

Mazagon Dock Shipbuilders Ltd (MAZDOCKS)

Defence | 4QFY25 Result Update

BUY
CMP: Rs3,478 | Target Price (TP): Rs4,350 | Upside: 25.1%
June 1, 2025

Short Term Blip : Medium to Long Term Outlook Positive

Key Points

- Revenue increased 2.3% YoY to Rs31.7bn but EBITDA and PAT declined 82.8% and 50.9% YoY to Rs900mn and Rs3.3bn. This performance contrasts with NBIE estimates of Rs25.2bn for Revenue, Rs5.7bn for EBITDA, and ~Rs5bn for PAT. The significant drop in EBITDA can be traced back to an increase in provisioning for other expenses, which surged 436% YoY. This increase is primarily linked to two contracts: one involving the supply of FPV to the Coast Guard and the other related to the Denmark contract. Management believes there is a likelihood of incurring losses on these contracts prompting them to make a provision in accordance with accounting standard 37. This provision will be reviewed quarterly, and adjustments will be made to the profit and loss statement based on the assessment, potentially reducing the provision over time.
- Management guidance and outlook:**
 - PBT margins are projected to stabilise at approximately 15%, aligning with global standards for the shipbuilding sector.
 - Margins experienced an increase in prior quarters attributed to deliveries of P15 Bravo; however, sustaining the current 26% PBT level in the near term appears improbable.
 - Revenue growth has reached 20% over the past year; however, the delay in the design and finalisation of P75-AS and P75I will hinder execution leading to a revised revenue guidance of approximately 8-10%. P75-AS revenues are projected to begin contributing in FY28.
 - The liquidity damages for the Kalvari submarines have been reversed for four submarines with an additional reversal anticipated in FY26.
- View and Valuation:** Revenue, EBITDA, and PAT Growth CAGR during FY25-FY27E stands at 21%, 35%, and 27%, respectively. MDL anticipates a notable enhancement in margins and profitability in the coming years as substantial orders come to fruition. The company is confident that the contracts for the P75 additional submarines and the P75I submarines will be signed in FY26. This is anticipated to raise the order book from the current Rs320bn to over Rs1.25trn. With the arrival of these projects, a notable rise in margins and profitability is anticipated. The economies of scale associated with these large submarine projects, along with the efficiency initiatives driven by Shipyard 4.0 and digital transformation efforts, are anticipated to improve the overall profitability of the yard. The company is trading at a 1-year forward P/E ratio of 36.2x. The stock has rallied 43% since our preview published on 11thApr-25. We retain BUY and have increased the multiple by 71% and now value the stock at 45x Mar-27E EPS (+2 SD above mean), which is above its three-year average P/E of 20.1x, with a target price of Rs4,350 implying an upside of 25.1%.

Est Change	Downgrade
TP Change	Upgrade
Rating Change	No Change

Company Data and Valuation Summary

Reuters:	MAZG.BO
Bloomberg:	MAZDOCKS IN
Mkt Cap (Rsbn/US\$bn):	1,403.0 / 16.4
52 Wk H / L (Rs):	3,775 / 1,200
ADTV-3M (mn) (Rs/US\$):	16,052.9 / 187.5
Stock performance (%) 1M/6M/1yr:	13.8 / 51.4 / 111.1
Nifty 50 performance (%) 1M/6M/1yr:	1.7 / 9.8 / 9.9

Shareholding	1QFY25	2QFY25	3QFY25
Promoters	84.8	84.8	84.8
DII's	1.0	1.5	1.7
FII's	1.5	1.6	2.3
Others	12.7	12.2	11.2
Pro pledge	0.0	0.0	0.0

Financial and Valuation Summary

Particulars (Rsmn)	FY24	FY25	FY26E	FY27E
Net Sales	94,666	1,14,319	1,35,528	1,66,130
Growth YoY %	20.9	20.8	18.6	22.6
Gross margin %	34.2	50.3	49.2	50.1
EBITDA	14,116	20,600	25,877	37,678
EBITDA margin %	14.9	18.0	19.1	22.7
Adj PAT	19,370	24,135	29,041	38,744
Growth YoY %	73.1	24.6	20.3	33.4
Adj EPS (Rs)	48.0	59.8	72.0	96.0
RoCE	18.0	20.3	20.3	23.4
RoE	35.2	34.0	32.1	33.4
RoIC	(12.0)	(54.9)	(87.9)	(43.2)
P/E	72.4	58.1	48.3	36.2
EV/EBITDA	89.3	60.3	47.6	32.2
P/BV	22.5	17.7	13.8	10.7

Source: Company, Bloomberg, Nirmal Bang Institutional Equities research

Key Links -

[4QFY25 Result](#)
[4QFY25 PPT](#)

Please refer to the disclaimer towards the end of the document.

- **4QFY25 performance update:** The company reported revenue of Rs31.7bn, up 2.3% YoY. EBITDA grew to Rs900mn, a decline of 83%, mainly driven by provisioning expenses recognised in other expenses, which grew 436% YoY. In line with this, the EBITDA margin declined to 2.8% in 4QFY25 versus 16.9% in 4QFY24. Adj. PAT came in at Rs3.2bn, down 51%.
- **Order Book:** The company's current order book as of Mar-25 stands at Rs322bn. The breakup and proportion of the order book is as follows:
- **Shipbuilding Orders:**
 - P15B Destroyers: Rs37bn
 - P17A Stealth Frigates: Rs135bn
 - ICGS: Rs28bn
 - Multipurpose HPV: Rs7bn
- **Submarine Orders:**
 - P75 Kalvari Submarines: Rs25bn
 - Medium Refit and Life Certification: Rs17.1bn
 - ONGC: Rs54bn
 - AIP: Rs17.5bn
 - Others: Rs1.7bn
- **Major events during the quarter:**

MDL delivered the Sixth Scorpene Submarine 'VAGHSHEER' of project P-75 to the Indian Navy in 2025.

Mazagon Dock Shipbuilders Limited (MDL) has signed contracts with a European client to build three additional 7,500DWT Multi-Purpose Hybrid Powered Vessels (MPHPVs) worth approximately US\$43mn. This brings the total export order to six vessels valued at around US\$85mn.

Exhibit 1: 4QFY25 consolidated performance

Particulars (Rsmn)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	FY24	FY25
Net Sales	21,728	18,277	23,625	31,037	23,570	27,568	31,436	31,744	94,666	1,14,319
YoY Change (%)	(2.6)	7.4	30.1	49.3	8.5	50.8	33.1	2.3	20.9	20.8
Expenditure										
Procurement of Base and Deport spares	14,339	9,330	9,872	17,276	11,062	13,680	9,733	10,832	50,816	45,307
Changes in Inventory	2,147	2,562	3,044	3,706	1,093	3,390	3,507	3,527	11,458	11,516
Employee Costs	2,179	2,306	2,223	2,257	2,272	2,313	2,423	2,778	8,966	9,788
Other Expenses	1,346	2,314	3,093	2,557	2,721	3,079	7,602	13,706	9,310	27,108
Total Expenditure	20,011	16,511	18,233	25,795	17,148	22,462	23,265	30,844	80,550	93,719
EBITDA	1,717	1,766	5,392	5,241	6,423	5,107	8,171	900	14,116	20,600
YoY Change (%)	(1.1)	50.0	82.3	148.8	274.1	189.1	51.5	(82.8)	76.9	45.9
Margin (%)	7.9	9.7	22.8	16.9	27.2	18.5	26.0	2.8	14.9	18.0
Depreciation	197	202	203	229	234	234	399	286	831	1,152
Interest	13	13	13	13	11	11	11	11	51	44
Other income	2,327	2,515	2,686	3,487	2,710	2,543	2,864	3,095	11,015	11,212
Extraordinary Items	-	-	-	-	-	-	-	-	-	-
PBT (bei)	3,833	4,066	7,862	8,486	8,888	7,405	10,626	3,698	24,248	30,617
PBT	3,833	4,066	7,862	8,486	8,888	7,405	10,626	3,698	24,248	30,617
Tax	967	1,028	1,947	2,218	2,229	1,877	2,944	794	6,160	7,843
ETR (%)	25.2	25.3	24.8	26.1	25.1	25.4	27.7	21.5	25.4	25.6
Reported PAT	3,143	3,329	6,268	6,630	6,961	5,851	8,070	3,253	19,370	24,135
Adj. PAT	3,143	3,329	6,268	6,630	6,961	5,851	8,070	3,253	19,370	24,135
YoY Change (%)	39.8	55.6	77.0	103.2	121.4	75.8	28.8	(50.9)	73.1	24.6
Adj. EPS (Rs)	7.8	8.3	15.5	16.4	17.3	14.5	20.0	8.1	48.0	59.8

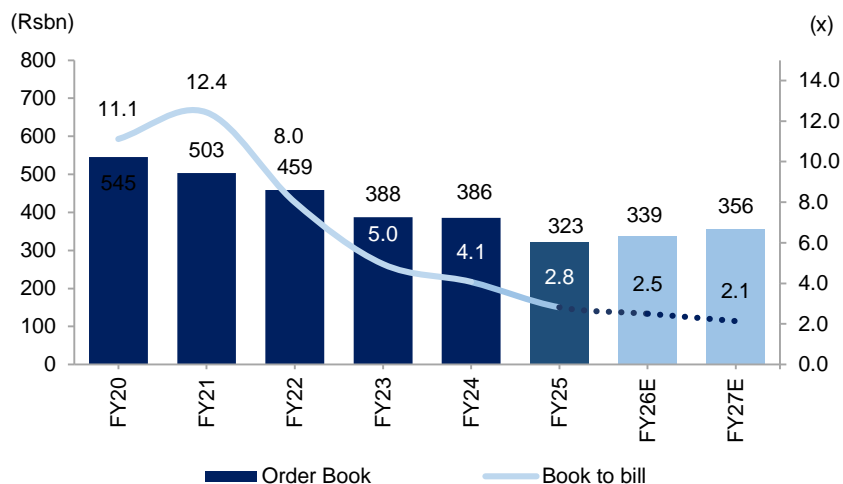
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 2: Quarterly order book

(Rsmn)	1QFY24	2QFY24	3QFY24	4QFY24	FY24	1QFY25	2QFY25	3QFY25	4QFY25	FY25
P15B Destroyers	1,47,130	1,19,849	1,22,690	1,12,160	1,12,160	98,470	88,410	43,010	37,160	37,160
YoY Growth (%)	4.6	(11.4)	(28.1)	(29.1)	(29.1)	(33.1)	(26.2)	(64.9)	(66.9)	(66.9)
P17A Stealth Frigates	1,78,430	1,61,003	1,64,820	1,72,970	1,72,970	1,66,340	1,55,690	1,45,180	1,34,930	1,34,930
YoY Growth (%)	(5.6)	(11.4)	(13.6)	(6.5)	(6.5)	(6.8)	(3.3)	(11.9)	(22.0)	(22.0)
Others	1,170	34,844	35,670	32,230	32,230	45,820	99,270	1,14,410	1,08,470	1,08,470
YoY Growth (%)	(97.1)	(11.4)	4,136.3	3,736.9	3,736.9	3,816.2	184.9	220.7	236.5	236.5
Submarines					-					
P75 Kalvari Submarines	40,060	36,387	37,250	35,090	35,090	35,900	35,310	26,710	24,930	24,930
YoY Growth (%)	(6.2)	(11.4)	(13.5)	(17.5)	(17.5)	(10.4)	(3.0)	(28.3)	(29.0)	(29.0)
MRLC of Submarines	24,380	22,917	23,460	33,160	33,160	21,860	20,040	18,560	17,110	17,110
YoY Growth (%)	(9.4)	(11.4)	4,592.0	3,216.0	3,216.0	(10.3)	(12.6)	(20.9)	(48.4)	(48.4)
Closing Order Book	3,91,170	3,75,000	3,83,890	3,85,610	3,85,610	3,68,390	3,98,720	3,47,870	3,22,600	3,22,600
YoY Growth (%)	(11.1)	(11.4)	(5.4)	(0.5)	(0.5)	(5.8)	6.3	(9.4)	(16.3)	(16.3)
Order Inflow	25,348	2,107	32,515	32,757	92,726	6,350	57,898	-	-	51,309
YoY Growth (%)	3,068.5	NA	3,151.5	1,254.7	2,098.4	(74.9)	2,647.9	(100.0)	(139.5)	(139.5)
Revenue	21,728	18,277	23,625	31,037	94,666	23,570	27,568	31,436	31,744	1,14,319
YoY Growth (%)	(2.6)	7.4	30.1	49.3	20.9	8.5	50.8	33.1	2.3	2.3

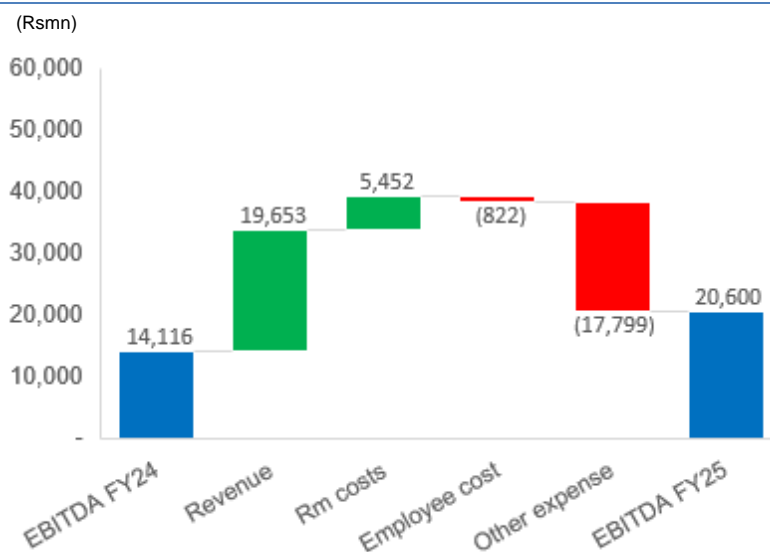
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 3: Annual closing order book position



Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 4: EBITDA Movement



Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 5: Detailed financials

Y/E March (Rsmm)	4QFY24	3QFY25	4QFY25	YoY (%)	QoQ (%)	Estimates	Variance (%)	FY24	FY25	YoY (%)
Net Sales	31,037	31,436	31,744	2.3	1.0	25,179	26.1	94,666	1,14,319	20.8
Expenditure										
Raw Material Consumed	17,276	9,733	10,832	(37.3)	11.3	-	-	50,816	45,307	(10.8)
Procurement of Base and Deport spares	3,706	3,507	3,527	(4.8)	0.6	-	-	11,458	11,516	0.5
Employee Costs	2,257	2,423	2,778	23.1	14.7	-	-	8,966	9,788	9.2
Other Expenses	2,557	7,602	13,706	436.1	80.3	-	-	9,310	27,108	191.2
Total Expenditure	25,795	23,265	30,844	19.6	32.6	19,432	58.7	80,550	93,719	16.3
EBITDA	5,241	8,171	900	(82.8)	(89.0)	5,747	(84.3)	14,116	20,600	45.9
EBITDA Margin (%)	16.9	26.0	2.8	(1405)bps	(2,316)bps	22.8	(1,999)bps	14.9	18.0	311bps
Depreciation	229	399	286	24.7	(28.2)	-	-	831	1,152	38.6
Interest	13	11	11	(12.6)	-	-	-	51	44	(14.1)
Other income	3,487	2,864	3,095	(11.2)	8.1	-	-	11,015	11,212	1.8
Exceptional Items	-	-	-	-	-	-	-	-	-	-
PBT	8,486	10,626	3,698	(56.4)	(65.2)	-	-	24,248	30,617	26.3
Tax	2,218	2,944	794	(64.2)	(73.0)	-	-	6,160	7,843	27.3
Reported PAT	6,630	8,070	3,253	(50.9)	(59.7)	-	-	19,370	24,135	24.6
Adjusted PAT	6,630	8,070	3,253	(50.9)	(59.7)	4,968	(34.5)	19,370	24,135	24.6
NPM (%)	21.4	25.7	10.2	(1,111)bps	(1,543)bps	19.7	(948)bps	20.5	21.1	65bps
EPS (Rs)	16.4	20.0	8.1	(50.9)	(59.7)	12.3	(34.5)	48.0	59.8	24.6

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 6: Change in estimates

Particulars (Rsmn)	New			Old			% Change		
	FY25	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Net Sales	1,14,319	1,35,528	1,66,130	1,07,753	1,40,533	1,82,204	6.1	(3.6)	(8.8)
EBITDA	20,600	25,877	37,678	25,447	35,207	46,686	(19.0)	(26.5)	(19.3)
Adj. PAT	24,135	29,041	38,744	25,850	33,893	42,643	(6.6)	(14.3)	(9.1)
Adj. EPS (Rs)	60	72	96	64.1	84.0	105.7	(6.6)	(14.3)	(9.1)

Source: Nirmal Bang Institutional Equities Research

Exhibit 7: Actual performance vs NBIE estimates

Particulars			
4QFY25 (Rsmn)	Actual	Our Estimate	Deviation (%)
Revenue	31,744	25,178.7	26.1
EBITDA	900	5,746.9	(84.3)
PAT	3,253	4,967.8	(34.5)

Source: Nirmal Bang Institutional Equities Research

Earnings Call Key Takeaways

➤ Recent Developments:

- Due to the recent geopolitical situation, the Navy is expected to come out with the RFP for P-17 Bravo Frigates, which will be worth Rs700bn. MDL believes it is poised to win the order despite it being a competitive bid.
- The Navy is also expected to come up with a Rs440bn project for Miniature Combined Missile Boat (MCMB), which is at an Acceptance of Necessity Stage. This is expected to come up in the next few months.

➤ Performance:

- The company reported its highest-ever revenue from operations and profit before tax. However, the EBITDA margin declined to 13.7% in the current quarter from 35.1% in Q4FY24, primarily due to provisions made for the supply of FPVs to the Coast Guard and the Denmark contract, where the management anticipates losses.
- This liability will be reviewed, and based on the reassessment, the provision may be revised downward.
- The P75-AS and P75I submarines are expected to improve margins significantly going forward due to the economies of scale of large submarine projects.
- Raw material contracts are discussed and finalized in the initial stage of the orders, and hence, higher costs do not affect the shipyard's performance.
- Liquidity damages for the Kalvari submarines have been reversed for 4 submarines and one more is expected this financial year.

➤ Order Book:

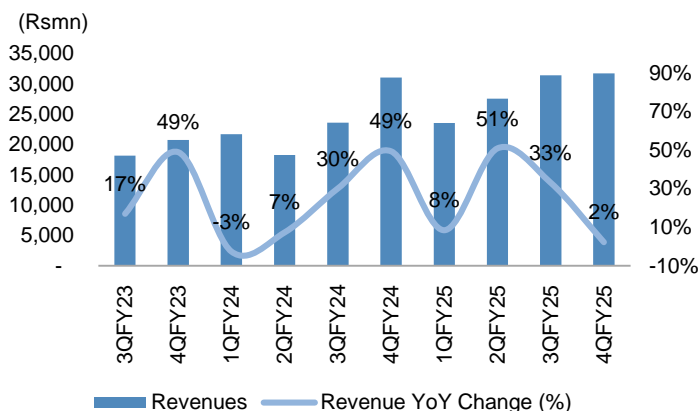
- MDL expects to receive orders for the P75-AS and P75I submarines in this financial year, which is expected to take the order book of the company to Rs1.25trn.
- With orders of MCMB, P75-AS, P75I, and P17 Bravo, the order book could be close to Rs2.5trn. Management is confident of signing the P75-AS as early as Jul-25. This order is expected to be in the range of Rs300-400bn.
- Out of the current order book of Rs322bn, 67% of the projects consist of high-margin orders.
- P17A delivery timeline: The second ship is expected to be delivered next month, the third ship by November 2025, and the fourth ship expected to be delivered by April of FY27.
- P15 Bravo – Balance of Rs37bn is expected to be finished by FY28, and stealth frigates by FY29. The Coast Guard projects and multi-purpose vessels will be completed by FY30. The P75 Kalvari is expected to be completed by first half of FY27. MRLC should be completed by mid-FY27 with the ONGC projects expected to conclude by FY27-end.
- MDL has signed a ship repair agreement with the US Navy but the company currently lacks the infrastructure to handle such large ships and will only compete for ships that fit the premises.
- Currently, the company has orders from CMD worth Rs7.2bn; it expects 4 more ships if everything goes well.
- MDL has collaborated with ThyssenKrupp for the P75I project, in which the indigenous content will be around 60%, and ThyssenKrupp will help with the transfer of technology.

➤ **Guidance:**

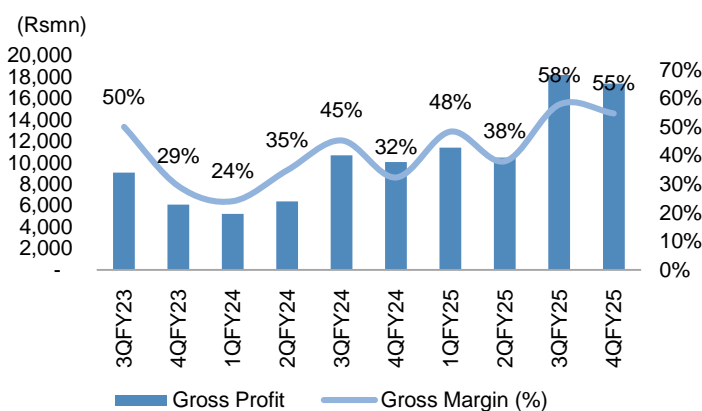
- PBT margins are expected to normalize around 15%, in line with global benchmarks for the shipbuilding industry.
- Margins were higher in previous quarters due to deliveries of P15 Bravo, but going ahead, this 26% PBT level is unlikely to be maintained in the short term.
- Revenue growth has been 20% in the past year but due to the delays in P75-AS and P75I design and finalization, this will prolong execution resulting in a lower revenue guidance of around 8-10%.
- P75-AS revenues should start kicking in by FY28.

➤ **Capex:**

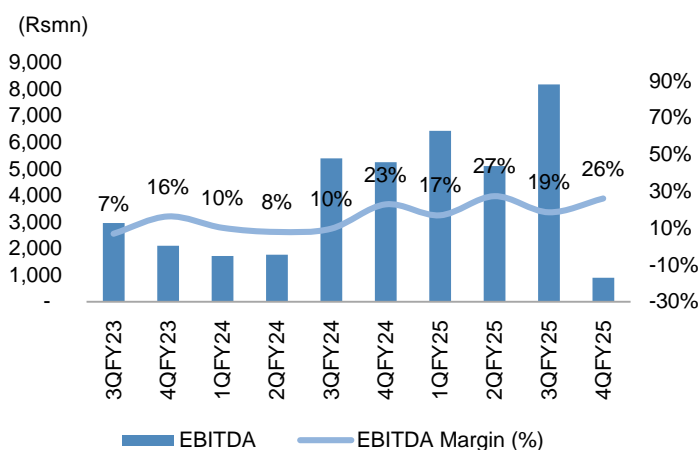
- The company has expanded its capacity from the construction of 6 submarines to 11. This includes readiness for Project 75-AS and P75I orders, supported by a new SSA workshop. It has also acquired port land for small ship projects and plans capex of approximately Rs40bn across the new site and the Naval Yard. This will allow the company to construct 10 major warships along with 11 submarines.
- Capacity is expected to increase 2x in the next 3-4 years. This will enable the company to repair larger ships as well.

Exhibit 8: Revenue increased 2% YoY


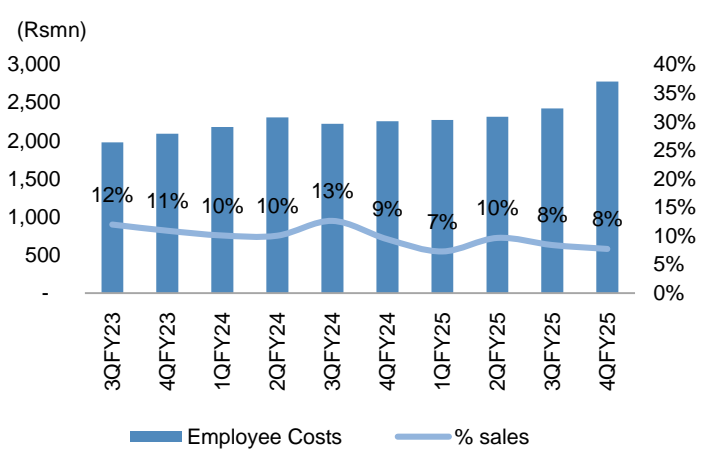
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 9: Gross margin stood at 55%


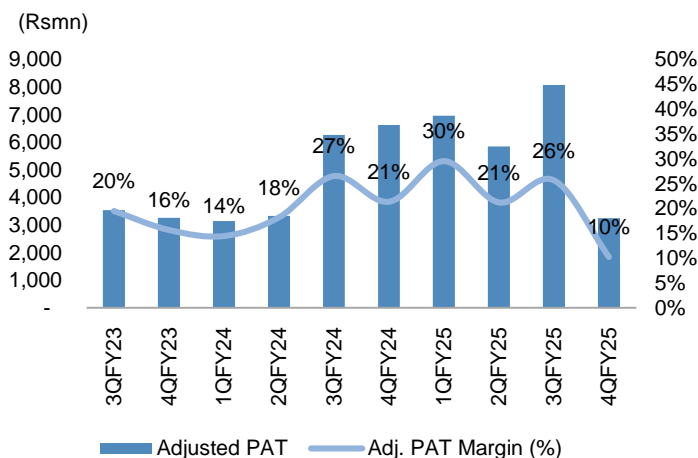
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 10: EBITDA margin stood at 26%


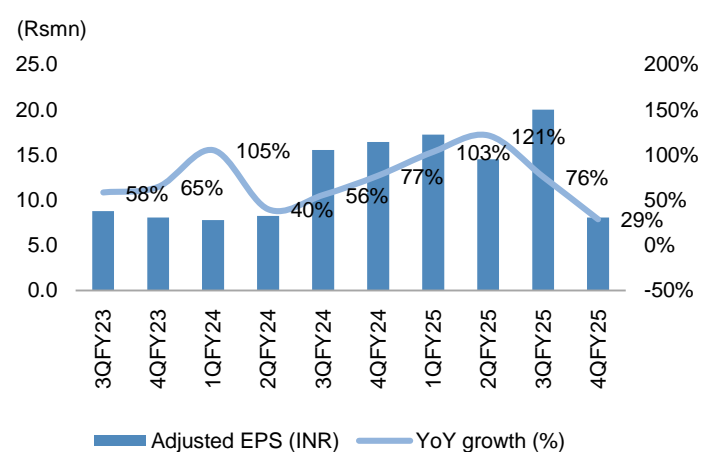
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 11: Employee cost at 8% of sales


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 12: PAT margin stood at 10%


Source: Company, Nirmal Bang Institutional Equities Research

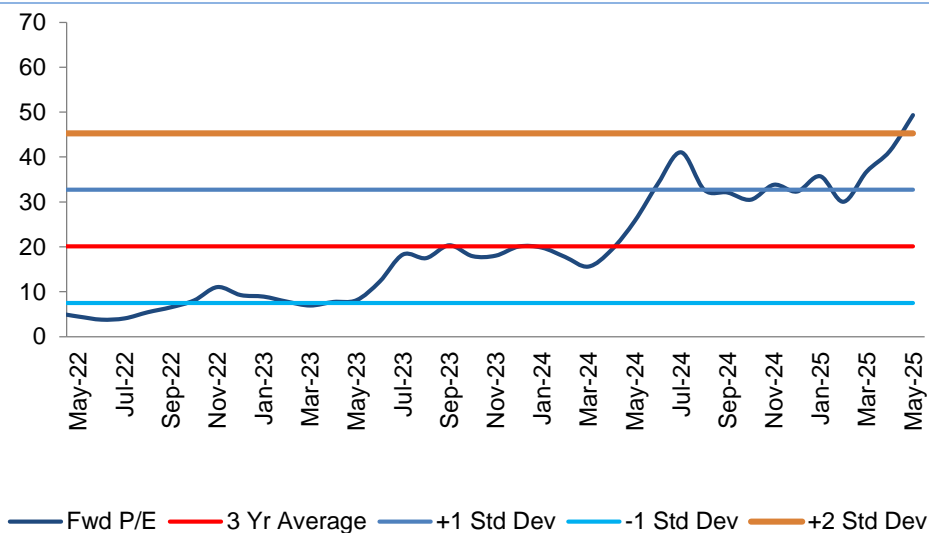
Exhibit 13: EPS up 29% YoY


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 14: Valuation summary

Particulars	
Mar-27E EPS	96
Target multiple (x)	45
Value per share (Rs)	4,350
CMP (Rs)	3,478
Upside / (downside)	25.1%

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 15: Rolling valuation charts


Source: Company, Nirmal Bang Institutional Equities Research

Financial Statements

Exhibit 16: Income statement

Y/E March (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
Net Sales	78,272	94,666	1,14,319	1,35,528	1,66,130
Growth YoY %	36.5	20.9	20.8	18.6	22.6
Gross profit	26,881	32,391	57,496	66,692	83,257
Gross margin %	34.3	34.2	50.3	49.2	50.1
Staff costs	7,927	8,966	9,788	11,862	14,395
% of sales	10.1	9.5	8.6	8.8	8.7
Other expenses	10,976	9,310	27,108	28,953	31,184
% of sales	14.0	9.8	23.7	21.4	18.8
EBITDA	7,978	14,116	20,600	25,877	37,678
Growth YoY %	83.5	76.9	45.9	25.6	45.6
EBITDA margin %	10.2	14.9	18.0	19.1	22.7
Depreciation	756	831	1,152	1,292	1,389
EBIT	7,222	13,285	19,448	24,585	36,289
Interest	64	51	44	57	57
Other income	6,868	11,015	11,212	12,334	13,567
PBT (bei)	14,027	24,248	30,617	36,862	49,799
PBT	14,027	24,248	30,617	36,862	49,799
ETR	25%	25%	26%	25%	25%
PAT	11,190	19,370	24,135	29,041	38,744
Adj PAT	11,190	19,370	24,135	29,041	38,744
Growth YoY %	87.5	73.1	24.6	20.3	33.4

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 18: Balance sheet

Y/E March (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
Share capital	2,017	2,017	2,017	2,017	2,017
Reserves	45,585	60,418	77,382	99,447	1,28,768
Net worth	47,602	62,435	79,399	1,01,464	1,30,785
Long term debt	3	164	200	200	200
Short term debt	57	1	3	3	3
Total debt	60	166	203	203	203
Net debt	(1,32,804)	(1,41,931)	(1,61,293)	(1,70,171)	(1,88,186)
Other non-current liabilities	1,335	1,266	1,198	1,198	1,198
Total Equity & Liabilities	2,94,632	2,94,488	2,87,077	3,28,337	3,69,195
Gross block	14,936	10,741	12,648	19,648	26,648
Accumulated depreciation	4,022	3,543	4,695	5,987	7,375
Net Block	7,776	7,803	7,739	13,448	19,059
CWIP	616	682	1,332	1,332	1,332
Intangible and others	2,467	576	6,918	6,918	6,918
Other non-current assets	22,920	27,544	23,950	23,950	23,950
Investments	-	-	-	-	-
Trade receivables	10,023	18,469	10,672	16,709	20,482
Inventories	73,569	57,134	45,371	66,007	79,467
Cash & Cash Equivalents	1,32,864	1,42,096	1,61,496	1,70,375	1,88,389
Other current assets	44,396	40,183	29,599	29,599	29,599
Total current assets	2,60,852	2,57,882	2,47,138	2,82,690	3,17,937
Trade payables	44,628	44,298	37,383	56,578	68,115
Other current liabilities	1,96,713	1,81,888	1,60,844	1,60,844	1,60,844
Total current liabilities	2,41,399	2,26,187	1,98,230	2,17,425	2,28,962
Total Assets	2,94,632	2,94,488	2,87,077	3,28,337	3,69,195

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 17: Cash flow

Y/E March (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
PBT	14,027	24,248	30,617	36,862	49,799
Depreciation	756	831	1,152	1,292	1,389
Interest	(47)	(43)	(43)	57	57
Other adjustments	(6,033)	(9,978)	(10,079)	(10,939)	(12,172)
Change in Working capital	(14,509)	13,498	32,956	(7,479)	(5,696)
Tax paid	(3,122)	(6,772)	(9,425)	(9,215)	(12,450)
Operating cash flow	15,157	6,838	20,781	10,578	20,928
Capex	(1,356)	1,030	(7,431)	(7,000)	(7,000)
Free cash flow	13,802	7,868	13,349	3,578	13,928
Other investing activities	(142)	30,118	(5,561)	-	-
Investing cash flow	(1,498)	31,148	(12,992)	(7,000)	(7,000)
Issuance of share capital	-	-	-	-	-
Movement of Debt	-	-	-	-	-
Dividend paid (incl DDT)	(2,164)	(4,478)	(7,120)	(7,324)	(9,771)
Other financing activities	(16)	(8)	(1)	(57)	(57)
Financing cash flow	(2,180)	(4,485)	(7,120)	(7,381)	(9,828)
Net change in cash flow	11,480	33,501	668	(3,803)	4,099
Opening C&CE	7,205	18,684	52,185	52,853	1,70,375
Closing C&CE	18,684	52,185	52,853	1,70,375	1,88,389

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 19: Key ratios

Y/E March	FY23	FY24	FY25	FY26E	FY27E
Per share (Rs)					
Adj EPS	27.7	48.0	59.8	72.0	96.0
Book value	118.0	154.8	196.8	251.5	324.2
DPS	16.0	12.1	15.1	18.2	24.2
Valuation (x)					
P/Sales	17.9	14.8	12.3	10.4	8.4
EV/EBITDA	159.2	89.3	60.3	47.6	32.2
P/E	125.4	72.4	58.1	48.3	36.2
P/BV	29.5	22.5	17.7	13.8	10.7
Return ratios (%)					
RoCE	12.5	18.0	20.3	20.3	23.4
RoCE (pre-tax)	16.7	24.1	27.4	27.1	31.2
RoE	26.0	35.2	34.0	32.1	33.4
RoIC	-6.7	-12.0	-54.9	-87.9	-43.2
Profitability ratios (%)					
Gross margin	34.3	34.2	50.3	49.2	50.1
EBITDA margin	10.2	14.9	18.0	19.1	22.7
PAT margin	14.3	20.5	21.1	21.4	23.3
Liquidity ratios (%)					
Current ratio	1.1	1.1	1.2	1.3	1.4
Quick ratio	0.8	0.9	1.0	1.0	1.0
Solvency ratio (%)					
Net Debt to Equity ratio	(2.8)	(2.3)	(2.0)	(1.7)	(1.4)
Turnover ratios					
Fixed asset turnover ratio (x)	5.5	7.4	9.8	8.4	7.2
Debtor days	47	55	47	45	45
Inventory days	535	383	329	350	350
Creditor days	377	261	262	300	300
Net Working capital days	204	177	113	95	95

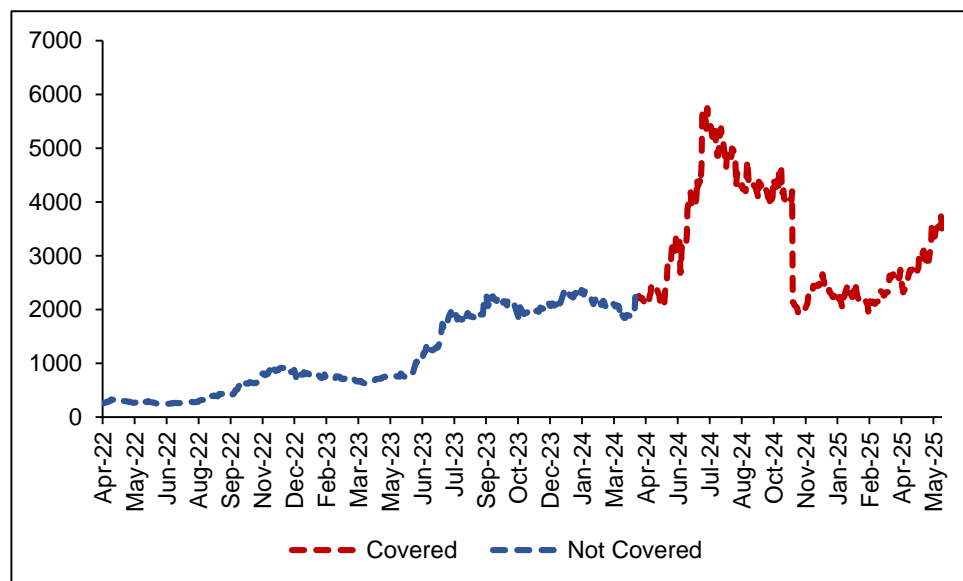
Source: Company, Nirmal Bang Institutional Equities Research

Rating track

Date	Rating	Market price (Rs)	Target price (Rs)
5 April 2024	Buy	2,195	2,786
31 May 2024	Hold	3,295	3,724
18 July 2024	Sell	5,191	4,143
16 August 2024	Sell	4,997	4,468
11 October 2024	Hold	4,428	4,315
6 November 2024	Hold	4,195	4,106
10 January 2025*	Hold	2,223	2,490
8 February 2025	Buy	2,230	2,605
11 April 2025	Buy	2,432	2,801
31 May 2025	Buy	3,478	4,350

Note: *Stock split took place on 27-Dec – 2:1

Rating track graph



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BUY > 15%

HOLD -5% to 14%

SELL < -5%

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