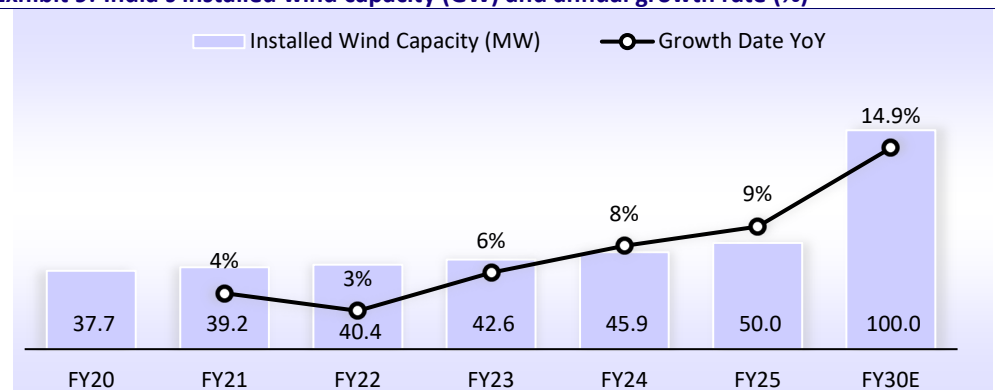
continue to be an indispensable part of the energy mix, given its role in providing firm and economic energy, as compared to solar energy, which follows a bell-shaped supply curve during solar hours, misaligning with the demand profile of the average industrial and residential consumer.

Exhibit 8: China annual wind capacity addition (GW) and its % share in total installed base



Source: National Energy Administration of China, MOFSL

Exhibit 9: India's installed wind capacity (GW) and annual growth rate (%)



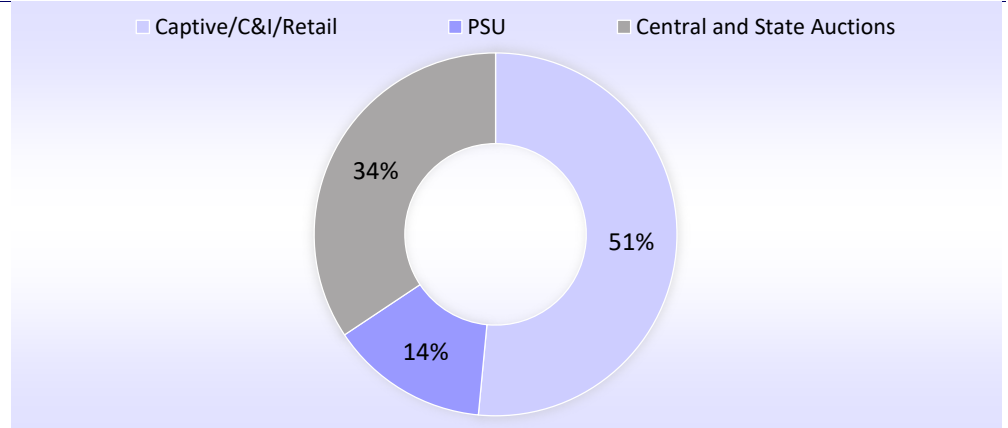
Source: CEA, MOFSL

Strong earnings visibility supported by growing order book

- **Order book of ~6.5GW:** SUEL currently has an order book of ~6.5GW (Dec'25 end). We are expecting contract awards on ~1.5GW of NTPC orders, where we believe SUEL might participate and remain a strong contender. We are modeling total new orders of ~4GW/4.4GW/4.4GW and deliveries of 2.5GW/3.4GW/3.9GW for SUEL in FY26/FY27/FY28 with WTG gross margins of 24%.
- **Adj. PAT CAGR of 38% over FY25-28:** We estimate a CAGR of 36%/38%/32% in revenue/EBITDA/adjusted PAT over FY25-28. We estimate consol. EBITDA margins to remain healthy at ~17-18% in FY26/FY27/FY28.
- **Limited or no cash tax payment until FY27:** Total deferred tax assets (DTA) as of Sep'25 stood at INR12.3b, which provides a tax shield to ~INR50b worth of profits assuming an effective corporate tax rate of 25%. Over time, this DTA will be recognized as a non-cash tax expense in the books in line with profits, hence there will be no cash taxes up till at least INR50b of profits, complementing the cash flow. We estimate SUEL not to have any cash tax liability until FY27, which should help it to conserve cash flows.

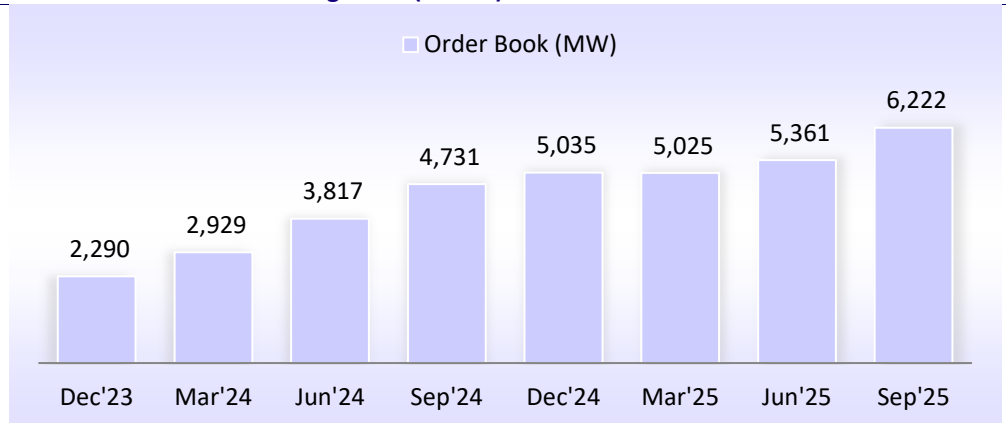
- **Losses of INR80b in losses provide scope for future cash tax shield:** SUEL reported total carried-forward losses of INR140b as of FY25, of which INR60b have been recognized as DTA. The remaining unrecognized losses of INR80b continue to be carried on the books and represents potential for further DTA recognition in the future, subject to meeting the required recognition criteria, thereby offering an additional cash tax shield against future profitability.

Exhibit 10: SUEL's 6.2GW order book breakup at 2QFY26 end



Source: Company, MOFS

Exhibit 11: SUEL's order book growth (in MW)



Source: Company, MOFSL

Exhibit 12: Order wins in FY26 (YTD)

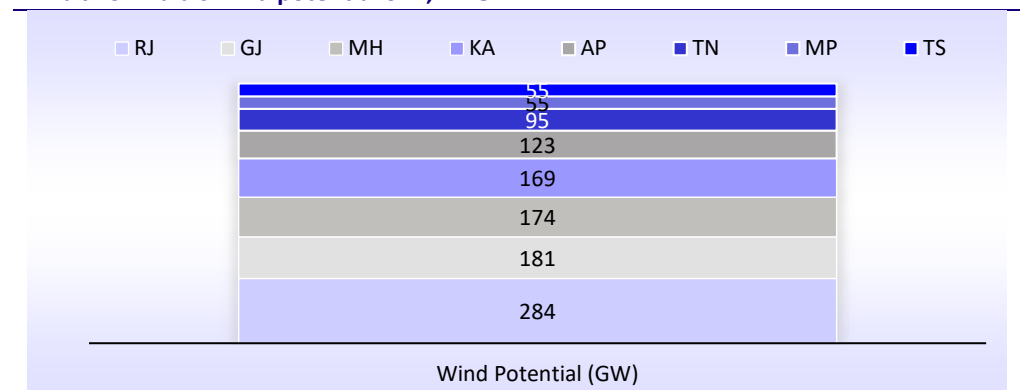
Month	Company	MW	Location	Quantity & Model	Month
Dec'25	Yanara	306	Rajasthan	102 S144 WTGs	Dec'25
Sep'25	Tata Power Renewable Energy Limited	838	Maharashtra, Karnataka and Tamil Nadu	266 S144 WTGs	Sep'25
Aug'25	Zelestara	381	Maharashtra, Madhya Pradesh and Tamil Nadu	127 S144 WTGs	Aug'25
Jun'25	AMPIN Energy Transition	170	Andhra Pradesh	54 S144 WTGs	Jun'25
Apr'25	NTPC Green Energy Limited	378	Karnataka	120 S144 WTGs	Apr'25
Apr'25	Sunsure Energy	101	Maharashtra	48 S120 WTGs	Apr'25
Total		2,174			

Source: Company, MOFSL

SUEL drives India's 100GW wind ambition with 4.5GW manufacturing capacity

- SUEL currently operates with an annual manufacturing capacity of 4.5GW, supported by a workforce of 7,579 employees. To support this growth trajectory, the company plans to add incremental capacity from FY26 onward through three new smart-blade factories.
- Two of these facilities will be in Gujarat and Karnataka, while the third site is expected to be finalized in the next 2-3 months. The new facilities aim to reduce turnaround time, enhance proximity to customers and wind sites, and improve logistics and transportation efficiency.
- Generation forecasts have improved significantly with technological advancements, and SUEL is now able to predict wind output at 15-minute intervals with 98% accuracy, with efforts underway to reach 10-minute intervals.
- The company reiterated the significant untapped potential in India's wind sector; of the 1,142 GW assessed potential, only ~4% has been harnessed so far.

Exhibit 13: India's wind potential of 1,142GW

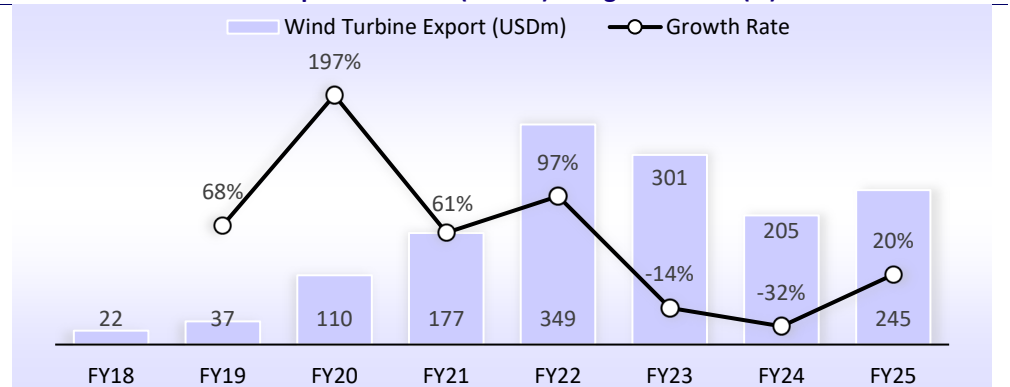


Source: Company, MOFSL

India gearing up to meet 10% of global demand by 2030

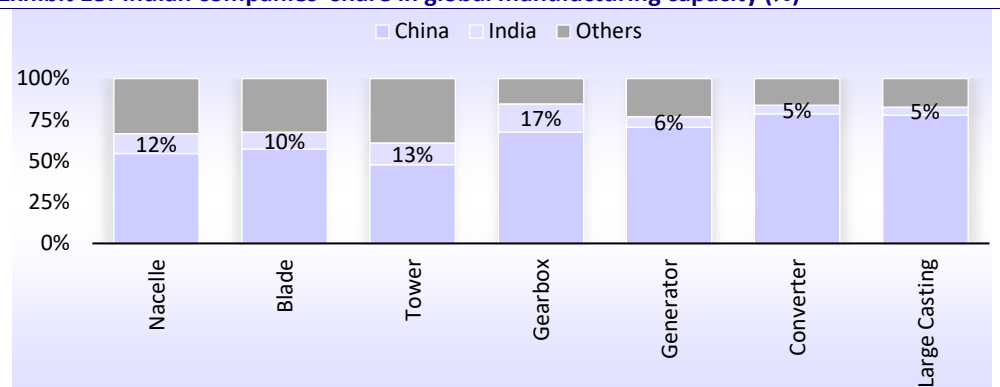
- With an annual wind manufacturing capacity of 22GW+, India possesses both the ecosystem and manufacturing capacity to emerge as a major global wind export hub, and global OEMs are already exporting from India.
- India is currently the world's third largest wind equipment manufacturing hub, and according to Global Wind Energy Council (GWEC), India could account for 10% of the global wind supply chain by 2030 ([link](#)).
- SUEL expects global wind capacity to expand 2.5x over the next five years and is studying various markets and setting up its team. Its current turbine platform is already 90-95% suitable for most export markets; customization related to grid codes, regulatory certifications, and minor product tuning can typically be completed within 12-18 months, with no major capex required.
- Export projects will be WTG supply only with no EPC risks, and SUEL expects to start receiving export orders in early FY27 with supplies starting from FY28.

Exhibit 14: Wind turbine exports FY18-25 (USD m) and growth rate (%)



Source: Ministry of Commerce & Industry, MOFSL

Exhibit 15: Indian companies' share in global manufacturing capacity (%)



Source: IWEI, MOFSL

Long-term energy trends

- India's broader energy landscape is set for structural expansion, with RE capacity projected to rise from ~180GW in FY25 to ~1,600GW by 2047. Moreover, wind capacity is expected to increase from 53GW to ~400GW over the same period, representing the utilization of only ~35% of India's available wind resources.
- Power demand is anticipated to grow ~5% annually, driven by new electrification use cases such as AI data centers, EVs, and green hydrogen, which together could account for nearly 30% of India's future consumption. The rising share of energy-intensive manufacturing (likely to rise from 27% to 34% by 2047), the shift away from ISTS waivers and the introduction of solar and non-solar hours under GNA reforms are expected to push RE additions toward state-level procurement.
- SUEL believes its strong product performance, with over 95% of turbines meeting original lifecycle assumptions, positions it well for this multi-decade growth opportunity.

Foreign players scale capacities

- **Envision expanding with investment of INR5b:** Envision Energy India, India's WTG market leader with an order book of over 10 GW ([link](#)), plans to invest INR5b to set up a second blade plant near Ahmedabad and a new gearbox facility in Pune, and expand its Trichy plant, along with increasing nacelle and

hub capacity in Pune from 3GW to 5GW, with the goal of raising domestic content from 60% to 80% ([link](#)).

- **ZF Wind boosts gearbox capacity:** Germany's ZF Wind Power increased its gearbox manufacturing capacity from 9GW to 12GW at its Coimbatore facility in Jun'25, showing its confidence in India as a global export hub.
- **Siemens Gamesa acquired by TPG and Murugappa Group:** After the successful acquisition of Siemens Gamesa's onshore wind business in India and Sri Lanka, led by TPG and MAVCO, the newly formed entity has been launched as Vayona Energy. It has a strong customer order book of 1GW+ and an asset base of 12GW operational + development portfolio in India and Sri Lanka.
- **Nordex signed INR10b MoU with TN:** German WTG manufacturer, Nordex Group, currently operates a 3GW nacelle and 2GW rotor blade facility in Tamil Nadu for exports. In Sep'25, Nordex signed an MoU with the state government to invest INR10b to expand manufacturing capacity at the Chennai plant ([link](#)).

MNRE push for localization acts as key tailwind for Domestic OEMs

- **Separate list for components, ALMM-WTC floated:** As per MNRE, in addition to having nacelle and hub manufacturing facilities in India, no major component (blade, special bearings, gearbox, generator and tower) can be installed in India unless it is formally listed in the ALMM-WTC (subject to exceptions).
- **Govt pushes for data, R&D localization:** It is notable that a mandatory physical inspection is required for the listing of a component manufacturing facility before its inclusion in the ALMM-WTC list. Furthermore, all data centers and servers hosting data of wind turbines must be stored in India, real-time operational data is prohibited from being transferred out of India, the operational control of the turbine shall be conducted from India exclusively, and the R&D center shall be in India within one month of issuance of said OM.

Valuation & view

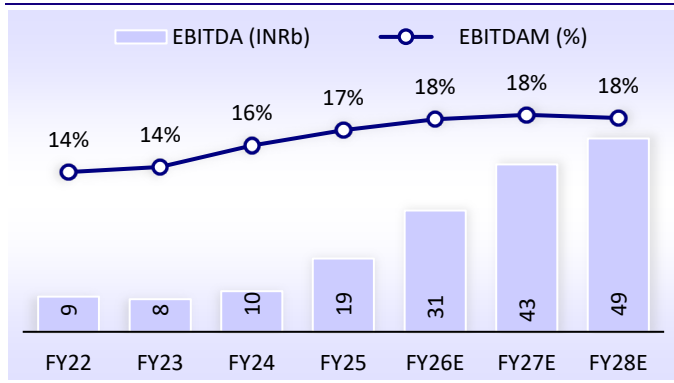
We arrive at a TP of INR74 by applying a target P/E of 30x to FY28E EPS. This is slightly above its historical average two-year forward P/E of 27x, as execution and earnings are picking up. While valuations across the renewable capital goods space have come off, they remain somewhat elevated given a healthy earnings growth trajectory, a decent order book, improving cash flows, and a positive industry outlook.

Exhibit 16: SUEL – Valuation table

EPS- FY28	INR	2.5
Valuation multiple	(x)	30
Target Price	INR	74
CMP	INR	48
Upside / (Downside)	%	54%

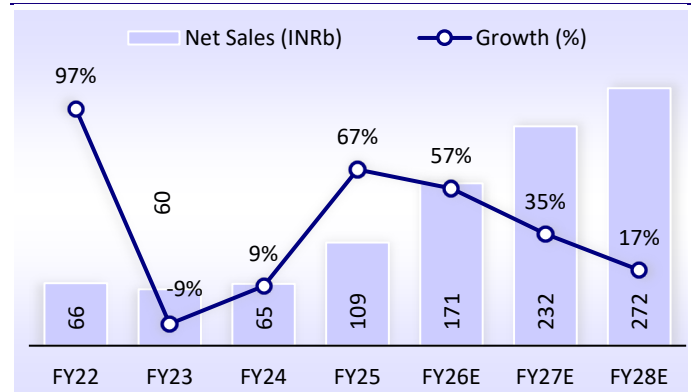
Story in charts

Exhibit 17: EBITDA and EBITDA margin trends



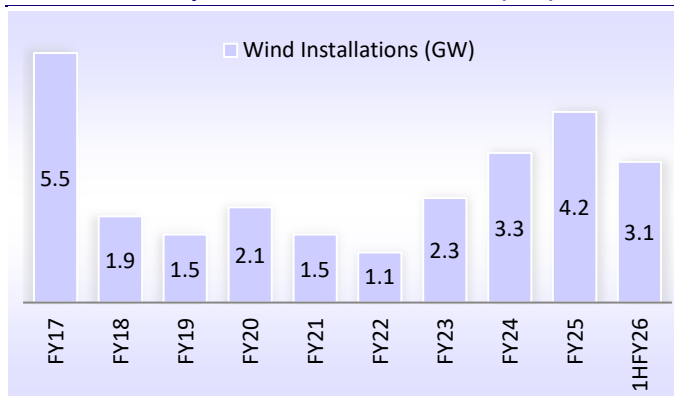
Source: Company, MOFSL

Exhibit 18: Net sales growth over the years



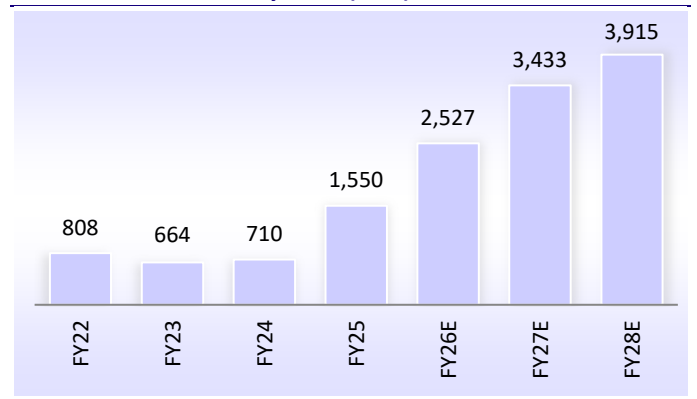
Source: Company, MOFSL

Exhibit 19: Yearly wind installations in India (GW)



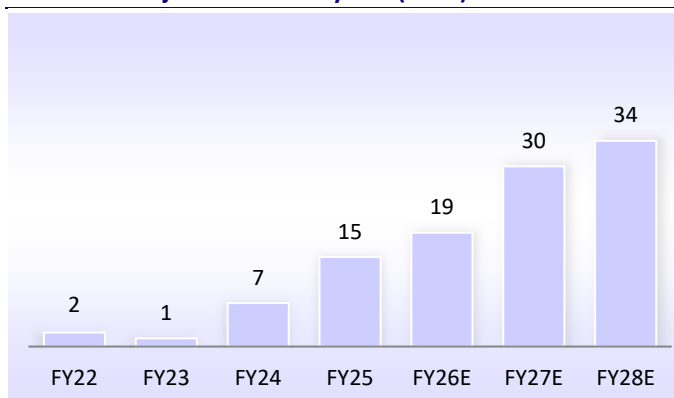
Source: Company, MOFSL

Exhibit 20: Deliveries by SUEL (MW)



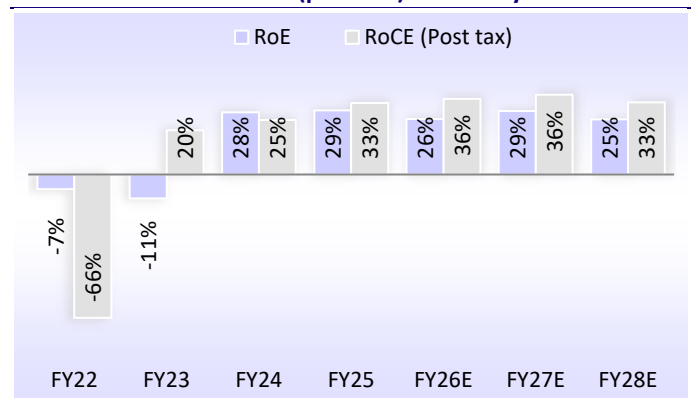
Source: Company, MOFSL

Exhibit 21: Adj. PAT over the years (INRb)



Source: Company, MOFSL

Exhibit 22: RoE and RoCE (post-tax) over the years



Source: Company, MOFSL

Financials and valuations

Consolidated Income Statement

(INR m)

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	59,705	65,291	108,897	171,430	231,595	271,596
Change (%)	-9%	9%	67%	57%	35%	17%
Total Expenses	51,386	55,002	90,325	140,626	189,086	222,499
EBITDA	8,319	10,289	18,572	30,804	42,510	49,098
EBITDAM (%)	13.9%	15.8%	17.1%	18.0%	18.4%	18.1%
Depn. & Amortization	2,597	1,896	2,592	3,174	4,135	4,535
EBIT	5,722	8,393	15,980	27,629	38,375	44,563
Net Interest and finance cost	4,208	1,643	2,548	4,347	3,803	3,260
Other income	196	384	1,034	1,195	1,616	1,895
PBT before extraordinary items	1,711	7,134	14,466	24,478	36,188	43,198
EO income/ (expense)	27,206	-539	5,999	7,182	-	-
PBT	28,917	6,595	20,465	31,660	36,188	43,198
Tax	44	-9	-251	4,749	6,514	9,504
Rate (%)	0%	0%	-1%	15%	18%	22%
JV/Associates	-	-	-	-	-	-
Minority	383	-	-	54	26	26
Reported PAT	28,490	6,603	20,716	26,857	29,648	33,668
Adjusted PAT	1,328	7,134	14,717	19,675	29,648	33,668
YoY change (%)	-42%	437%	106%	34%	51%	14%

Consolidated Balance Sheet

(INRm)

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share Capital	24,544	27,217	27,318	27,428	27,428	27,428
Share Warrants & Outstanding	-	291	-	-	-	-
Reserves	-13,553	11,695	33,739	60,650	90,324	124,019
Net Worth	10,991	39,203	61,057	88,078	117,753	151,447
Minority Interest	-	-	-	54	80	107
Total Loans	19,049	1,100	2,833	6,975	6,975	6,975
Capital Employed	30,040	40,303	63,891	95,107	124,808	158,529
Net Fixed Assets	8,369	8,595	12,740	13,065	12,931	12,396
Capital WIP	26	162	887	1,387	1,887	2,387
Intangible assets under development	34	35	164	164	164	164
Investments	292	270	258	258	258	258
Curr. Assets	46,512	62,728	115,547	157,170	202,083	245,797
Account Receivables	11,704	18,296	38,664	44,813	60,601	66,769
Current Investments	-	84	429	829	1,229	1,629
Inventories	18,271	22,923	32,336	40,983	56,720	63,576
Cash and Cash Equivalents	3,673	4,268	11,128	37,554	50,542	80,832
Cash balance	3,673	2,496	9,011	35,437	48,425	78,714
Bank balance	-	1,773	2,118	2,118	2,118	2,118
Others	12,863	17,158	32,991	32,991	32,991	32,991
Curr. Liability & Prov.	25,194	31,488	65,705	76,938	92,515	102,473
Account Payables	8,946	17,958	29,351	40,638	56,242	66,225
Provisions & Others	16,247	13,530	36,354	36,300	36,274	36,247
Net Curr. Assets	21,319	31,241	49,842	80,233	109,568	143,324
Appl. of Funds	30,040	40,303	63,891	95,107	124,808	158,529

Financials and valuations

Ratios

Y/E March (INR)	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)						
EPS	0.1	0.5	1.1	1.4	2.2	2.5
Cash EPS	0.3	0.7	1.3	1.7	2.5	2.8
BV/Share	0.9	2.9	4.5	6.4	8.6	11.0
Valuation (x)						
P/E	443.5	91.6	44.5	33.4	22.2	19.5
Cash P/E	150.1	72.3	37.9	28.8	19.5	17.2
P/BV	53.6	16.7	10.7	7.5	5.6	4.3
EV/Sales	10.1	10.0	5.9	3.7	2.7	2.2
EV/EBITDA	72.7	63.2	34.9	20.4	14.5	11.9
Return Ratios (%)						
RoE	-11%	28%	29%	26%	29%	25%
RoCE (Post tax)	20%	25%	33%	36%	36%	33%
RoIC (Post tax)	6%	7%	9%	13%	15%	15%
Working Capital Ratios						
Payable (Days)	86.3	164.6	155.6	125.4	125.4	125.0
Inventory (Days)	176.3	210.1	171.4	126.4	126.4	120.0
Debtor (Days)	71.6	102.3	129.6	95.4	95.5	89.7
Leverage Ratio (x)						
Net Debt / EBITDA	1.8	-0.3	-0.4	-1.0	-1.0	-1.5
Net Debt / Equity ratio	1.4	-0.1	-0.1	-0.3	-0.4	-0.5

Cash Flow Statement

(INR m)

Y/E March (INR)	FY23	FY24	FY25	FY26E	FY27E	FY28E
PBT	28,917	6,595	14,466	31,660	36,188	43,198
Depreciation	2,597	1,896	2,592	3,174	4,135	4,535
Interest	-196	-383	-1,030	4,347	3,803	3,260
Others	-21,070	3,501	3,809	-	-	-
(Inc)/Dec in WC	-5,188	-10,610	-8,902	-15,197	-31,925	-13,424
Direct Taxes Paid	-149	-203	-15	-21	-	-9,504
CF from Operations	4,911	795	10,920	23,963	12,201	28,065
(Inc)/Dec in FA	-142	-2,264	-3,684	-4,000	-4,500	-4,500
Investments and others	991	748	-3,833	6,558	9,090	9,984
CF from Investments	849	-1,516	-7,517	2,558	4,590	5,484
Equity raised	10,797	20,652	1	110	-	-
Grants etc	-	-	-	-	-	-
Inc/(Dec) in Debt	-13,633	-18,265	4,432	4,141	-	-
Interest Paid	-4,253	-1,071	-1,002	-4,347	-3,803	-3,260
Dividend Paid	-	-	-	-	-	-
CF from Fin. Activity	-7,089	1,316	3,430	-95	-3,803	-3,260
Inc/Dec of Cash	-1,329	596	6,832	26,426	12,988	30,289
Add: Beginning Balance	5,004	3,673	4,268	11,128	37,554	50,542
Effect of exchange difference	-	-	-	-	-	-
Cash and bank balances adjusted on sale and liquidation of subsidiary	2	1	-28	-	-	-
Closing Balance	3,673	4,268	11,128	37,554	50,542	80,832

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

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://online.reports.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

- 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
- 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
- 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.
- 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.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
- 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.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- 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.

Exhibit 1: 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

Exhibit 2: 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.

Exhibit 3: 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

Exhibit 4: Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDX); 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.