YES SECURITIES
INSTITUTIONAL EQUITIES

August 14, 2025

**RESULT REPORT Q1 FY26** | Sector: Automobile

# Endurance Technologies

## Healthy order wins to drive outperformance

### Europe performance impressive, led by Stoferle consolidation

**Operational beat** – **Consol EBITDA were better led by Europe as S/A in-line:** Endurance (ENDU) 1QFY26, adj. for MH state incentive consol revenues grew 17.2% YoY (+12.3% QoQ) at ~Rs32.9b (est Rs31.5b, cons Rs31.1b). S/A revenues grew 9.7% YoY (+4.1% QoQ) at Rs23b (est Rs22.9b). MH state incentive at Rs330m (v/s Rs228m in 1QFY25 and Rs380m 4QFY25). EU revenues grew 39%/28.5% YoY in INR/EUR at Rs10b due to consolidation of Stoferle. Ex of it revenue grew 0.6% (vs EU new car registrations decline of 1.8%). Consol EBITDA grew 16.4% YoY at ~Rs4.1b (est ~Rs3.9b) where margins were flat YoY (-70bp QoQ) at 12.4% (est 12.4%, cons 13.9%).

**Europe leads the beat** – **Consolidation of Stoferle drive margins beat:** Within Europe, ENDU booked new business worth EUR1.7m in 1QFY26. While the macro remains challenging, management continues to be positive about the outlook given its healthy order backlog. Stoferle reported revenues of EUR22m with EBITDA margins at 20.5%. Reported margins (ex-acquired business) at 16.6% in 1Q, led by machining only content.

**Segmental margins** – **India business (S/A) in-line while Europe were better:** S/A at 11.1% (-80bp YoY/-100 QoQ, est 11.1%), Europe at 15.7% (+150bp YoY/-70bp QoQ) led by RM decline as electricity/gas cost increased by +7%/+15% YoY, Maxwell EBITDA at +Rs10m (vs +Rs1m in 4QFY25 & -Rs40m in 1QFY25).

**New order wins remain healthy** – **Focus on revenue diversification at play:** The management sounded confident on new order wins with **first ever PV brake order from Tata Motors** for drum brake assembly with peak revenue opportunity of ~Rs250/annum (SOP by end 4QFY26). **Suspension –** Have won an order for inverted front fork and rear mono shock from a Chinese OEM with SOP expected by end FY26E. **Europe** orders wins of EUR1.7m in 1QFY26 include specialty plastics in Turin.

**Looking to lap up 2W ABS opportunity** – **Significant capacity expansion targeted:** In-line with recent government regulation of mandatory ABS for ICE 2W (>50cc) and EV 2W (>4kWh), ENDU to expand ABS capacity to 2.4m by Mar'26 in addition to 640k currently. It's current market share would be 13-15% on single channel basis and target is to take it to at least 25% as it expect to participate upcoming ABS opportunity.

**Maintain BUY** – We continue to see ENDU to outperform the underlying industry driven by, 1) new order wins and fast ramp up expected over FY26-28E for the proprietary products, 2) increasing share of higher margins business such as disc brakes, ABS, Alloy wheels and structural castings. However, focus on Aluminium castings (for non-auto) may partially dilute margins. We raise FY27 consol EPS for healthy order ramp-up and better EUR margins. Valuations at 36.1x/28.8x FY26E/27E consol EPS do factor in above positive partially (vs 10-year LPA of ~33x) given healthy revenue/EBITDA/Adj.PAT CAGR of 15.2%/21.2%/23.9% over FY25-27E. Maintain BUY with TP at Rs3,067 valuing it at 32x Sep'27 EPS (vs Mar'27 earlier).

### Exhibit 1: Actual vs estimates

| Rs mn | Actual | Estimate | | % variation | | Remarks |
|---|---|---|---|---|---|---|
| | | YES Sec | Consensus | YES Sec | Consensus | |
| Sales | 32,859 | 30,509 | 31,139 | 7.7 | 5.5 | EBITDA better than expected led by EUR while S/A in-line |
| EBITDA | 4,089 | 3,782 | 4,326 | 8.1 | (5.5) | |
| EBITDA margins % | 12.4 | 12.4 | 13.9 | 0bp | -140bp | |
| Adjusted PAT | 1,996 | 1,962 | 2,329 | 1.8 | (14.3) | |

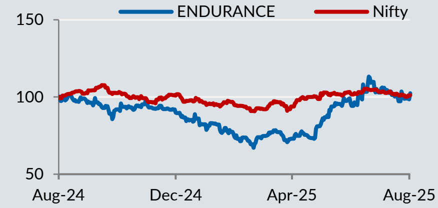
Source: Company, YES Sec

| | | |
|---|---|---|
| Recommendation | : | **BUY** |
| Current Price | : | Rs 2,601 |
| Target Price | : | Rs 3,067 |
| Potential Return | : | +18% |

**Stock data** (as on Aug 14, 2025)

| | |
|---|---|
| Nifty | 24,654 |
| 52 Week h/l (Rs) | 3,030 / 1,675 |
| Market cap (Rs/USD mn) | 353,064 / 4,302 |
| Outstanding Shares (mn) | 141 |
| 6m Avg t/o (Rs mn): | 422 |
| Div yield (%): | 0.4 |
| Bloomberg code: | ENDU IN |
| NSE code: | ENDURANCE |

**Stock performance**




| | 1M | 3M | 1Y |
|---|---|---|---|
| Absolute return | (3.1%) | +18.9% | +5.1% |

**Shareholding pattern** (As of Jun'25)

| | |
|---|---|
| Promoter | 75.0% |
| FII+DII | 23.3% |
| Others | 1.7% |

**Δ in stance**

| (1-Yr) | New | Old |
|---|---|---|
| Rating | BUY | BUY |
| Target Price | 3,067 | 2,684 |

**Δ in earnings estimates**

| | FY26E | FY27E |
|---|---|---|
| EPS (New) | 72.1 | 90.2 |
| EPS (Old) | 74.6 | 87.0 |
| % change | (3.3%) | +3.7% |

**Financial Summary- Consolidated**

| Y/E Mar (Rs b) | FY25 | FY26E | FY27E |
|---|---|---|---|
| Sales | 115.6 | 136.1 | 153.5 |
| EBITDA | 15.5 | 18.7 | 22.8 |
| Adj. PAT | 8.3 | 10.1 | 12.7 |
| EPS (Rs) | 58.8 | 72.1 | 90.2 |
| EPS Growth (%) | 21.5 | 22.6 | 25.1 |
| BV/Share (INR) | 406.5 | 467.6 | 544.1 |
| RoE (%) | 15.5 | 16.5 | 17.8 |
| RoCE (%) | 16.3 | 18.1 | 20.0 |
| Payout (%) | 16.8 | 15.6 | 15.2 |
| P/E (x) | 44.2 | 36.1 | 28.8 |
| EV/EBITDA (x) | 23.5 | 19.8 | 16.1 |
| EV/Sales (x) | 3.2 | 2.7 | 2.4 |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**MEGHNA GUNDU,** Associate

### Exhibit 2: Quarterly snapshot

| Y/e Mar (Rs mn) | Q1FY26 | Q1FY25 | YoY chg | Q4FY25 | QoQ chg | FY25 | FY24 | YoY chg |
|---|---|---|---|---|---|---|---|---|
| **Net Revenues** | **32,859** | **28,027** | **17.2** | **29,255** | **12.3** | **114,869** | **101,417** | **13.3** |
| Raw Materials | 18,894 | 16,260 | 16.2 | 16,620 | 13.7 | 66,031 | 60,506 | 9.1 |
| *% of Net Sales* | 57.5% | 58.0% | | 56.8% | | 57.5% | 59.7% | |
| *Gross Margins %* | 42.5% | 42.0% | | 43.2% | | 42.5% | 40.3% | |
| Personnel | 2,952 | 2,502 | 18.0 | 2,638 | 11.9 | 10,073 | 8,799 | 14.5 |
| *% of Net Sales* | 9.0% | 8.9% | | 9.0% | | 8.8% | 8.7% | |
| Manufacturing & Other Exp | 6,905 | 5,753 | 20.0 | 6,153 | 12.2 | 23,993 | 19,824 | 21.0 |
| *% of Net Sales* | 21.0% | 20.5% | | 21.0% | | 20.9% | 19.5% | |
| Total Expenditure | 28,770 | 24,514 | 17.4 | 25,410 | 13.2 | 100,097 | 89,129 | 12.3 |
| **EBITDA** | **4,089** | **3,513** | **16.4** | **3,845** | **6.4** | **14,772** | **12,288** | **20.2** |
| ***EBITDA Margin (%)*** | **12.4%** | **12.5%** | | **13.1%** | | **12.9%** | **12.1%** | |
| Depreciation | 1,644 | 1,288 | 27.7 | 1,424 | 15.5 | 5,387 | 4,740 | 13.7 |
| **EBIT** | **2,444** | **2,225** | **9.8** | **2,420** | **1.0** | **9,385** | **7,548** | **24.3** |
| Interest Expenses | 135 | 112 | 20.2 | 125 | 8.2 | 468 | 427 | 9.7 |
| Non-operating income | 356 | 339 | 5.2 | 346 | 2.9 | 1,170 | 856 | 36.6 |
| Extraordinary Expenses | 330 | 228 | | 502 | -34.2 | 861 | 992 | |
| **PBT** | **2,996** | **2,680** | **11.8** | **3,144** | **-4.7** | **10,947** | **8,969** | **22.0** |
| Tax-Total | 752 | 641 | 17.3 | 692 | 8.6 | 2,584 | 2,165 | 19.4 |
| *Tax Rate (%) - Total* | 25.1% | 23.9% | | 22.0% | | 2.2% | 2.1% | |
| **Reported PAT** | **2,243** | **2,039** | **10.1** | **2,451** | **-8.5** | **8,364** | **6,805** | **22.9** |
| Minority Interest | (330) | (228) | | (502) | | (861) | (992) | |
| **Profit after MI** | **1,913** | **1,811** | **5.7** | **1,950** | **-1.9** | **7,503** | **5,813** | **29.1** |
| **Adj. PAT** | **1,996** | **1,865** | **7.0** | **2,060** | **-3.1** | **7,699** | **6,052** | **27.2** |
| ***PAT Margin*** | **6.1%** | **6.7%** | | **7.0%** | | **6.7%** | **6.0%** | |

Source- Company, YES Sec

# KEY CON-CALL HIGHLIGHTS

## India

- **Order wins of Rs2.5b in 1QFY26 (vs ~Rs12b in FY24, Rs9.35b in FY23)** other than BJAUT (TVS, RE, MM, TTMT) with aggregate orders at ~Rs43.3b with peak revenue expected in FY27E. Of the ~Rs43.3b, ~Rs36.1b is new business and Rs7.17b of replacement business. Co is discussing RFQs worth ~Rs32.3b from various OEMs.
    - **EV orders wins at ~Rs0.3b in 1Q** (vs Rs4.4b in FY25, Rs5.3b in FY24, Rs3.8b in FY23) with cumulative orders book at Rs10.2b (from HMSI, Ather, BJAUT, HMCL, M&M, TTMT, TVS and Aptiv). This include Rs3b order from EV PV from Valeo and Yazaki. Of Rs8.65b order in S/A, Rs4.1b is for castings, Rs3b for brakes and Rs1.08b for suspension.
    - LoI for battery pack of EV 2W model of a large OEM with peak annual sale of Rs3b.
- **First PV brake order from TTMT –** The order win is for drum brake assembly with peak revenue opportunity of ~Rs250/annum with SOP by end 4QFY26.
    - Goal is to introduce advanced systems like ESP.
- **Braking system - ABS Engaging with most OEMs as there is limited cos supplying ABS led by MNCs**
    - As per internal targets, at least ~16m 2Ws will need ABS even if there is a delay of 3-6 months basis past experience but regulation is here to stay. **ENDU current market share would be 13-15% on single channel basis (sample for dual channel is sent with SOP expected by next month) and target is atleast 25%.**
    - ENDU current ABS capacity is 640k and basis customer commitment, **co is going ahead with additional 2 lines expansion which with capacity of 2.4m by Mar'26 in Waluj.**
    - **ABS regulation will support growth for CBS too** as ABS will require CBS and not drum brake. This will lead to higher disc brake penetration as well. Capacity expansion in Chennai for disc brake system assembly (master cylinder, caliper, dis brake, disc hose) for Southern OEMs.
    - ENUD's market share in braking system at ~40% and for brake disc is ~60%.
    - Single channel capacity is 400k.
- **Suspension –** Have won an order for inverted front fork and rear mono shock from a Chinese OEM with SOP expected by end FY26E. Expect KTM demand to increase going forward.
- **Maxwell –** Have won ~Rs3.3b orders since FY22
    - Order won of Rs80m and leads of Rs1.5b is pursued.
    - Supplied +250k BMS to largest customer as they ramp up to full scale production
- **Aftermarket sales grew by 5.9% YoY** to Rs1.12b in 1Q (vs Rs5.06b in FY25 and Rs4.6b in FY24). Expect healthy growth to continue led by geographic and product expansion in FY26E.
    - On ground activation strategy in place for top 100 districts in domestic while detailed market study conducted in high performance market for exports.
    - Have introduced front fork pipes in Indonesia in 1QFY26.
    - Have begun to implement strategy with revamped distribution and new product introductions. Aftermarket exports grew +29% in FY25 with new market entry slated for FY26. **Value added product account for ~40% of aftermarket revenues.**

- **1QFY26 capex –** S/A at Rs2.86b (vs Rs6.1b in FY25, Rs3.8b in FY24) of which >80% was for growth and dies this include Includes capacity addition in brake assemblies, alloy wheels, aluminium casting and additional land bank.
  - **Capex in FY26 expected to be >Rs8b** led by addition of capacity for new line of products.
  - In FY27E too though focus will be assets sweating, capex likely to be higher.
- **Patents** - 16 new patents received taking the total to 91 (flat QoQ). 30 new design registrations approvals received taking the total to 72 (+4 QoQ).
- **MH state incentive** under 2019 scheme approved at Rs6.06b (Rs650-750m per year run rate expected) vs ~Rs4.47b approved in 2013 scheme. 1QFY26 incentive at Rs330m

## Europe

- **Orders wins of EUR1.7m in 1QFY26** (vs EUR40m in FY25, EUR31m in FY24, EUR84m in FY23).
  - Aggregate orders at EUR231m with peak revenue expected in FY28E. Of the EUR231m, EUR196m is new business and EUR35m of replacement business.
  - Segment split - EUR94m/EUR98m/EUR39m is for EV/hybrids/non-auto.
  - ICE account for ~40% of Europe revenues and expect to decline to ~25% in FY28E.
  - **Europe order wins** include specialty plastics in Turin.
- **Capex spends at EUR9m (vs EUR51.3m in FY25, EUR51.6m in FY24)** for capacity expansion to cater to new orders from customers including VW group (including Porsche and Audi), Punch Powertrain and Stellantis. Expect FY26 capex expected to be lower by 50% vs FY25 as markets in EUR is consolidating.
- **Energy prices –** Electricity/Gas prices have increased 7%/15% YoY and are still higher by 1.3x/1.9x vs FY21.
- **Europe financial performance 1QFY26** - Revenue at EUR103.2m (vs EUR80.1m YoY), EBITDA at EUR18m (vs EUR13.3m YoY) with margins at 17.4% (vs 13.3% YoY) and PAT at EUR6.4m (vs EUR4.9m YoY).
  - **Storferle contribution included above** - Revenue EUR22, EBITDA EUR4.5m. The business is only doing machining and hence higher margins.
  - **Fuel mix –** BEV at 15% BEV, Plug in hybrids at 9.2% and Hybrids at 34.2%.
  - US exposure is EUR25m out of Europe where don't see much direct impact.
- **EU new car registrations degrew 1.8% YoY** where as ENDU's revenues grew by 2% in EUR terms. Current demand conditions are not favorable, but ENDU is gaining market share for proprietary products.

# ANALYST VIEW & INVESTMENT THESIS

**Revenue diversification targeted for PVs and industrial segment -** ENDU is looking to focus on ramping up presence in the PV with target for this segment to reach 45% contribution to revenues from 25% currently. It has already won new orders worth Rs2.75b at its new plant in Auric for PV die casting at capex of Rs4.09b. It has tied up with Korean leader for entering the PV suspensions segment and is in talks with multiple OEMs for making inroads. It is also in discussion with a large PV OEM to supply brakes. It is also targeting ramp up of non-auto segment with proposed capacity of ~900MT casting parts/month. SOP expected by 2QFY26E against the order received and revenues of >Rs5b per annum. Production commenced for machined casting expansion in Waluj/Pantnagar for EV, petrol, CNG models for 2W/3W OEM.

**New order wins to help sustain growth –** ENDU has an order-wins of Rs2.5b in 1QFY26 and Rs12b in FY25 (vs ~Rs12b in FY24, Rs9.35b in FY23) other than BJAUT (TVS, HMCL, MM, Kawasaki, Piaggio and TTMT) with aggregate orders at ~Rs46.9b with peak revenue expected in FY27E. Cumulative India for EV at Rs8.35b and Rs10b incl Bajaj. Of the cumulative orders ~Rs14b SOP in FY25, Rs10b expected in FY26E, and rest will be FY27/28. Europe orders wins of EUR4m EUR40m in FY25 (vs EUR31m in FY24, EUR84m in FY23) with aggregate orders at EUR248m with peak revenue expected in FY28E.

**Multiple capex underway for high growth verticals –** 1) **Alloy wheels** – Added a new plant in Chakan and expanded the capacity to 5.5m wheels per annum (vs 4.5m earlier). Additional greenfield capacity of 3.6m wheels per annum in Aurangabad with SOP expected by Sep'25 for a capex of Rs3b. 2) Greenfield capacity for **aluminum die casting** parts for PV (ICE and EV) and non-auto at capex of ~Rs4.09b for proposed capacity of ~900MT casting parts/month, SOP by 2QFY26. 3) **Suspension** - Added capacities in Waluj and Narsapura to service a large order for scooter front forks from a Japanese OEM with SOP in Jan'25. Working on Solar dampener opportunity with order is from Spanish co (world 3rd largest player for solar panels) with SOP from 2QFY26. 4) Setting up **battery pack facility** in Pune leveraging in house technology and Maxwell for battery packs. 5) added **aluminum forgings** press line in 4Q taking the total number to 4 press lines with new line SOP by 4QFY26. 6) ABS capacity expansion at Waluj for total capacity of 2.4m units with SOP by Mar'26.

**Maintain ADD -** We continue to see ENDU to outperform the underlying industry driven by, 1) new order wins and fast ramp up expected over FY26-28E for the proprietary products, 2) increasing share of higher margins business such as Disc brakes, ABS, Alloy wheels and structural castings. However, focus on Aluminium castings (for non-auto) may partially dilute margins. We maintain FY26 while raise FY27 consol EPS for healthy order ramp-up which shall cushion near term challenges. Valuations at 29.4x/25.2x FY26E/27E consol EPS is attractive (vs 10-year one year forward LPA of ~33x) given healthy revenue/EBITDA/PAT CAGR of 12.8%/21.1%/21.6% over FY25-27E. Maintain BUY with TP at Rs2,557 valuing it at 29x Mar'27 EPS.

### Exhibit 3: Key monitorable

| What to Watch | Why it Matters | Timeline |
|---|---|---|
| Europe outperformance | Margin accretive | 1-2 years |
| New product launches | Will help content and outperformance | Immediate |
| Ramp-up in PV, non-auto | Revenue diversification | Immediate |

Source: Company, YES Sec

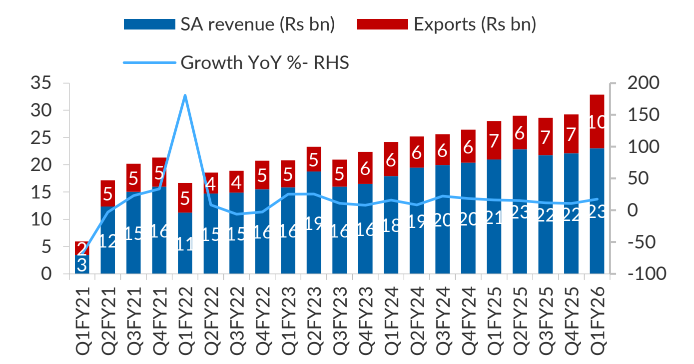
### Exhibit 4: Valuation and key ratios

| vValuation (x) | FY25 | FY26E | FY27E | Average (10y LPA) |
|---|---|---|---|---|
| P/E | 44.2 | 36.1 | 28.8 | 33.3 |
| P/BV | 6.4 | 5.6 | 4.8 | 5.0 |
| EV/Sales | 3.2 | 2.7 | 2.4 | 3.8 |
| EV/EBITDA | 23.5 | 19.8 | 16.1 | 30.2 |
| RoCE (%) | 16.3 | 18.1 | 20.0 | 14.8 |

Source: Company, YES Sec

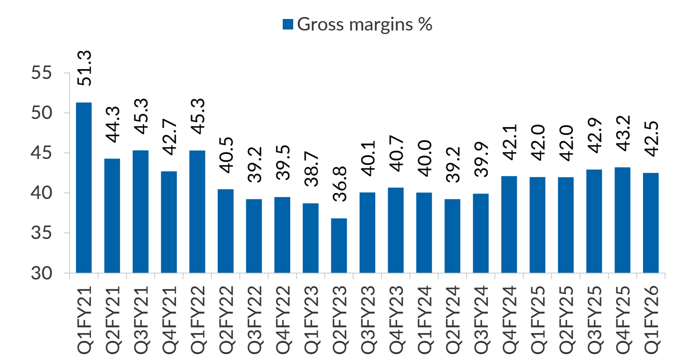
# CHARTS

### Exhibit 1: SA/EUR continue to outperform industry



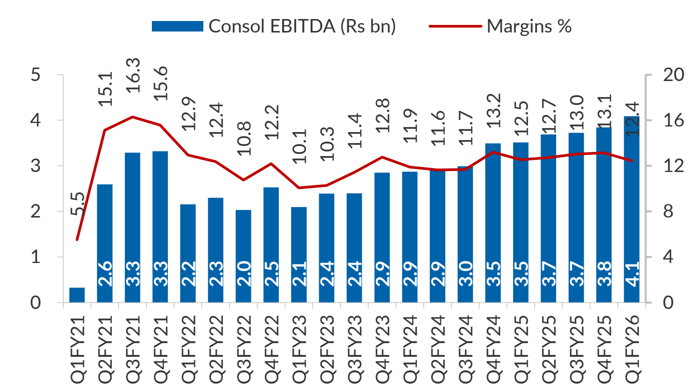

Source: Company, YES Sec

### Exhibit 2: Gross margin contracted 70bps QoQ at 42.5%



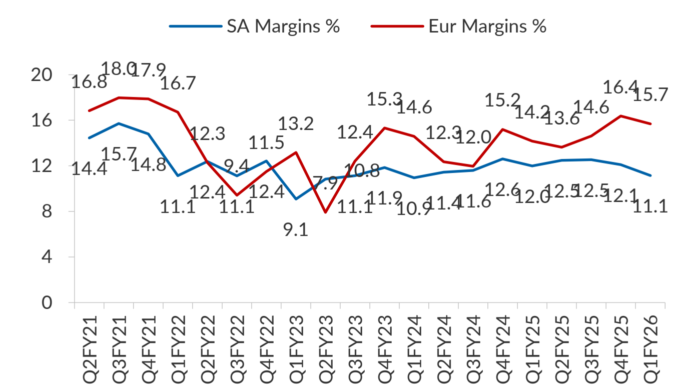

Source: Company, YES Sec

### Exhibit 3: EBITDAM contracted 70bp QoQ at ~12.4%




Source: Company, YES Sec

### Exhibit 4: Trend in S/A and Europe business margins




Source: Company, YES Sec

# FINANCIALS

### Exhibit 5: Balance Sheet

| Y/E March | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|---|---|---|---|---|---|---|
| Equity Share Capital | 1,407 | 1,407 | 1,407 | 1,407 | 1,407 | 1,407 |
| Preference Capital | - | - | - | - | - | - |
| Total Reserves | 37,793 | 42,715 | 48,368 | 55,768 | 64,369 | 75,128 |
| **Net Worth** | **39,200** | **44,121** | **49,774** | **57,174** | **65,775** | **76,535** |
| Minority Interest | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Loans | 4,296 | 5,148 | 7,653 | 9,437 | 8,437 | 7,437 |
| Deferred Tax Liabilities | 6 | 5 | 144 | 134 | 134 | 134 |
| **Capital Employed** | **43,503** | **49,274** | **57,572** | **66,745** | **74,346** | **84,105** |
| Gross Block | 48,000 | 54,043 | 63,116 | 72,908 | 87,408 | 99,408 |
| Less: Accum. Deprn. | 22,610 | 26,514 | 30,736 | 35,731 | 41,708 | 48,639 |
| **Net Fixed Assets** | **25,390** | **27,528** | **32,379** | **37,176** | **45,699** | **50,768** |
| Goodwill on Consolidation | 1,757 | 3,900 | 3,923 | 3,405 | 3,405 | 3,405 |
| Capital WIP | 1,193 | 1,709 | 1,593 | 2,930 | 2,930 | 2,930 |
| **Total Investments** | **4,868** | **6,718** | **7,926** | **8,036** | **8,840** | **9,724** |
| **Curr. Assets, Loans&Adv.** | **25,368** | **28,169** | **33,036** | **39,846** | **42,497** | **49,999** |
| Inventory | 7,011 | 8,206 | 8,722 | 9,364 | 14,919 | 16,818 |
| Account Receivables | 9,704 | 11,620 | 12,624 | 14,186 | 16,705 | 18,831 |
| Cash and Bank Balance | 4,026 | 2,877 | 5,047 | 10,189 | 3,682 | 6,242 |
| Loans and Advances | 4,627 | 5,465 | 6,643 | 6,107 | 7,192 | 8,107 |
| **Curr. Liability & Prov.** | **15,074** | **18,750** | **21,285** | **24,648** | **29,025** | **32,720** |
| Account Payables | 12,413 | 14,257 | 16,045 | 19,743 | 23,248 | 26,208 |
| Other Current Liabilities | 1,786 | 3,520 | 4,394 | 3,908 | 4,602 | 5,187 |
| Provisions | 874 | 973 | 846 | 998 | 1,175 | 1,325 |
| **Net Current Assets** | **10,295** | **9,418** | **11,751** | **15,197** | **13,472** | **17,279** |
| **Appl. of Funds** | **43,502** | **49,274** | **57,572** | **66,744** | **74,346** | **84,105** |

Source: Company, YES Sec

### Exhibit 6: Income statement

| Y/E March | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|---|---|---|---|---|---|---|
| **Net Sales** | **75,491** | **88,040** | **102,409** | **115,608** | **136,135** | **153,466** |
| Change (%) | 15.3 | 16.6 | 16.3 | 12.9 | 17.8 | 12.7 |
| Total Expenditure | 65,845 | 77,678 | 89,129 | 100,097 | 117,414 | 130,693 |
| % of Sales | 87.2 | 88.2 | 87.0 | 86.6 | 86.2 | 85.2 |
| **EBITDA** | **9,646** | **10,363** | **13,280** | **15,511** | **18,721** | **22,772** |
| **Margin (%)** | **12.8** | **11.8** | **13.0** | **13.4** | **13.8** | **14.8** |
| Depreciation | 3,817 | 4,216 | 4,740 | 5,387 | 5,977 | 6,931 |
| **EBIT** | **5,829** | **6,147** | **8,540** | **10,124** | **12,744** | **15,841** |
| Int. and Finance Charges | 64 | 206 | 427 | 468 | 488 | 423 |
| Other Income | 410 | 454 | 856 | 1,170 | 1,380 | 1,380 |
| **PBT bef. EO Exp.** | **6,176** | **6,395** | **8,969** | **10,825** | **13,636** | **16,798** |
| EO Items | (315) | (103) | - | 122 | (330) | - |
| **PBT after EO Exp.** | **5,861** | **6,293** | **8,969** | **10,947** | **13,306** | **16,798** |
| Total Tax | 1,254 | 1,497 | 2,165 | 2,584 | 3,409 | 4,110 |
| Tax Rate (%) | 21.4 | 23.8 | 24.1 | 23.6 | 26 | 24 |
| Minority Interest | - | - | - | - | - | - |
| Reported PAT | 4,607 | 4,796 | 6,805 | 8,364 | 9,898 | 12,688 |
| **Adjusted PAT** | **4,854** | **4,874** | **6,805** | **8,270** | **10,143** | **12,688** |
| **Change (%)** | **(8.2)** | **0.4** | **39.6** | **21.5** | **22.6** | **25.1** |
| Margin (%) | 6.4 | 5.5 | 6.6 | 7.2 | 7.5 | 8.3 |

Source: Company, YES Sec

### Exhibit 7: Cash Flow Statement

| Y/E March | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|---|---|---|---|---|---|---|
| OP/(Loss) before Tax | 5,861 | 6,293 | 8,969 | 10,947 | 13,636 | 16,798 |
| Depreciation | 3,817 | 4,216 | 4,740 | 5,387 | 5,977 | 6,931 |
| Interest & Finance Charges | 57 | 196 | 418 | 460 | (892) | (957) |
| Direct Taxes Paid | (1,600) | (1,849) | (2,194) | (2,168) | (3,409) | (4,110) |
| (Inc)/Dec in WC | (398) | (415) | (803) | 1,424 | (4,782) | (1,246) |
| **CF from Operations** | **7,737** | **8,441** | **11,131** | **16,050** | **10,531** | **17,416** |
| Others | (322) | 179 | (560) | (733) | - | - |
| **CF from Operating incl EO** | **7,416** | **8,620** | **10,571** | **15,317** | **10,531** | **17,416** |
| (Inc)/Dec in FA | (5,195) | (6,216) | (8,201) | (10,063) | (14,500) | (12,000) |
| **Free Cash Flow** | **2,220** | **2,404** | **2,370** | **5,254** | **(3,969)** | **5,416** |
| (Pur)/Sale of Investments | (0) | (0) | (1) | 0 | (804) | (884) |
| **CF from Investments** | **(5,513)** | **(9,147)** | **(9,452)** | **(10,127)** | **(13,924)** | **(11,504)** |
| Issue of Shares | - | - | - | - | - | - |
| Inc/(Dec) in Debt | (1,828) | 282 | 2,513 | 1,381 | (1,000) | (1,000) |
| Interest Paid | (67) | (40) | (324) | (367) | (488) | (423) |
| Dividend Paid | (844) | (879) | (985) | (1,196) | (1,542) | (1,929) |
| **CF from Fin. Activity** | **(3,020)** | **(719)** | **1,051** | **(292)** | **(3,030)** | **(3,352)** |
| Inc/Dec of Cash | (1,117) | (1,246) | 2,170 | 4,898 | (6,423) | 2,560 |
| Opening Balance | 5,144 | 4,123 | 2,877 | 5,291 | 10,189 | 3,766 |
| **Closing Balance** | **4,026** | **2,877** | **5,047** | **10,189** | **3,766** | **6,327** |

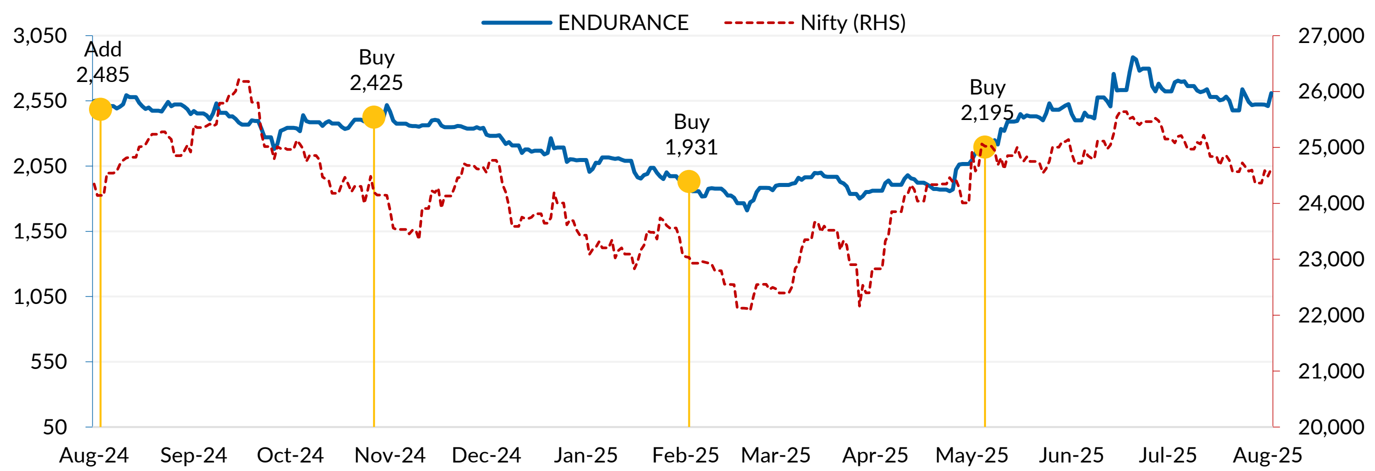
Source- Company, YES Sec

### Exhibit 8: Growth and Ratio matrix

| Y/E March | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|---|---|---|---|---|---|---|
| **Basic (INR)** | | | | | | |
| EPS | 34.5 | 34.7 | 48.4 | 58.8 | 72.1 | 90.2 |
| Cash EPS | 61.6 | 64.6 | 82.1 | 97.1 | 114.6 | 139.5 |
| BV/Share | 278.7 | 313.7 | 353.9 | 406.5 | 467.6 | 544.1 |
| DPS | 6.3 | 7.0 | 8.5 | 10.0 | 11.0 | 13.7 |
| Payout (%) | 19.1 | 20.5 | 17.6 | 16.8 | 15.6 | 15.2 |
| **Valuation (x)** | | | | | | |
| P/E | 75.4 | 75.1 | 53.8 | 44.2 | 36.1 | 28.8 |
| Cash P/E | 42.2 | 40.2 | 31.7 | 26.8 | 22.7 | 18.6 |
| P/BV | 9.3 | 8.3 | 7.4 | 6.4 | 5.6 | 4.8 |
| EV/Sales | 4.9 | 4.2 | 3.6 | 3.2 | 2.7 | 2.4 |
| EV/EBITDA | 38.0 | 35.5 | 27.7 | 23.5 | 19.8 | 16.1 |
| FCF per share | 15.8 | 17.1 | 16.8 | 37.4 | (28.2) | 38.5 |
| **Return Ratios (%)** | | | | | | |
| RoE | 13.0 | 11.7 | 14.5 | 15.5 | 16.5 | 17.8 |
| RoCE | 13.6 | 13.3 | 16.0 | 16.3 | 18.1 | 20.0 |
| RoIC | 14.1 | 13.1 | 16.0 | 17.5 | 18.1 | 19.3 |
| **Working Capital Ratios** | | | | | | |
| Asset Turnover (x) | 1.6 | 1.6 | 1.6 | 1.6 | 1.6 | 1.5 |
| Inventory (Days) | 33.9 | 34.0 | 31.1 | 29.6 | 40.0 | 40.0 |
| Debtor (Days) | 46.9 | 48.2 | 45.0 | 44.8 | 44.8 | 44.8 |
| Creditor (Days) | 60.0 | 59.1 | 57.2 | 62.3 | 62.3 | 62.3 |
| **Leverage Ratio (x)** | | | | | | |
| Net Debt/Equity | (0.1) | (0.1) | (0.1) | (0.2) | (0.1) | (0.1) |

Source- Company, YES Sec

## Recommendation Tracker




Source – YES Sec

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# Endurance Technologies (ENDU)

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