

ABB India

Estimate changes

TP change

Rating change



Bloomberg	ABB IN
Equity Shares (m)	212
M.Cap.(INRb)/(USDb)	1089.6 / 12.5
52-Week Range (INR)	9200 / 4449
1, 6, 12 Rel. Per (%)	-20/-29/10
12M Avg Val (INR M)	3088

Financials Snapshot (INR b)

Y/E DEC	CY25E	CY26E	CY27E
Net Sales	137.9	159.7	184.4
EBITDA	25.3	28.2	31.5
PAT	20.5	23.0	25.5
EPS (INR)	96.9	108.5	120.6
GR. (%)	9.5	12.0	11.1
BV/Sh (INR)	383.8	435.8	488.7

Ratios

ROE (%)	27.0	26.5	26.1
RoCE (%)	27.1	26.6	26.2

Valuations

P/E (X)	53.0	47.4	42.6
P/BV (X)	13.4	11.8	10.5
EV/EBITDA (X)	42.3	37.5	33.3
Div Yield (%)	0.8	0.9	1.1

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	75.0	75.0	75.0
DII	5.7	5.4	6.9
FII	11.9	12.3	10.7
Others	7.5	7.3	7.4

FII Includes depository receipts

CMP: INR5,142
TP: INR6,700 (+30%)
Buy

Better placed

ABB India's 4QCY24 results were ahead of our estimates on revenue/EBITDA/PAT. The company reported 22%/52%/54% YoY growth in revenue/EBITDA/PAT. This was driven by seamless execution and continued strength in margins across segments. Order inflows were down 14% YoY due to the transient impact of slow government and private capex. We expect ABB to be relatively better placed than peers, as 1) ABB has more than 50% exposure to high- and moderate-growth segments, 2) the company has better control over margins on cost efficiencies even if gross margin come off from current levels in future, and 3) it has the ability to gain more on exports as it is being preferred by group companies for exports. We cut our estimates by 6%/9% for FY25/26 to bake in slightly lower order inflows across segments due to slower government capex (35-40% indirect exposure) and slower than expected private capex growth. ABB is currently trading at 53x/47x on CY25E/CY26E earnings. We remain positive on the company and maintain BUY with a revised TP of INR6,700, which implies 60x Mar'27E earnings.

Better-than-expected results led by better price realization and leverage of higher volumes

ABB reported a good set of numbers, with a beat across all parameters. Revenue at INR33.65b grew 22% YoY, beating our expectation of INR31.4b by 7%. With robust demand, stable commodity prices, price hikes and a better product mix, gross margin expanded ~190bp YoY to 40.5%. This drove EBITDA growth of 58% YoY to INR6.6b vs. our estimate of INR5.8b (14% beat). Accordingly, EBITDA margin expanded 440bp YoY to 19.5% vs. our estimate of 18.3%. PAT grew 54% YoY to INR5.3b vs. our estimate of INR4.7b, aided by a lower tax rate of 24.6% vs. our estimate of 26.3%. Order inflows for 4QCY24 stood at INR27b, down 14% YoY, due to a high base of last year, which had one-time large orders from Motion and Process Automation. Overall order inflows for CY24 were up 6% YoY at INR131b; within this, large orders were up 20% YoY, which shows the changing order book mix of the company. Cash balance stood at INR53.9b at the end of 4QCY24. NWC increase was mainly witnessed in inventory, which is consciously built to cater to the delivery of the backlog as per the agreed schedule. For CY24, ABB reported revenue/orders/EBITDA/ PAT growth of 17%/6%/55%/50% YoY.

Order inflows hit by slow spending from government and private sector

Order inflow growth for CY24 stood at 6% YoY and was below our estimates. This was impacted by transient weakness from government and private capex. ABB expects cycles of moderate or high-growth trends in capex until a broad-based capex revival happens. However, enquiry levels from customers remain strong for the company. During the year, motion and process automation segment inflows declined, while electrification and robotics inflows remained strong. ABB expects to benefit from sub segments like renewable and power T&D, data center, transportation and F&B to remain strong within electrification, sub-segments like capex from bioethanol, hydrogen, F&B, transportation, pharma to remain strong within motion segment. For ABB, some headwinds are visible in process industries, such as metals, oil and gas, and cement.

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

In process automation, the company expects strong growth across automotive, EV, electronics and warehousing technologies. We expect a CAGR of 15% in total order inflows over CY24-27E.

Margin performance remains strong

ABB has maintained strong margins across segments, driven by improved volumes, pricing advantage, and cost efficiencies. With some demand moderation being seen and with the benefit of low cost RM inventory fading away, we expect margins to come down from current levels of 18.9% in CY24.. We bake in EBITDA margin of 18.3%/17.7%/17.1% for CY25/26/27E. ABB expects PAT margin to be broadly around 12-15% going forward.

Electrification segment growth momentum continues

Electrification segment witnessed 33% YoY revenue growth in 4QCY24, aided by seamless execution of data center orders from EPC customers and export markets from Distribution Solution division. However, order inflow for the segment was largely flat YoY but was down sharply qoq due to large order wins on data centers received in 3QCY24. Key areas driving growth include distribution solutions, smart power, and smart buildings. Demand remains strong across key industries such as renewables, data centers, transportation, and food & beverage. We expect the segment's revenue/orders to clock a CAGR of 21%/19% over CY24-27, with EBIT margins to be in the range of 20%-22%.

Motion segment ordering was weak, while Robotics segment saw strong execution

Robotics segment was able to convert opportunities from electronics and automotive segments, increasing order inflows by 161% YoY. Motion segment revenue growth was driven by traction drives and converters. Ordering in Motion segment was down 30% YoY on high base of last year which had order wins worth INR6b from mobility. However, we expect both these segments put together to clock a revenue CAGR of 12% over CY24-27 on stronger execution, with EBIT margin ranging around 20%-21%.

Process automation segment witnessed both inflow and revenue decline

Process automation segment inflows were down 18% YoY in 4QCY24. The segment benefited from orders for rectifiers from metals majors, as well as high-value orders from the energy industry. The segment faced some headwinds in the past few quarters, but management believes it to be a transient period and inflows for the segment are expected to grow on increased demand from cement, metals, O&G and other segments. We expect this segment growth to remain impacted by slower ordering and hence expect a revenue CAGR of 4% over CY24-27.

Valuation and recommendation

ABB India is currently trading at 53.0x/47.4x P/E on CY25/CY26 estimates. We trim our estimates by 6%/9% for CY25/CY26 to factor in slightly lower ordering and margin assumptions across segments. We thus expect revenue growth of 13%/16%/16% in CY25/CY26/CY27 and margins of 18.3%/17.7%/17.1%, translating into PAT growth of 10%/12%/11% for CY25/CY26/CY27. Accordingly, we estimate a PAT CAGR of 11% over CY24-27. We maintain our BUY rating with a DCF-based TP of INR6,700, implying a multiple of 60x P/E on Mar'27E EPS.

Key risks and concerns

Slowdown in order inflows, pricing pressure across segments, increased competition, supply chain issues, and geopolitical risks could affect our estimates and valuations.

ABB India

Standalone - Quarterly Earning Model

(INR m)

Y/E December	CY23				CY24				CY24	CY25E	CY24E	Est Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	24,112	25,086	27,692	27,575	30,804	28,309	29,122	33,649	1,21,883	1,41,523	31,440	7
YoY Change (%)	22.5	22.2	30.6	13.6	27.8	12.8	5.2	22.0	16.7	17.6	14.0	
Total Expenditure	21,259	21,599	23,307	23,403	25,152	22,884	23,719	27,076	98,831	1,15,154	25,689	
EBITDA	2,853	3,487	4,385	4,172	5,652	5,425	5,402	6,573	23,052	26,369	5,751	14
Margins (%)	11.8	13.9	15.8	15.1	18.3	19.2	18.6	19.5	18.9	18.6	18.3	
Depreciation	274	292	303	329	314	310	328	337	1,289	1,451	345	-2
Interest	22	14	9	82	38	45	30	51	165	145	31	67
Other Income	723	750	768	776	871	868	929	866	3,534	4,270	989	-12
PBT before EO expense	3,279	3,931	4,842	4,537	6,171	5,938	5,973	7,051	25,133	29,044	6,366	11
Extra-Ord expense												
PBT	3,279	3,931	4,842	4,537	6,171	5,938	5,973	7,051	25,133	29,044	6,366	11
Tax	827	972	1,222	1,085	1,575	1,511	1,568	1,732	6,387	7,319	1,676	
Rate (%)	25.2	24.7	25.2	23.9	25.5	25.5	26.3	24.6	25.4	25.2	26.3	
Reported PAT	2,452	2,959	3,620	3,452	4,596	4,426	4,405	5,319	18,746	21,725	4,690	13
Adj PAT	2,452	2,959	3,620	3,452	4,596	4,426	4,405	5,319	18,746	21,725	4,690	13
YoY Change (%)	-34.3	110.9	84.0	13.1	87.4	49.6	21.7	54.1	50.2	15.6	35.8	
Margins (%)	10.2	11.8	13.1	12.5	14.9	15.6	15.1	15.8	15.4	15.4	14.9	

INR m	CY23				CY24				CY24	CY25E	CY24E	Est Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Segmental revenue												
Robotics & Motion	10,398	10,398	10,993	10,223	11,219	11,601	11,908	12,590	47,318	57,239	12,259	3
YoY Change (%)	33.2	17.9	17.0	2.4	7.9	11.6	8.3	23.2	12.6	21.8	19.9	
Electrification Products	9,994	10,056	10,420	11,302	12,963	11,214	11,540	15,028	50,744	60,553	13,174	14
YoY Change (%)	16.1	20.0	18.3	19.0	29.7	11.5	10.7	33.0	21.5	23.9	16.6	
Process Automation	4,202	5,096	6,756	6,307	7,263	6,327	5,963	6,277	25,830	25,429	6,269	0
YoY Change (%)	22.8	37.6	93.1	23.5	72.9	24.2	-11.7	-0.5	15.5	-1.5	-0.6	
Unallocated and others (incl. excise duty)	19	53	24	29	26	44	47	60	176	207	49	22
Less: inter-segmental	-500	-517	-502	-286	-667	-877	-335	-306	-2,185	-1,905	-312	
Total revenues	24,112	25,086	27,692	27,575	30,804	28,309	29,122	33,649	1,21,883	1,41,523	31,440	7
Segmental EBIT												
Robotics & Motion	1,275	1,484	2,040	1,746	2,332	2,613	2,659	2,485	10,089	11,943	2,619	-5
Margin (%)	12.3	14.3	18.6	17.1	20.8	22.5	22.3	19.7	21.3	20.9	21.4	-162 bp
Electrification Products	1,946	1,640	2,011	2,148	3,078	2,594	2,397	3,548	11,618	13,322	2,687	32
Margin (%)	19.5	16.3	19.3	19.0	23.7	23.1	20.8	23.6	22.9	22.0	20.4	322 bp
Process Automation	389	568	983	810	1,181	1,023	1,145	1,221	4,570	4,323	1,299	-6
Margin (%)	9.2	11.1	14.5	12.8	16.3	16.2	19.2	19.4	17.7	17.0	20.7	-127 bp
Total	3,609	3,692	5,034	4,704	6,590	6,230	6,202	7,254	26,276	29,587	6,604	10



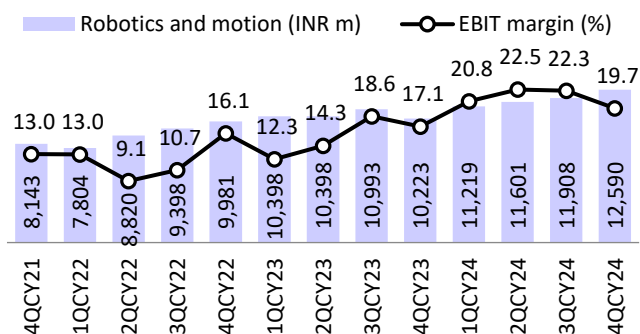
Conference call highlights

- **Order book and inflows:** Order inflow for the quarter was down 14% YoY, but net-in-net was up 6% YoY for CY24. The slowdown in inflows was mainly because of i) a temporary slowdown in government spending due to elections; ii) heavy rains in parts of India causing delays in project execution and new order finalizations; and iii) a temporary slowdown in private sector capex, as businesses took longer to finalize orders. However, management emphasized that the slowdown is transient in nature and that growth is expected to rebound in the coming quarters, backed by strong sectoral demand in electrification, data centers, renewable energy, and industrial automation.
- **Revenue and material costs:** ABB India reported strong revenue growth of 22% YoY in 4QCY24, while CY24 revenue grew by 17% YoY. This performance was driven by a healthy execution of the order backlog, a favorable revenue mix across products, services, and projects, and improved operational efficiencies. Management stated that the company's capacity utilization and localization efforts played a crucial role in sustaining growth. Additionally, key sectors such as electrification, data centers, transportation, and renewable energy contributed significantly to revenue expansion. ABB India remains confident of maintaining its revenue momentum, backed by a strong order book and a robust project pipeline, despite temporary slowdowns in some segments.
- **Margins:** ABB's EBITDA/PAT margin expanded 440bp/330bp YoY in 4Q, reaching record highs. The company reported a material cost standing at 58% (as a % of sales), marking an all-time favorable position, driven by an optimal revenue mix across services, projects, and products. The company's localization efforts and cost efficiencies in product manufacturing have further contributed to this advantage. However, management stated that a bulk of the current orders were booked when metal and commodity prices were lower, allowing ABB to benefit from better pricing and margins. However, the company expects this cost advantage to normalize over time as market conditions evolve. Meanwhile, other expenses, including personnel and fixed costs, have remained stable, with no major one-off impacts or unexpected increases, ensuring a healthy financial position for the company.
- **Guidance:** ABB India remains optimistic about its growth trajectory, despite a temporary slowdown in order inflows in 4QCY24. The company expects strong execution of its INR94b order backlog, with 65%-70% of it likely to be completed in CY25 and the rest to be extended into CY26. In terms of profitability, ABB India expects some normalization in margins, as commodity price benefits ease out. However, operational efficiencies, localization, and a strong product-service mix will help ABB sustain a net margin of 12-15%.
- **Electrification business outlook:** Electrification segment saw strong demand across key industries such as renewables, data centers, transportation, and food & beverage. The company expanded its portfolio by localizing products and enhancing its Faridabad low-voltage motor manufacturing unit. The data center industry, in particular, has become a significant growth driver, reflecting India's increasing digitalization. Management stated that ABB also continued investments in smart buildings and power distribution solutions, catering to growing urban infrastructure needs. However, 4QCY24 saw a dip in orders

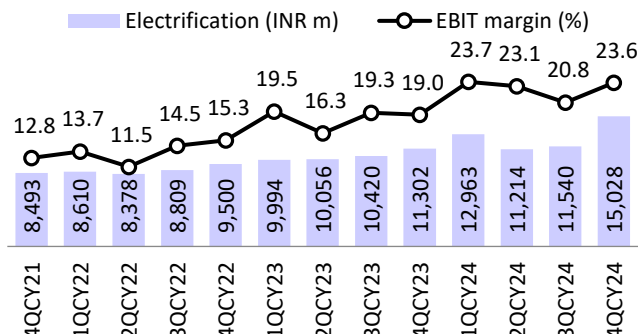
compared to 3QCY24, mainly due to the timing of large data center orders, which were booked earlier in the year. Overall, electrification remains a key growth pillar, benefiting from sustainability initiatives and energy efficiency solutions.

- **Motion and Robotics outlook:** The Motion division remains optimistic, driven by renewable energy, data centers, transportation, and industrial automation, with strong demand for bioethanol and hydrogen sector solutions, traction motors, and converters for rail and metro projects. While the metals and mining sectors face short-term headwinds, ABB expects long-term growth through localization and premiumization. Meanwhile, the Robotics & Automation division is witnessing rapid expansion, with electronics poised to surpass automotive as the largest adopter, fueled by semiconductor and consumer electronics manufacturing. Food & beverage and warehousing automation are also key growth areas, particularly as logistics and e-commerce companies scale their operations. ABB's localized AI-driven automation and application engineering expertise provide a competitive edge, despite Chinese robotics firms entering the market. The long-term outlook for both divisions remains strong, supported by India's expanding industrial and manufacturing landscape.
- **Process Automation outlook:** Process Automation segment demonstrated stable order flows and revenue growth, benefiting from increased demand in infrastructure, industrial automation, and process industries like oil & gas, chemicals, and cement. The company secured projects in power distribution automation, control systems for data centers, and modernized solutions for metals and mining. While certain process industries, particularly metals, experienced some headwinds, ABB remains optimistic, citing long-term investments in automation and digitalization. ABB anticipates strong demand in oil & gas, chemicals, and cement industries, as companies look to modernize operations and improve efficiency. ABB is also focusing on AI-driven process control, machine learning applications, and sustainable solutions, ensuring higher productivity, lower emissions, and energy efficiency across industries. While some sectors face near-term volatility, the management expects steady growth as businesses invest in process automation to enhance productivity and operational efficiency.

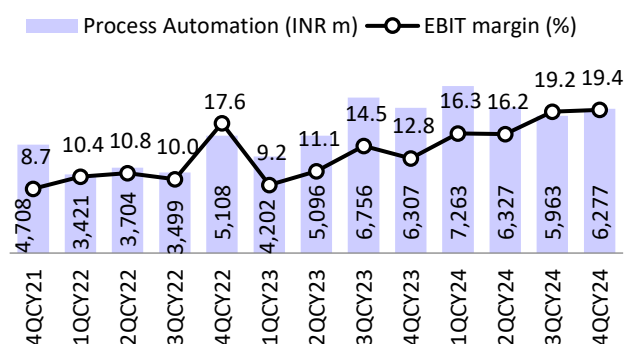
Key Exhibits

Exhibit 1: Robotics and Motion: Margin improved on better margin orders and operational efficiency

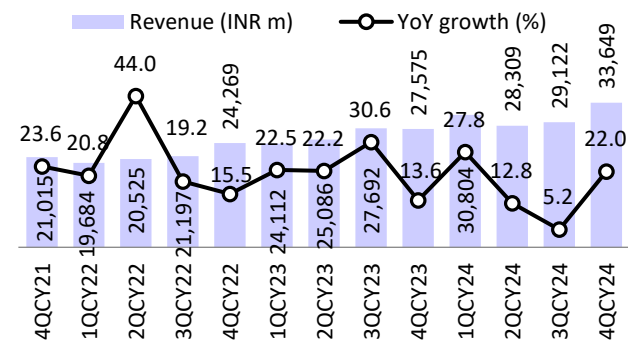
Source: Company, MOFSL

Exhibit 2: Electrification: Revenue grew 33% YoY; revenue mix and better price realization buoyed margin

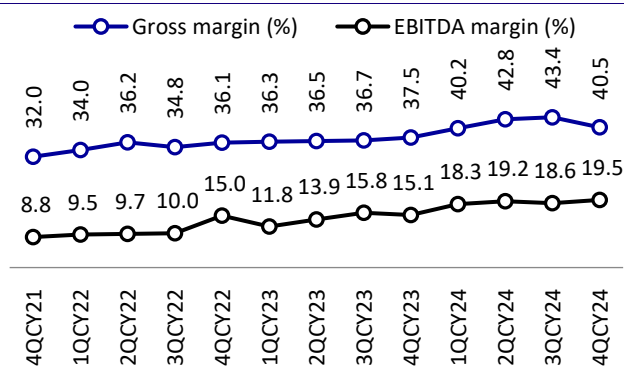
Source: Company, MOFSL

Exhibit 3: Process Automation: Revenue flat, while margins improved on operational improvements in projects

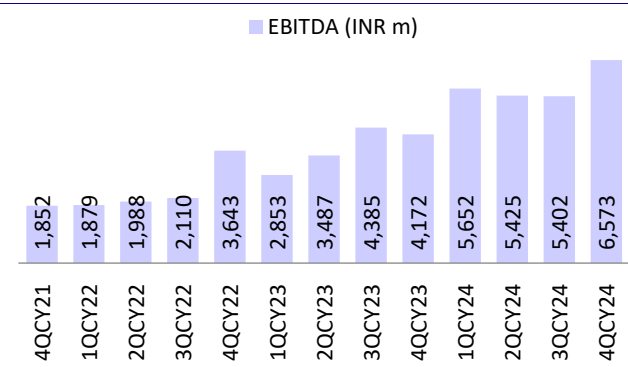
Source: Company, MOFSL

Exhibit 4: Overall revenue grew 22% YoY on strong execution of large orders

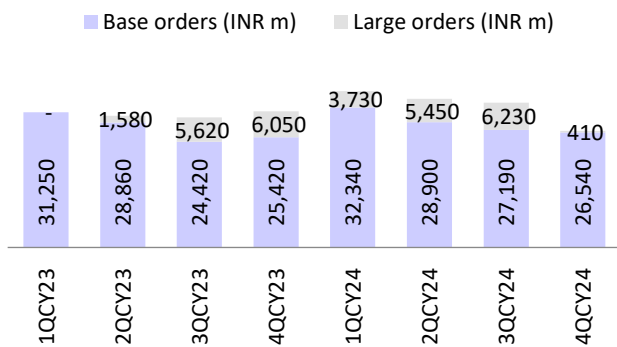
Source: Company, MOFSL

Exhibit 5: EBITDA margin peaked at 19.5%, up 440bp YoY

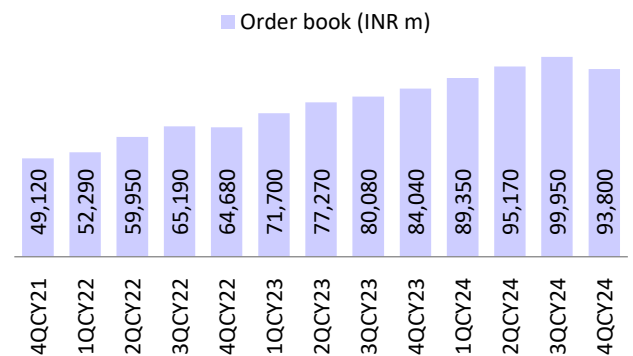
Source: Company, MOFSL

Exhibit 6: EBITDA grew 58% YoY to INR6.6b

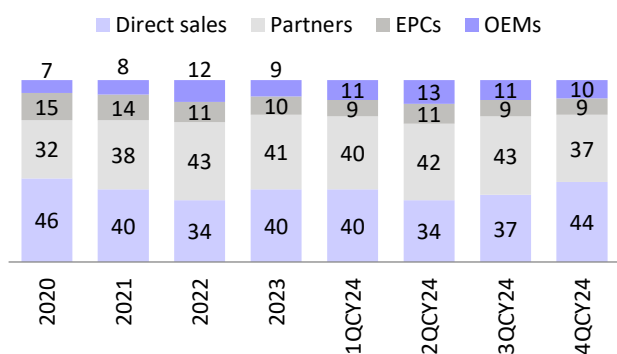
Source: Company, MOFSL

Exhibit 7: Order inflow declined 14% YoY with base orders maintaining pace of execution

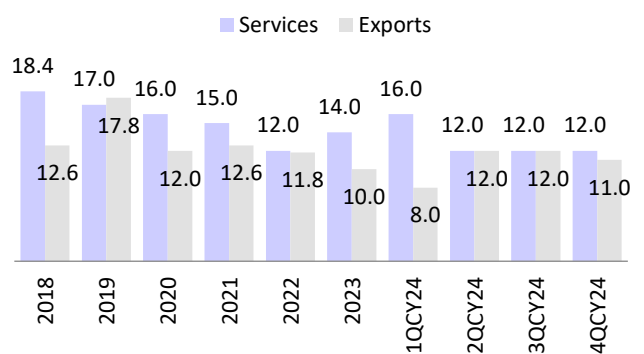
Source: Company, MOFSL

Exhibit 8: Order book up 12% YoY with higher share of base orders

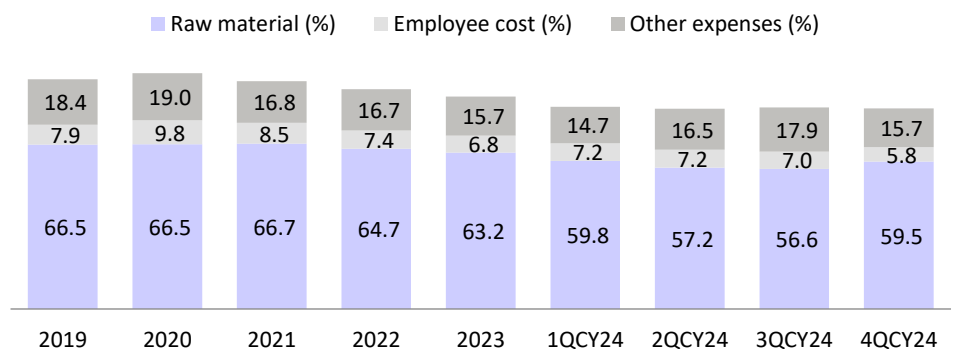
Source: Company, MOFSL

Exhibit 9: Breakup of revenues by channels (%) led by direct sales in 4QCY24

Source: Company, MOFSL


















Exhibit 10: Improving share of exports and services in revenues has led to better operating margin (%)

Source: Company, MOFSL

Exhibit 11: Margin improvement over the years is driven by lower RM and better operating leverage (as % of sales), led by cost optimisation and pricing power

Source: Company, MOFSL

Exhibit 12: Segregation of market segments based on high (>11%), moderate (7% to 11%) and low (<7%) growth rates

High	Moderate	Low
 Data Center  Electronics  Renewables	 Water & wastewater  Railways & Metro  Buildings & infrastructure  Oil, gas & chemicals  Food & beverage  Pharma & healthcare  Automotive  Rubber & plastics	 Power distribution  Cement  Metals & Mining  Pulp & Paper  Marine & Ports  Textiles

Source: Company


Exhibit 13: ABB India's order inflow was down by 14% YoY while for ABB Group it was down by 21% YoY for 4QCY24

Orders for ABB in India is -14% while for ABB Group it is -21% in Q4 FY24

Fig in MUS\$ @ 1 \$ = 83.02 INR

Orders originating from India (as seen by Group)


	Q4/24	Q4/23	Change %
3 rd Party Customers in India			
ABB India Ltd	278	344	-19
Other ABB Cos in India	-3	3	-200
ABB Cos outside India	4	5	-20
Total	279	352	-21



 To all ABB Units in India +
 To all ABB Units o/s India

Orders as reported by local entity (ABB India Ltd)

	Q4/24	Q4/23	Change %
3 rd Party Customers in India			
ABB India Ltd	278	344	-19
ABB Cos outside + 3 rd Party outside India	47	35	34
Total	325	379	-14



 From customers in India & outside India to ABB India Ltd

Source: Company

Exhibit 14: ABB has once again outpaced parent entity in terms of segmental margin, which is achieved via higher localization (Segment wise margins % - Parent vs ABB India)

Electrification	2019	2020	2021	2022	2023	1QCY24	2QCY24	3QCY24	4QCY24
Parent (A)	13.3%	14.1%	16.1%	16.5%	20.1%	22.4%	23.2%	24.1%	21.3%
ABB India (B)	9.8%	4.1%	11.1%	13.8%	18.5%	23.7%	23.1%	20.8%	23.6%
Net margin diff (A-B)	3.5%	10.0%	5.0%	2.7%	1.6%	-1.3%	0.1%	3.3%	-2.3%

Motion

Parent (A)	16.6%	16.8%	17.1%	17.3%	18.9%	18.5%	19.9%	20.7%	18.7%
ABB India (B)	9.2%	5.3%	12.5%	12.3%	15.9%	21.4%	23.1%	23.1%	20.9%
Net margin diff (A-B)	7.4%	11.5%	4.6%	5.0%	3.0%	-2.9%	-3.2%	-2.4%	-2.2%

Process Automation

Parent (A)	11.7%	7.8%	12.8%	14.0%	14.5%	15.6%	15.5%	15.2%	14.4%
ABB India (B)	6.1%	-5.4%	9.1%	12.8%	12.3%	16.3%	16.2%	19.2%	19.4%
Net margin diff (A-B)	5.6%	13.2%	3.7%	1.2%	2.2%	-0.7%	-0.7%	-4.0%	-5.0%

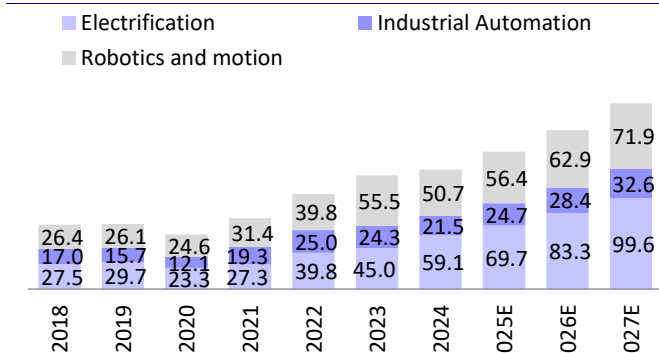
Robotics and Discrete Automation

Parent (A)	11.9%	8.2%	10.8%	10.7%	14.7%	13.2%	11.1%	8.3%	7.9%
ABB India (B)	8.8%	3.2%	7.9%	12.5%	12.7%	15.4%	14.6%	14.7%	10.4%
Net margin diff (A-B)	3.1%	5.0%	2.9%	-1.8%	2.0%	-2.2%	-3.5%	-6.4%	-2.5%

Source: Company, MOFSL

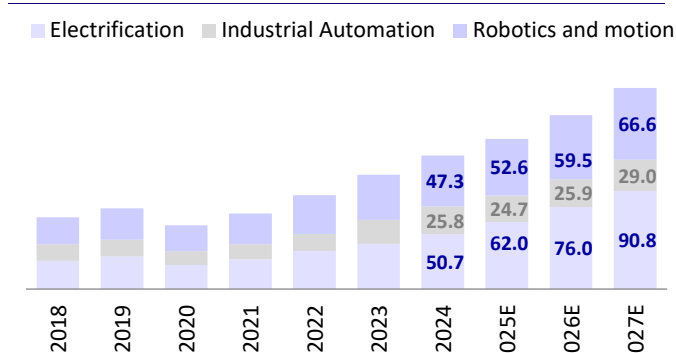
Financial outlook

Exhibit 15: We expect 16% order inflow CAGR over CY24-CY27E (INR b)



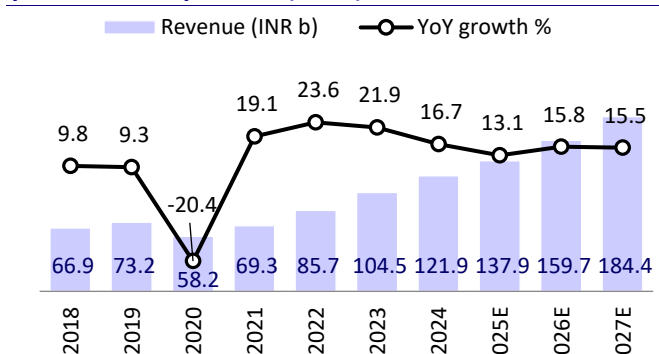
Source: Company, MOFSL

Exhibit 16: Revenue is expected to clock 15% CAGR over CY24-27E (INR b)



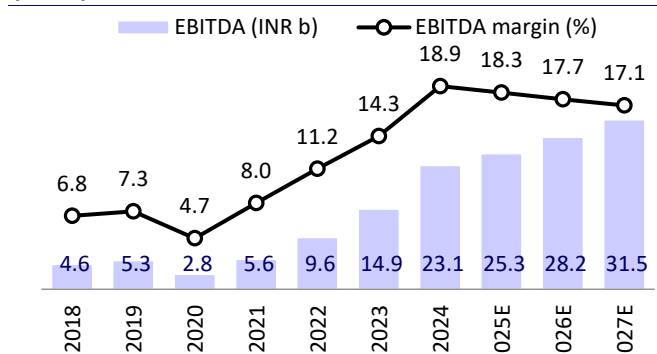
Source: Company, MOFSL

Exhibit 17: Revenue growth has been strong over last few years on healthy inflows (INR b)



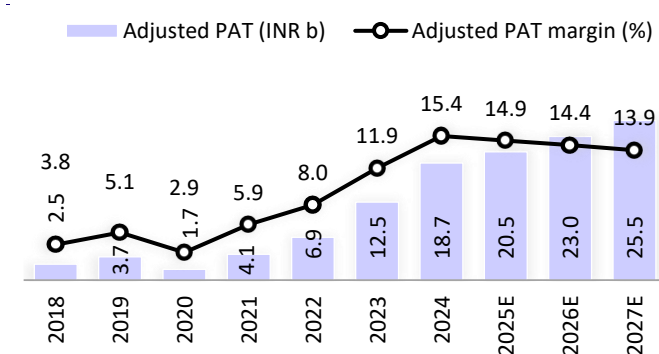
Source: Company, MOFSL

Exhibit 18: We expect 11% EBITDA CAGR over CY24-27E (INR b)



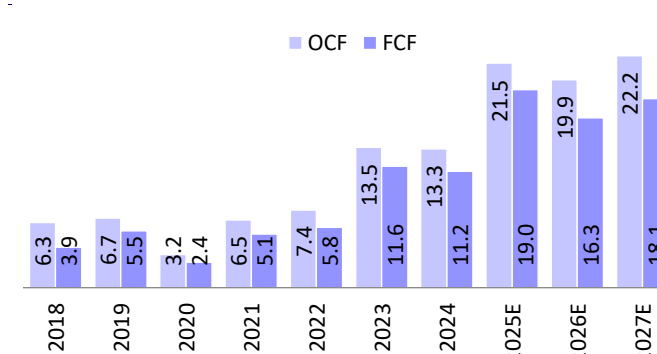
Source: Company, MOFSL

Exhibit 19: PAT is expected to post 11% CAGR over CY24-27E (INR b)



Source: Company, MOFSL

Exhibit 20: FCF and OCF to remain strong on stable working capital (INR b)



Source: Company, MOFSL

Exhibit 21: We cut our estimates to factor in slightly lower ordering and margin assumptions across segments

(INR M)	CY25E			CY26E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	1,37,901	1,41,523	(2.6)	1,59,705	1,69,699	(5.9)
EBITDA	25,258	26,369	(4.2)	28,242	30,548	(7.5)
EBITDA (%)	18.3	18.6	-32 bps	17.7	18.0	-32 bps
Adj. PAT	20,535	21,725	(5.5)	22,992	25,274	(9.0)
EPS (INR)	96.9	102.5	(5.5)	108.5	119.3	(9.0)

Source: MOFSL

Financials and Valuation

Standalone - Income Statement

(INR M)

Y/E Dec	CY20	CY21	CY22	CY23	CY24	CY25E	CY26E	CY27E
Total Income from Operations	58,210	69,340	85,675	1,04,465	1,21,883	1,37,901	1,59,705	1,84,440
Change (%)	-20.4	19.1	23.6	21.9	16.7	13.1	15.8	15.5
Raw Materials	38,705	46,263	55,426	66,025	70,903	82,741	97,420	1,12,324
Gross Profit	19,505	23,077	30,249	38,440	50,980	55,160	62,285	72,116
Employee Cost	5,680	5,882	6,353	7,152	8,498	9,472	10,671	12,348
Other Expenses	11,066	11,627	14,277	16,391	19,430	20,430	23,372	28,224
Total Expenditure	55,450	63,773	76,057	89,567	98,831	1,12,643	1,31,462	1,52,896
% of Sales	95.3	92.0	88.8	85.7	81.1	81.7	82.3	82.9
EBITDA	2,759	5,567	9,619	14,898	23,052	25,258	28,242	31,544
Margin (%)	4.7	8.0	11.2	14.3	18.9	18.3	17.7	17.1
Depreciation	1,204	1,027	1,047	1,199	1,289	1,407	1,609	1,899
EBIT	1,556	4,540	8,572	13,699	21,763	23,850	26,633	29,645
Int. and Finance Charges	169	107	131	127	165	145	146	148
Other Income	1,069	1,596	1,795	3,017	3,534	3,748	4,251	4,657
PBT bef. EO Exp.	2,456	6,029	10,235	16,589	25,133	27,453	30,738	34,154
EO Items								
PBT after EO Exp.	2,456	6,029	10,235	16,589	25,133	27,453	30,738	34,154
Total Tax	739	1,918	3,372	4,107	6,387	6,918	7,746	8,607
Tax Rate (%)	30.1	31.8	32.9	24.8	25.4	25.2	25.2	25.2
Reported PAT	1,716	4,112	6,863	12,482	18,746	20,535	22,992	25,548
Adjusted PAT	1,716	4,112	6,863	12,482	18,746	20,535	22,992	25,548
Change (%)	-53.9	139.5	66.9	81.9	50.2	9.5	12.0	11.1
Margin (%)	2.9	5.9	8.0	11.9	15.4	14.9	14.4	13.9

Standalone - Balance Sheet

(INR M)

Y/E Dec	CY20	CY21	CY22	CY23	CY24	CY25E	CY26E	CY27E
Equity Share Capital	424	424	424	424	424	424	424	424
Total Reserves	35,640	40,028	48,970	59,022	70,330	80,898	91,930	1,03,126
Net Worth	36,064	40,452	49,394	59,446	70,754	81,322	92,354	1,03,550
Total Loans	0	0	0	0	0	0	0	0
Deferred Tax Liabilities	-1,172	-939	-898	-1,027	-985	-985	-985	-985
Capital Employed	34,892	39,513	48,496	58,419	69,769	80,337	91,369	1,02,565
Gross Block	11,150	11,764	13,432	15,624	17,592	20,115	23,742	27,857
Less: Accum. Deprn.	3,469	3,741	4,586	5,831	7,120	8,527	10,137	12,036
Net Fixed Assets	7,681	8,024	8,846	9,793	10,472	11,588	13,605	15,821
Goodwill on Consolidation	146	146	146	146	146	146	146	146
Capital WIP	749	769	693	599	948	948	948	948
Total Investments	1	0	4,932	39,408	45,738	45,738	45,738	45,738
Curr. Assets, Loans&Adv.	60,016	70,248	77,668	59,038	65,625	82,035	1,00,167	1,19,467
Inventory	8,408	10,091	14,207	15,608	17,780	16,432	19,177	22,304
Account Receivables	26,419	25,604	24,451	25,443	29,837	33,758	39,095	45,150
Cash and Bank Balance	22,066	26,877	31,491	8,769	9,356	21,981	30,415	38,683
Loans and Advances	292	796	921	1,859	1,101	1,321	1,585	1,902
Other Current Asset	2,832	6,880	6,599	7,359	7,551	8,543	9,894	11,427
Curr. Liability & Prov.	33,701	39,781	43,788	50,566	53,159	60,117	69,234	79,554
Other Current Liabilities	30,801	36,436	39,956	46,058	47,960	54,072	62,233	71,469
Provisions	2,901	3,345	3,832	4,508	5,200	6,045	7,001	8,085
Net Current Assets	26,315	30,467	33,880	8,472	12,465	21,918	30,933	39,913
Misc Expenditure	0	107	0	0	0	0	0	0
Appl. of Funds	34,892	39,513	48,496	58,419	69,769	80,337	91,369	1,02,565

Financials and Valuation

Ratios

Y/E Dec	CY20	CY21	CY22	CY23	CY24	CY25E	CY26E	CY27E
Basic (INR)								
EPS	8.1	19.4	32.4	58.9	88.5	96.9	108.5	120.6
Cash EPS	13.8	24.2	37.3	64.6	94.6	103.5	116.1	129.5
BV/Share	170.2	190.9	233.1	280.5	333.9	383.8	435.8	488.7
DPS	5.0	5.2	4.5	29.3	33.5	40.2	48.2	57.9
Payout (%)	72.2	31.4	16.3	58.2	44.3	48.5	52.0	56.2
Valuation (x)								
P/E	634.7	264.9	158.7	87.3	58.1	53.0	47.4	42.6
Cash P/E	373.1	212.0	137.7	79.6	54.4	49.6	44.3	39.7
P/BV	30.2	26.9	22.1	18.3	15.4	13.4	11.8	10.5
EV/Sales	18.3	15.3	12.3	10.3	8.9	7.7	6.6	5.7
EV/EBITDA	386.8	190.8	110.0	72.5	46.8	42.3	37.5	33.3
Dividend Yield (%)	0.1	0.1	0.1	0.6	0.7	0.8	0.9	1.1
FCF per share	11.5	24.2	26.7	54.9	52.6	89.6	76.9	85.5
Return Ratios (%)								
RoE	4.8	10.7	15.3	22.9	28.8	27.0	26.5	26.1
RoCE	5.1	10.9	15.5	23.1	29.0	27.1	26.6	26.2
RoIC	7.3	25.9	49.4	98.1	138.9	140.5	153.6	140.9
Working Capital Ratios								
Fixed Asset Turnover (x)	5.2	5.9	6.4	6.7	6.9	6.9	6.7	6.6
Asset Turnover (x)	1.7	1.8	1.8	1.8	1.7	1.7	1.7	1.8
Inventory (Days)	52.7	53.1	60.5	54.5	53.2	43.5	43.8	44.1
Debtor (Days)	165.7	134.8	104.2	88.9	89.4	89.4	89.4	89.4
Creditor (Days)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Leverage Ratio (x)								
Current Ratio	1.8	1.8	1.8	1.2	1.2	1.4	1.4	1.5
Interest Cover Ratio	9.2	42.4	65.4	108.2	132.3	164.4	182.1	200.9
Net Debt/Equity	-0.6	-0.7	-0.7	-0.8	-0.8	-0.8	-0.8	-0.8

Standalone - Cashflow Statement

(INR M)

Y/E Dec	CY20	CY21	CY22	CY23	CY24	CY25E	CY26E	CY27E
OP/(Loss) before Tax	2,894	7,072	13,503	16,589	25,133	27,453	30,738	34,154
Depreciation	1,204	1,027	1,047	1,199	1,289	1,407	1,609	1,899
Interest & Finance Charges	-509	-579	-1,137	-2,644	-3,268	-3,603	-4,105	-4,510
Direct Taxes Paid	-1,033	-1,131	-2,467	-3,667	-6,626	-6,918	-7,746	-8,607
(Inc)/Dec in WC	-130	1,015	-194	1,696	-3,690	3,172	-581	-711
CF from Operations	2,427	7,405	10,752	13,173	12,838	21,511	19,916	22,226
Others	755	-912	-3,427	285	451	0	0	0
CF from Operating incl EO	3,182	6,492	7,326	13,458	13,288	21,511	19,916	22,226
(Inc)/Dec in FA	-747	-1,358	-1,660	-1,831	-2,137	-2,523	-3,627	-4,115
Free Cash Flow	2,435	5,134	5,666	11,627	11,151	18,988	16,289	18,111
(Pur)/Sale of Investments	3,476	0	19,741	-16	0	0	0	0
Others	1,695	950	180	2,827	3,463	0	0	0
CF from Investments	4,424	-409	18,262	981	1,326	-2,523	-3,627	-4,115
Issue of Shares	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	-337	-124	0	0	0	0	0	0
Interest Paid	-169	-85	-300	-364	-439	3,603	4,105	4,510
Dividend Paid	-1,017	-1,060	-1,102	-2,331	-7,265	-9,967	-11,960	-14,352
CF from Fin. Activity	-1,523	-1,268	-1,402	-2,695	-7,704	-6,364	-7,855	-9,842
Inc/Dec of Cash	6,084	4,815	24,186	11,744	6,910	12,624	8,434	8,269
Opening Balance	15,976	22,066	26,877	31,491	8,769	9,356	21,981	30,415
Other Bank Balances	6	-4	-19,573	-34,466	-6,323			
Closing Balance	22,066	26,877	31,491	8,769	9,356	21,981	30,415	38,683

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SELL	< - 10%
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