

# Crompton Greaves Consumer Electricals | BUY

## Margins surprise; marks entry into residential wires



Crompton's 3Q revenue was largely in line with expectations. Margin surprised positively, driven by improved operational performance, timely pricing actions, and a better product mix. The company announced its entry into residential wires, in line with its strategy of expanding the addressable market through adjacent categories. The product range will be rolled out in select markets over the next 6–7 weeks, followed by a phased pan-India expansion, with initial sourcing to be outsourced. Management targets meaningful market share gains over the medium term by leveraging Crompton's strong brand, distribution reach, and supply-chain capabilities. Additionally, the company has partially passed on rising commodity costs through price hikes and plans to implement two further rounds of hikes in 4QFY26 and 1QFY27. We upgrade our FY26 EPS estimates by ~4% to factor 3Q performance, while our FY27/28E estimates remain unchanged. However, Crompton has been trading at <-1SD of its 1-yr forward P/E over 5 years. To factor this in, we cut our target multiple to 29x (-1SD) from 35x (mean 1-yr forward P/E), and arrive at a PT or INR 315. Maintain BUY.

- **3Q beat led by overall operational performance:** Crompton's 3Q revenue at INR 19bn rose 7% YoY and came in 2% ahead of our estimate and in-line with consensus. This was driven by a ~8% YoY increase in ECD (73% of revenue), while lighting and Butterfly both saw a 7% YoY revenue growth each. EBITDA at INR 1.9bn up 4% YoY, was a 16% beat on our and consensus estimates. EBITDA margin at 10.3%, contracted 30bps YoY, and was 120bps higher than our and 140bps higher than consensus estimate. Adjusted PAT at INR 1.2bn, up 7%YoY, was 17% higher than our and Street estimate.
- **Strategic entry into residential wires segment:** Crompton announced the launch of residential wires, a meaningful adjacency that expands its addressable market and enhances its positioning as a comprehensive home solutions player. The product range will be rolled out in select markets over the next 6–7 weeks, followed by a phased pan-India expansion. Initial sourcing will be outsourced, allowing Crompton to leverage its strong brand, distribution reach, and supply-chain capabilities while maintaining disciplined capital allocation. This transition aligns with the company's strategy of expanding TAM by entering into related product adjacencies
- **Rising commodity prices and BEE transition leading to price hikes in fans:** According to the management, the recent BEE transition that came into effect from 1st Jan 2026 was smooth for Crompton. This was supported by disciplined liquidation of old inventory and advanced readiness through R&D and engineering. Interestingly, Crompton has sold only new-rated fans post transition. To offset commmodity inflation and currency depreciation, the company has already implemented a net 1–1.5% price hike, with two additional rounds planned in Q4FY26 and Q1FY27. These hikes will further be supported by on-going cost-reduction initiatives and favourable mix improvement. Management does not expect induction fans to be structurally priced out, highlighting that both induction and BLDC technologies will coexist, underpinned by Crompton's scale and technological capabilities. In BLDC segment improvement in BLDC range has laid to gain in market share of >5%
- **Solar businesses tracking well:** Solar pumps continued to see strong execution, with revenue >2x YoY, with increasing scale driving margin improvement. In the solar rooftop segment, current orders are largely government-intermediated, and do involve B2C rooftop installations. Execution of these orders is expected over the next 9–12 months. Management also expects B2C traction in rooftop solar to build progressively over the next few quarters.

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### Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	315
Upside/(Downside)	28.6%
Previous Price Target	370
Change	-14.9%

### Key Data – CROMPTON IN

Current Market Price	INR245
Market cap (bn)	INR157.8/US\$1.7
Free Float	97%
Shares in issue (mn)	626.8
Diluted share (mn)	643.8
3-mon avg daily val (mn)	INR849.9/US\$9.4
52-week range	368/217
Sensex/Nifty	83,580/25,694
INR/US\$	90.7

### Price Performance

%	1M	6M	12M
Absolute	-4.9	-23.4	-33.0
Relative*	-4.9	-26.8	-37.6

\* To the BSE Sensex

### Financial Summary

(INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	73,128	78,636	80,274	88,891	98,490
Sales Growth (%)	6.5	7.5	2.1	10.7	10.8
EBITDA	7,137	8,882	8,038	9,659	11,112
EBITDA Margin (%)	9.8	11.3	10.0	10.9	11.3
Adjusted Net Profit	4,399	5,559	5,149	6,393	7,519
Diluted EPS (INR)	6.8	8.6	8.0	9.9	11.7
Diluted EPS Growth (%)	-6.1	26.2	-7.4	24.2	17.6
ROIC (%)	11.7	14.5	12.8	15.5	17.6
ROE (%)	15.5	17.4	14.6	16.7	17.6
P/E (x)	35.8	28.4	30.6	24.7	21.0
P/B (x)	5.3	4.7	4.3	3.9	3.5
EV/EBITDA (x)	22.6	17.8	19.4	15.8	13.4
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of 06/Feb/2026

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

## Key takeaways from concall

### Entry into residential wires

- Crompton announced the launch (not just entry) of residential wires, marking a meaningful adjacency expansion. Products will be available in select markets over the next 6–7 weeks, with a phased pan-India rollout.
- The segment materially expands the company's addressable market and strengthens Crompton's positioning as an end-to-end home solutions player.
- Initial sourcing will be outsourced, leveraging Crompton's established strengths in brand, distribution, and supply-chain management, with capital allocation remaining disciplined.

### Fans: BEE transition and pricing

- **BEE 2.0 transition executed smoothly:** The mandatory transition effective 1 Jan 2026 was handled seamlessly, with responsible liquidation of legacy inventory and readiness through R&D and engineering. Crompton has sold only new-rated fans since the transition.
- **Pricing actions underway:** A net 1–1.5% price hike has already been implemented, with two further hikes planned in Q4 and Q1 to offset commodity inflation and currency depreciation, alongside on-going cost-reduction initiatives and mix improvement.
- **Technology mix:** Management does not expect induction fans to be structurally priced out; both induction and BLDC fans are expected to coexist, supported by Crompton's scale and technology capabilities.

### Lighting & Butterfly

- Lighting growth supported by ceiling lights and accessories; margins remain industry-leading, aided by mix improvement and supply-chain efficiencies.
- Butterfly revenue grew 7% YoY to INR 2.4bn, led by premiumisation in gas stoves and GST-driven demand in cookers (both double-digit growth). EBITDA margin expanded ~100bps YoY to 8.2%, driven by gross margin improvement and cost optimisation. PAT grew 44% YoY.

### Solar businesses

- **Solar pumps:** Strong execution continued, with revenue more than doubling YoY; scale benefits are improving margins.
- **Solar rooftop:** Execution has begun on the ~INR 5bn order book, with ~INR 180–190mn revenue recognised in the last quarter. Orders are largely government-intermediated but involve B2C rooftop installations. Execution is expected over 9–12 months, with working capital already factored into margin expectations. B2C traction is expected to pick up over coming quarters.

### Other takeaways

- **Category expansion philosophy intact:** Management reiterated its “play-to-win” strategy in large adjacencies (solar pumps, rooftop solar, wires), while smaller adjacencies (eg. mobile accessories) remain “play-to-participate.”
- **Market-share gains:** Crompton continues to gain share across categories; BLDC fans momentum remains strong, and the company is now the #2 water heater brand in GT nationally (and #1 on e-commerce).
- **Commodity inflation:** Inflation persists, but Crompton had anticipated this and is mitigating through calibrated price hikes, alternate raw materials, and cost programs without compromising product quality or warranties.
- **Margin trajectory:** Management reiterated confidence in sustaining margins through pricing discipline, premiumisation, and scale benefits across categories.
- **Capital allocation:** Near-term capex remains measured; no aggressive capital investments planned for wires initially. A previously announced greenfield expansion (~INR 3.5bn) is progressing, with further details expected in due course.

**Exhibit 1. CROMPTON – 3QFY26 segmental review**

(INR mn)	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26
<b>Segmental Revenues</b>											
Electric Consumer Durables	12,093	15,160	53,922	17,266	13,927	12,878	16,029	60,100	15,863	13,712	13,850
Lighting Products	2,494	2,811	9,982	2,333	2,531	2,577	2,761	10,203	2,330	2,611	2,750
Butterfly Products	2,341	1,639	9,225	1,777	2,502	2,237	1,817	8,333	1,791	2,834	2,383
<b>Revenue YoY</b>											
Electric Consumer Durables	18.5%	14.3%	13.4%	20.8%	12.5%	6.5%	5.7%	11.5%	-8.1%	-1.5%	7.6%
Lighting Products	0.7%	0.9%	-5.7%	1.9%	6.0%	3.4%	-1.8%	2.2%	-0.2%	3.1%	6.7%
Butterfly Products	-5.8%	-12.2%	-12.7%	-18.8%	-18.1%	-4.4%	10.8%	-9.7%	0.8%	13.3%	6.5%
<b>Revenue Mix</b>											
Electric Consumer Durables	71.4%	77.3%	73.7%	80.8%	73.5%	72.8%	77.8%	76.4%	79.4%	71.6%	73.0%
Lighting Products	14.7%	14.3%	13.6%	10.9%	13.4%	14.6%	13.4%	13.0%	11.7%	13.6%	14.5%
Butterfly Products	13.8%	8.4%	12.6%	8.3%	13.2%	12.6%	8.8%	10.6%	9.0%	14.8%	12.6%
<b>Segmental EBIT</b>											
Electric Consumer Durables	1,642	2,533	7,747	2,587	2,064	1,957	2,675	9,283	2,116	1,450	1,800
Lighting Products	280	251	1,053	209	271	278	440	1,196	296	405	333
Butterfly Products	(19)	(261)	82	41	177	123	123	464	76	221	140
<b>Segmental EBIT Margins</b>											
Electric Consumer Durables	13.6%	16.7%	14.4%	15.0%	14.8%	15.2%	16.7%	15.4%	13.3%	10.6%	13.0%
Lighting Products	11.2%	8.9%	10.6%	8.9%	10.7%	10.8%	15.9%	11.7%	12.7%	15.5%	12.1%
Butterfly Products	-0.8%	-15.9%	0.9%	2.3%	7.1%	5.5%	6.7%	5.6%	4.2%	7.8%	5.9%

Source: Company, JM Financial

**Exhibit 2. CROMPTON – 3QFY26 result review**

(INR mn)	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q3FY26E
<b>Net Revenue</b>	<b>16,927</b>	<b>19,610</b>	<b>73,128</b>	<b>21,377</b>	<b>18,960</b>	<b>17,692</b>	<b>20,606</b>	<b>78,636</b>	<b>19,983</b>	<b>19,156</b>	<b>18,983</b>	<b>18,549</b>
<b>YoY</b>	<b>12%</b>	<b>9%</b>	<b>6%</b>	<b>14%</b>	<b>6%</b>	<b>5%</b>	<b>5%</b>	<b>8%</b>	<b>-7%</b>	<b>1%</b>	<b>7%</b>	<b>5%</b>
Raw Material Costs	(11,428)	(13,352)	(50,003)	(14,561)	(12,756)	(11,801)	(13,615)	(52,733)	(13,560)	(13,106)	(12,873)	(12,428)
<b>Gross Profit</b>	<b>5,499</b>	<b>6,258</b>	<b>23,125</b>	<b>6,816</b>	<b>6,204</b>	<b>5,891</b>	<b>6,991</b>	<b>25,902</b>	<b>6,424</b>	<b>6,050</b>	<b>6,110</b>	<b>6,121</b>
<b>Gross Profit margin %</b>	<b>32.5%</b>	<b>31.9%</b>	<b>31.6%</b>	<b>31.9%</b>	<b>32.7%</b>	<b>33.3%</b>	<b>33.9%</b>	<b>32.9%</b>	<b>32.1%</b>	<b>31.6%</b>	<b>32.2%</b>	<b>33.0%</b>
Employee Cost	(1,457)	(1,507)	(5,899)	(1,617)	(1,597)	(1,497)	(1,679)	(6,390)	(1,698)	(1,653)	(1,700)	(1,620)
% of sales	8.6%	7.7%	8.1%	7.6%	8.4%	8.5%	8.1%	8.1%	8.5%	8.6%	9.0%	8.7%
Other expenses	(2,544)	(2,715)	(10,089)	(2,875)	(2,572)	(2,514)	(2,668)	(10,630)	(2,808)	(2,814)	(2,457)	(2,820)
% of sales	15.0%	13.8%	13.8%	13.5%	13.6%	14.2%	12.9%	13.5%	14.1%	14.7%	12.9%	15.2%
<b>EBITDA</b>	<b>1,498</b>	<b>2,036</b>	<b>7,137</b>	<b>2,324</b>	<b>2,034</b>	<b>1,880</b>	<b>2,644</b>	<b>8,882</b>	<b>1,917</b>	<b>1,584</b>	<b>1,953</b>	<b>1,681</b>
<b>EBITDA margin%</b>	<b>8.8%</b>	<b>10.4%</b>	<b>9.8%</b>	<b>10.9%</b>	<b>10.7%</b>	<b>10.6%</b>	<b>12.8%</b>	<b>11.3%</b>	<b>9.6%</b>	<b>8.3%</b>	<b>10.3%</b>	<b>9.1%</b>
<b>YoY</b>	<b>-1.7%</b>	<b>-3.7%</b>	<b>-8.1%</b>	<b>25.1%</b>	<b>16.6%</b>	<b>25.5%</b>	<b>29.9%</b>	<b>24.5%</b>	<b>-17.5%</b>	<b>-22.1%</b>	<b>3.9%</b>	<b>-10.6%</b>
D&A	(325)	(350)	(1,288)	(372)	(382)	(379)	(396)	(1,528)	(395)	(440)	(436)	(450)
EBIT	1,173	1,686	5,849	1,952	1,653	1,501	2,248	7,354	1,522	1,143	1,517	1,231
EBIT margin%	6.9%	8.6%	8.0%	9.1%	8.7%	8.5%	10.9%	9.4%	7.6%	6.0%	8.0%	6.6%
Other Income	167	160	674	238	175	116	159	688	237	134	128	175
Finance Costs	(215)	(156)	(792)	(155)	(120)	(105)	(100)	(480)	(98)	(52)	(84)	(45)
<b>PBT</b>	<b>1,125</b>	<b>1,690</b>	<b>5,731</b>	<b>2,035</b>	<b>1,707</b>	<b>1,512</b>	<b>2,308</b>	<b>7,562</b>	<b>1,661</b>	<b>1,226</b>	<b>1,561</b>	<b>1,361</b>
<b>YoY</b>	<b>-1.9%</b>	<b>-0.8%</b>	<b>-7.4%</b>	<b>30.6%</b>	<b>25.8%</b>	<b>34.4%</b>	<b>36.5%</b>	<b>32.0%</b>	<b>-18.4%</b>	<b>-28.2%</b>	<b>3.2%</b>	<b>-10.0%</b>
Income Tax Expense	(270)	(356)	(1,313)	(511)	(427)	(393)	(590)	(1,921)	(422)	(268)	(350)	(328)
Rate %	24.0%	21.1%	22.9%	25.1%	25.0%	26.0%	25.6%	25.4%	25.4%	21.9%	22.4%	24.1%
Exceptional										(204)	(200)	
<b>Net Profit</b>	<b>855</b>	<b>1,334</b>	<b>4,418</b>	<b>1,524</b>	<b>1,281</b>	<b>1,119</b>	<b>1,718</b>	<b>5,641</b>	<b>1,239</b>	<b>754</b>	<b>1,010</b>	<b>1,033</b>
<b>Margins</b>	<b>5.0%</b>	<b>6.8%</b>	<b>6.0%</b>	<b>7.1%</b>	<b>6.8%</b>	<b>6.3%</b>	<b>8.3%</b>	<b>7.2%</b>	<b>6.2%</b>	<b>3.9%</b>	<b>5.3%</b>	<b>5.6%</b>
<b>YoY</b>	<b>-3%</b>	<b>1%</b>	<b>-8%</b>	<b>25%</b>	<b>27%</b>	<b>31%</b>	<b>29%</b>	<b>28%</b>	<b>-19%</b>	<b>-41%</b>	<b>-10%</b>	<b>-8%</b>
Minority Interest	5	49	(19)	(6)	(32)	(21)	(23)	(81)	(16)	(43)	(27)	(25)
As % of NP	-0.6%	-3.7%	0.4%	0.4%	2.5%	1.9%	1.3%	1.4%	1.3%	5.6%	2.7%	2.4%
Net Profit to Shareholders	860	1,384	4,399	1,517	1,249	1,098	1,695	5,560	1,223	712	983	1,008
YoY	0.9%	5.5%	-6%	28.2%	28.5%	27.7%	22.5%	26%	-19.4%	-43.0%	-10.5%	-8.2%
Net Margin%	5.1%	7.1%	6.0%	7.1%	6.6%	6.2%	8.2%	7.1%	6.1%	3.7%	5.2%	5.4%
<b>Adj PAT</b>	<b>860</b>	<b>1,384</b>	<b>4,399</b>	<b>1,517</b>	<b>1,249</b>	<b>1,098</b>	<b>1,695</b>	<b>5,560</b>	<b>1,223</b>	<b>915</b>	<b>1,184</b>	<b>1,008</b>

Source: Company, JM Financial

**Exhibit 3. CROMPTON - EPS revision table**

INR mn	FY26E	FY27E	FY28E
<b>Revenue</b>			
New	79,973	87,346	95,432
Old	79,973	87,346	95,432
Change	0.0%	0.0%	0.0%
<b>EBITDA</b>			
New	7,976	9,804	11,134
Old	7,576	9,700	10,964
Change	5.3%	1.1%	1.5%
<b>EBITDA Margin %</b>			
New	10.0%	11.2%	11.7%
Old	9.5%	11.1%	11.5%
Change	5.3%	1.1%	1.5%
<b>PAT</b>			
New	4,911	6,194	7,174
Old	4,720	6,216	7,174
Change	4.1%	-0.3%	0.0%
<b>EPS</b>			
New	7.6	9.6	11.2
Old	7.3	9.7	11.2
Change	4.1%	-0.3%	0.0%

Source: Company, JM Financial

**Exhibit 4. CROMPTON – 1-yr forward P/E band chart (last 5 years)**

Source: Company, JM Financial

## Financial Tables (Consolidated)

Income Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	73,128	78,636	80,274	88,891	98,490
Sales Growth	6.5%	7.5%	2.1%	10.7%	10.8%
Other Operating Income	0	0	0	0	0
<b>Total Revenue</b>	<b>73,128</b>	<b>78,636</b>	<b>80,274</b>	<b>88,891</b>	<b>98,490</b>
Cost of Goods Sold/Op. Exp	50,003	52,733	53,886	59,448	66,049
Personnel Cost	5,899	6,390	6,870	7,385	7,939
Other Expenses	10,089	10,630	11,480	12,399	13,391
<b>EBITDA</b>	<b>7,137</b>	<b>8,882</b>	<b>8,038</b>	<b>9,659</b>	<b>11,112</b>
EBITDA Margin	9.8%	11.3%	10.0%	10.9%	11.3%
EBITDA Growth	-7.4%	24.5%	-9.5%	20.2%	15.0%
Depn. & Amort.	1,288	1,528	1,529	1,618	1,716
EBIT	5,849	7,354	6,509	8,041	9,396
Other Income	674	688	756	780	957
Finance Cost	792	480	300	173	182
PBT before Excep. & Forex	5,731	7,562	6,965	8,648	10,171
Excep. & Forex Inc/Loss(-)	0	0	0	0	0
PBT	5,731	7,562	6,965	8,648	10,171
Taxes	1,313	1,921	1,743	2,164	2,545
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	19	81	73	91	107
Reported Net Profit	4,399	5,559	5,149	6,393	7,519
<b>Adjusted Net Profit</b>	<b>4,399</b>	<b>5,559</b>	<b>5,149</b>	<b>6,393</b>	<b>7,519</b>
Net Margin	6.0%	7.1%	6.4%	7.2%	7.6%
Diluted Share Cap. (mn)	643.1	643.8	643.8	643.8	643.8
<b>Diluted EPS (INR)</b>	<b>6.8</b>	<b>8.6</b>	<b>8.0</b>	<b>9.9</b>	<b>11.7</b>
Diluted EPS Growth	-6.1%	26.2%	-7.4%	24.2%	17.6%
Total Dividend + Tax	0	0	0	0	0
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	0.0

Source: Company, JM Financial

Cash Flow Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	5,712	7,481	6,892	8,557	10,064
Depn. & Amort.	1,288	1,528	1,529	1,618	1,716
Net Interest Exp. / Inc. (-)	0	0	0	0	0
Inc (-) / Dec in WCap.	2,423	87	-1,004	-1,055	-1,223
Others	-23	-99	0	0	0
Taxes Paid	-1,313	-1,921	-1,743	-2,164	-2,545
<b>Operating Cash Flow</b>	<b>8,087</b>	<b>7,076</b>	<b>5,674</b>	<b>6,957</b>	<b>8,012</b>
Capex	-1,077	-2,067	-1,250	-1,500	-1,500
Free Cash Flow	7,010	5,009	4,424	5,457	6,512
Inc (-) / Dec in Investments	-1,536	-299	0	0	0
Others	244	-168	-64	-67	-70
<b>Investing Cash Flow</b>	<b>-2,368</b>	<b>-2,534</b>	<b>-1,314</b>	<b>-1,567</b>	<b>-1,570</b>
Inc / Dec (-) in Capital	926	595	0	0	0
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	-3,219	-2,046	-2,909	94	99
Others	-1,913	-2,168	-2,499	-2,482	-2,466
<b>Financing Cash Flow</b>	<b>-4,206</b>	<b>-3,619</b>	<b>-5,408</b>	<b>-2,388</b>	<b>-2,367</b>
<b>Inc / Dec (-) in Cash</b>	<b>1,513</b>	<b>923</b>	<b>-1,047</b>	<b>3,002</b>	<b>4,075</b>
Opening Cash Balance	1,095	2,608	3,530	2,483	5,485
Closing Cash Balance	2,608	3,530	2,483	5,485	9,560

Source: Company, JM Financial

Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	29,996	33,900	36,477	40,298	45,245
Share Capital	1,286	1,286	1,286	1,286	1,286
Reserves & Surplus	28,710	32,614	35,191	39,011	43,958
Preference Share Capital	0	0	0	0	0
Minority Interest	4,494	4,576	4,649	4,740	4,847
Total Loans	5,990	2,998	0	0	0
Def. Tax Liab. / Assets (-)	99	0	0	0	0
<b>Total - Equity &amp; Liab.</b>	<b>40,579</b>	<b>41,474</b>	<b>41,126</b>	<b>45,038</b>	<b>50,092</b>
Net Fixed Assets	32,553	33,092	32,813	32,694	32,478
Gross Fixed Assets	22,037	24,547	25,797	27,297	28,797
Intangible Assets	12,855	12,855	12,855	12,855	12,855
Less: Depn. & Amort.	2,923	4,452	5,981	7,599	9,315
Capital WIP	585	142	142	142	142
Investments	127	106	106	106	106
Current Assets	28,137	30,101	30,426	36,021	43,135
Inventories	8,304	8,817	9,370	10,544	11,949
Sundry Debtors	7,209	6,912	7,549	8,778	10,212
Cash & Bank Balances	2,608	3,530	2,483	5,485	9,560
Loans & Advances	0	0	0	0	0
Other Current Assets	10,016	10,842	11,024	11,214	11,414
Current Liab. & Prov.	20,238	21,824	22,218	23,783	25,627
Current Liabilities	15,750	17,291	17,665	19,209	21,032
Provisions & Others	4,488	4,533	4,553	4,574	4,596
Net Current Assets	7,899	8,277	8,208	12,238	17,508
<b>Total - Assets</b>	<b>40,579</b>	<b>41,474</b>	<b>41,126</b>	<b>45,038</b>	<b>50,092</b>

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	6.0%	7.1%	6.4%	7.2%	7.6%
Asset Turnover (x)	1.7	1.8	1.8	1.9	1.9
Leverage Factor (x)	1.5	1.4	1.3	1.2	1.2
RoE	15.5%	17.4%	14.6%	16.7%	17.6%
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	46.6	52.7	56.7	62.6	70.3
ROIC	11.7%	14.5%	12.8%	15.5%	17.6%
ROE	15.5%	17.4%	14.6%	16.7%	17.6%
Net Debt/Equity (x)	0.1	0.0	-0.1	-0.1	-0.2
P/E (x)	35.8	28.4	30.6	24.7	21.0
P/B (x)	5.3	4.7	4.3	3.9	3.5
EV/EBITDA (x)	22.6	17.8	19.4	15.8	13.4
EV/Sales (x)	2.2	2.0	1.9	1.7	1.5
Debtor days	36	32	34	36	38
Inventory days	41	41	43	43	44
Creditor days	73	73	72	72	73

Source: Company, JM Financial

## History of Recommendation and Target Price

## Recommendation History

Date	Recommendation	Target Price	% Chg.
25-Jul-22	Buy	530	
27-Oct-22	Buy	470	-11.3
4-Feb-23	Buy	435	-7.6
27-Apr-23	Hold	261	-39.9
22-May-23	Hold	280	7.2
16-Aug-23	Hold	300	7.1
6-Nov-23	Hold	320	6.7
15-Feb-24	Hold	330	3.1
25-Mar-24	Hold	320	-3.0
17-May-24	Hold	380	18.8
1-Aug-24	Hold	470	23.7
26-Sep-24	Hold	470	0.0
16-Nov-24	Hold	425	-9.6
12-Feb-25	Buy	440	3.5
27-Feb-25	Buy	440	0.0
16-May-25	Buy	420	-4.5
7-Aug-25	Buy	400	-4.8
10-Oct-25	Buy	400	0.0
7-Nov-25	Buy	380	-5.0
8-Jan-26	Buy	370	-2.6

## APPENDIX I

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

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Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return $\geq$ 15% over the next twelve months.
ADD	Expected return $\geq$ 5% and $<$ 15% over the next twelve months.
REDUCE	Expected return $\geq$ -10% and $<$ 5% over the next twelve months.
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