Motilal Oswal Financial Services

11 Februray 2026
3QFY26 Results Update | Sector: Cement

Grasim

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	GRASIM IN
Equity Shares (m)	681
M.Cap.(INRb)/(USDb)	1995.7 / 22
52-Week Range (INR)	2980 / 2301
1, 6, 12 Rel. Per (%)	5/1/5
12M Avg Val (INR M)	1781

Financial Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	399.8	459.6	510.0
EBITDA	16.9	26.3	34.2
Adj. PAT	4.4	13.1	21.6
EBITDA Margin (%)	4.2	5.7	6.7
S/A Adj. EPS (INR)	6.5	19.2	31.7
S/A EPS Gr. (%)	35.1	195.8	65.3
Consol EPS (INR)	82.3	100.0	120.6
BV/Sh. (INR)	833.9	863.2	887.9
Ratios			
Net D:E	0.1	0.1	0.1
RoE (%)	-4.2	-0.9	1.6
RoCE (%)	0.7	3.0	5.1
Valuations			
P/E (x)	107.5	33.4	20.2
EV/EBITDA (x)	-1.9	-1.8	-2.2
Div. Yield (%)	0.2	0.2	0.2
FCF Yield (%)	(1.1)	(0.6)	0.6

Shareholding Pattern (%)

As of	Dec-25	Sep-25	Dec-24
Promoter	43.2	43.1	43.1
DII	17.2	17.5	17.9
FII	17.2	16.9	15.9
Others	22.4	22.5	23.1

FII includes depository receipts

CMP: INR2,933 TP: INR3,700 (+26%) Buy

Strong performance; high-growth businesses in traction

Birla Opus sees rapid scale-up; VSF margin expansion drives OPM

- GRASIM's 3QFY26 EBITDA was above our estimate, led by better performance in VSF and higher growth in the B2B segment. EBITDA grew ~77% YoY to INR4.8b (~23% beat). OPM expanded 1.3pp YoY to 4.6% (est. 4.0%). Loss before tax stood at INR1.9b vs. the estimated loss of INR1.7b, due to higher depreciation/interest and lower other income. Adj. loss was at INR1.4b (in line) vs. a loss of INR1.7b in 3QFY25.
- Management indicated that Birla Opus posted a strong 3QFY26 performance with ~70% YoY volume growth, surpassing 500m liters in cumulative sales, reaching over 6m households within 18 months of the launch. It has expanded its presence to +10,400 towns across 35 states and Union Territories. It now covers all population centers with over 50,000 residents and more than 75% of centers in the 10,000–50,000 population bracket. It has taken ~2-6% price increase across product ranges in Jan-Feb'26 to test channel and consumer response. Strong VSF performance was led by improved realization, higher export, and lower input costs (pulp and caustic).
- We cut our EPS estimates by ~11% for FY26 due to higher depreciation and interest costs, but we retain the estimates for FY27 and FY28. **We reiterate our BUY rating** with a TP of INR3,700 (based on an SoTP valuation).

VSF margin expands 3.0pp YoY; chemical margin contracts 1.3pp YoY

- GRASIM's standalone revenue/EBITDA was at INR104.3b/INR4.8b (up 28%/ 77% YoY and up 7%/23% vs. our estimates) in 3QFY26. **VSF segment**: sales volume/realization grew ~6%/3% YoY. EBITDA surged ~48% YoY (+40% QoQ) to INR4.9b. OPM expanded 3.0pp YoY/QoQ to 11%. EBITDA/kg was at INR21 vs. INR15/INR16 in 3QFY25/2QFY26. **Chemical segment**: volume/realization inched up ~3%/2% YoY. However, EBITDA declined ~4% YoY to INR3.2b due to cost pressure. Its OPM contracted 1.3pp YoY to ~13%. According to our calculations, **Paints** revenue grew ~51%/11% YoY/QoQ to ~INR12b, and **B2B revenue** surged 2.7x YoY to INR21.5b. Losses in these high-growth businesses stood at INR3.1b vs. losses of INR3.3b/INR3.2b in 3QFY25/2QFY26.
- In 9MFY26, revenue/EBITDA/Adj PAT stood at INR292.7b/INR12.3b/INR5.5b (+29%/+34%/+2% YoY). OPM remained flat YoY at ~4%. VSF's margin dipped 1.1pp YoY to ~9%, while Chemicals' margin improved ~1.1pp to ~15%.

Highlights from the management commentary

- Based on the results of the four listed Paints players, decorative paints (excl. Birla Opus) revenue grew ~1-2% YoY and volume ~7-8% YoY in 3QFY26. However, including Birla Opus' performance, industry revenue grew to ~5-6%, and volume growth was at ~11-12% YoY.
- Over 0.75m contractors and painters have registered on its digital platform. Also, under "Opus Assurance," an enhanced guarantee beyond the standard warranty clause, including repainting with labor coverage, if required, over 60,000 consumer sites have been registered through ~30,000 contractors.

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- The Phase 1 capacity expansion of 55 KTPA (proposed capacity of 110 KTPA) of Lyocell is progressing well, and commissioning is targeted by mid-FY27. Capex stood at INR13.1b in 9MFY26 vs. the planned capex of INR22.6b in FY26. Net debt stands at INR68.8b vs. INR68.6b in Sep'25.

Valuation and view

- GRASIM's 3Q profitability was above our estimates, fueled by better-than-expected performance in the VSF segment and strong growth in the Paints and B2B e-commerce businesses. In our recent note, we highlighted that GRASIM's VSF business is seeing margin recovery in 2H, supported by better pricing, lower input costs, and improved utilizations. Further, the overall traction in the Paints business is better than our expectations. It has seen a steady improvement in revenue and market share over the last few quarters. It has recently taken a price hike of ~2-6% to test the channel and consumer response.
- **We reiterate our BUY rating with a TP of INR3,700** as we value its: 1) holding in listed subsidiaries by assigning a discount of 35% on our TP for coverage companies, 2) standalone business at 6x FY28 EV/EBITDA, 3) paint business at 2x of investments, 4) B2B e-commerce at 1.5x of FY28E revenue, and 5) renewable business at 10x EV/EBITDA.

Quarterly performance (S/A) (INR b)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Net Sales	**68.9**	**76.2**	**81.2**	**89.3**	**92.2**	**96.1**	**104.3**	**107.1**	**315.6**	**399.8**	**97.4**	7
YoY Change (%)	10.5	18.3	26.9	31.9	33.8	26.1	28.5	20.0	22.1	26.7	19.9	
EBITDA	**3.3**	**3.3**	**2.7**	**2.2**	**3.8**	**3.7**	**4.8**	**4.6**	**11.4**	**16.9**	**3.9**	23
YoY Change (%)	(51.7)	(45.2)	(48.2)	(58.1)	(50.7)	18.3	12.6	77.1	(50.7)	18.3	35.3	
Margins (%)	4.7	4.3	3.3	2.5	4.2	3.8	4.6	4.3	3.6	4.2	4.0	59
Depreciation	3.5	4.1	4.2	5.0	4.8	5.0	5.4	5.4	16.8	20.6	5.2	4
Interest	1.4	1.6	1.8	2.0	2.1	2.0	2.4	2.4	6.8	8.9	2.1	16
Other Income	0.9	12.9	1.0	2.3	1.4	14.2	1.1	1.9	17.2	18.6	1.7	(37)
PBT before EO Items	**-0.7**	**10.5**	**-2.3**	**-2.5**	**-1.6**	**10.8**	**-1.9**	**-1.4**	**5.0**	**6.0**	**-1.7**	NM
Extraordinary Inc/(Exp)	-	(0.5)	-	(1.1)	-	-	(0.5)	-	(1.6)	(0.5)	-	
PBT after EO Items	**-0.7**	**10.0**	**-2.3**	**-3.7**	**-1.6**	**10.8**	**-2.4**	**-1.4**	**3.3**	**5.5**	**-1.7**	NM
Tax	-0.2	2.8	-0.6	-0.8	-0.4	2.8	-0.7	-0.3	1.2	1.4	-0.4	
Rate (%)	25.8	28.0	26.8	21.8	24.4	25.6	27.5	21.4	36.2	26.1	25.6	
Reported PAT	**-0.5**	**7.2**	**-1.7**	**-2.9**	**-1.2**	**8.0**	**-1.7**	**-1.1**	**2.1**	**4.1**	**-1.3**	NM
Prior period tax/DTL reversal	-	-	-	-	-	-	-	-	-	-	-	
Adj. PAT	**-0.5**	**7.6**	**-1.7**	**-2.1**	**-1.2**	**8.0**	**-1.4**	**-1.1**	**3.3**	**4.4**	**-1.3**	NM
Margins (%)	-0.8	9.9	-2.1	-2.4	-1.3	8.4	-1.3	-1.0	1.0	1.1	-1.3	
YoY Change (%)	(114.7)	(4.7)	(171.4)	(191.6)	NM	6.2	NM	NM	(79.8)	35.1	NM	

Segmental performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
VSF Segment												
Sales Volume (ton)	222	230	216	218	219	220	230	229	886	898	219	5
YoY Change (%)	12.8	4.1	0.5	(0.3)	(1.1)	(4.2)	6.5	4.8	4.1	1.4	1.1	
Blended realization (INR/kg)	171	179	182	186	185	188	187	183	179	186	193	(3)
Net Sales (INR m)	37.9	41.3	39.3	40.5	40.4	41.5	43.0	41.8	159.0	166.7	42.1	2
YoY Change (%)	5.7	6.1	5.9	7.7	6.8	0.6	9.2	3.2	6.3	4.9	7.0	
EBITDA (INR m)	4.0	4.9	3.3	2.9	3.2	3.5	4.9	4.4	15.2	16.0	3.9	27
EBITDA (%)	10.7	12.0	8.4	7.2	8.0	8.4	11.4	10.6	9.6	9.6	9.2	222
EBITDA/kg (INR)	18.3	21.5	15.3	13.4	14.7	15.9	21.3	19.3	17.2	17.9	17.7	20
Chemical Segment												
Sales Volume (ton)	282	295	303	290	303	294	313	284	1,170	1,194	309	1
YoY Change (%)	(3.4)	(3.6)	1.3	(5.8)	7.4	(0.3)	3.3	(2.0)	(2.9)	2.1	2.0	
Blended realization (INR/kg)	73	70	73	79	79	82	75	86	73	80	77	(3)
Net Sales (INR m)	20.7	20.5	22.3	23.0	23.9	24.0	23.5	24.5	86.5	95.8	23.8	(2)
YoY Change (%)	(3.7)	3.3	11.5	10.5	15.7	16.8	5.3	6.3	5.3	10.8	7.1	
EBITDA (INR m)	3.1	2.7	3.3	3.0	4.2	3.7	3.2	3.1	12.1	14.2	3.3	(6)
EBITDA (%)	15.0	13.3	14.8	12.8	17.7	15.2	13.4	12.8	14.0	14.8	14.0	(57)

Key highlights from the management commentary

Paints Segment

- **Industry growth dynamics**, based on results of four listed paint majors, decorative paints (excluding Birla Opus) grew ~1–2% in revenue and ~7–8% YoY in volume in 3QFY26. Including Birla Opus' performance, industry revenue growth rises to ~5–6%, while volume growth increases to ~11–12% YoY. Birla Opus sales volumes increased ~70% YoY. Double-digit volume growth reflects healthy underlying consumer demand, with the primary industry challenge being realization pressures due to elevated discounting and greater focus by incumbents on economy and sub-economy segments.
- The company has implemented a calibrated 2-6% price increase across product ranges in Jan-Feb'26 to test channel and consumer response. The ongoing 10% free paint promotion on 10-litre and 20-litre packs across all emulsion top coats and the waterproofing range (excluding sub-economy and select other categories) continues to support demand traction.
- In early-Jan'26, the company crossed a cumulative milestone of 500m liters of paint sold. It estimates that over 6m households have experienced the superior quality of Birla Opus within a short span of 18 months. Birla Opus has expanded its presence to over 10,400 towns across 35 states and Union Territories. The company now covers all population centers with over 50,000 residents and more than 75% of centers in the 10,000–50,000 population bracket. Expansion efforts will continue with a sharp focus on deepening penetration across India.
- Active quarterly billing for dealers recorded double-digit growth, alongside high single-digit growth in revenue per dealer. Dealer throughput on a MoM basis remained stronger compared to the same quarter last year, indicating healthy primary-to-secondary conversion. Company-exclusive franchise outlets "Birla Opus Paint Galleries" have reached ~1,000.
- Institutional sales gained further momentum during the quarter, and revenues grew ~40% QoQ. The company currently has over 40,000 mid- and large-sized projects at various stages of negotiation, with nearly 25% already converted, which provides strong visibility and a robust pipeline for future growth.
- The company has 35,000 active tinting machines operational in 3QFY26, which are centrally controlled. The top two shades unifying the country over the past year have been "Fort Kochi," a dark bluish-grey, and "Morning Birdsong," a light bluish-grey, each tinted by over 30,000 dealers.
- Birla Opus has a wide ranges in the products, comprising over 216 products and 1,848 SKUs across emulsions, enamels, waterproofing, wood finishes, wallpapers, and allied categories. It launched 40 new products in FY26.
- Birla Opus is now the second most recalled paint brand in urban markets. With a strong media push in 4QFY26 and high-engagement campaigns, brand salience is set to scale further.

B2B E-commerce

- Pivot, the B2B e-commerce business, has crossed an annualized revenue run rate of INR85b and remains on track to surpass this milestone ahead of FY27 guidance. These businesses should achieve break-even by FY27-end.

- Birla Pivot operates as a one-stop procurement engine spanning 35+ categories and over 40,000 SKUs sourced from 300+ leading brands—covering materials from steel and cement to tiles and chemicals.
- The platform's differentiation rests on three pillars - price, assortment, and experience. On pricing, Pivot addresses systemic inefficiencies in India's raw material ecosystem, including fragmented sourcing, opaque comparisons, and multi-vendor procurement complexity. It is not only negotiating rates, but is also re-engineering procurement economics by aligning supplier inefficiencies with buyer needs, enabling transparent discovery and absorbing operational complexity—converting fragmentation into efficiency and passing value back to customers.

VSF Segment

- The Cellulose Fiber business performance was supported by Improved realizations, led by a favorable product mix with higher export contribution (at ~11% vs. 7% in 2QFY26). Operational efficiencies are aided by higher volumes and improved capacity utilization. Softening input costs, particularly pulp and caustic soda.
- Demand dynamics remain stable. In China, cellulose fiber demand continues to exhibit resilience amid global supply tightness. In India as well, the market has remained firm despite the removal of the Quality Control Order (QCO). Notably, cellulose fiber prices have decoupled from competing fibers, which have been on a declining trajectory over recent quarters. While prices of other fibers have softened, cellulosic fiber prices have remained largely stable and have recently begun to recover. Within the segment, the cellulosic fashion yarn business faced a subdued quarter, primarily due to cheaper imports from China leading to oversupply conditions and muted downstream demand.
- China's operating rates stood at 94% in 3QFY26 vs. ~89% in 3QFY25/2QFY26 (each). The average inventory holding declined to 12days in 3QFY26 compared to an average of 8/15 days in 3QFY25/2QFY26. CSF Dec'25 -exit prices were up ~1% QoQ to USD1.52/kg vs. 3QFY26 average.

Chemical Business

- The Chemicals business delivered 5% YoY revenue growth, largely driven by volumes. While international CFR South East Asia prices remained lower YoY, domestic caustic prices demonstrated relative resilience, supported by steady demand and rupee depreciation.
- EBITDA moderation of the segment was due to lower profitability in the specialty chemicals portfolio despite higher utilization levels. Elevated input prices, mainly ECH prices, impacted margins in the specialty segment.

Renewables business

- Aditya Birla Renewables delivered 82% YoY revenue growth, primarily driven by capacity expansion. Installed peak capacity has increased to nearly 2GW vs. 1.2GW in 3QFY25.
- The business has announced a strategic investment by Global Infrastructure Partners (GIP), part of BlackRock, representing one of the largest primary private equity commitments in India's renewable energy sector. GIP will invest up to

INR30b (INR20b initial commitment), subject to regulatory approvals. Post-transaction, the renewable platform is valued at an enterprise value of INR14.6b. This partnership is expected to accelerate growth, leveraging GIP's global infrastructure expertise.

- The portfolio currently comprises nearly 4.3GW of operational and contracted peak capacity across solar, hybrid, floating solar, and RTC assets, with an ambition to scale beyond 10 GW in the coming years. Beyond capital, the transaction brings global operating discipline and strengthens the company's contribution to India's energy transition goals.

Exhibit 1: GRASIM's standalone capex plan

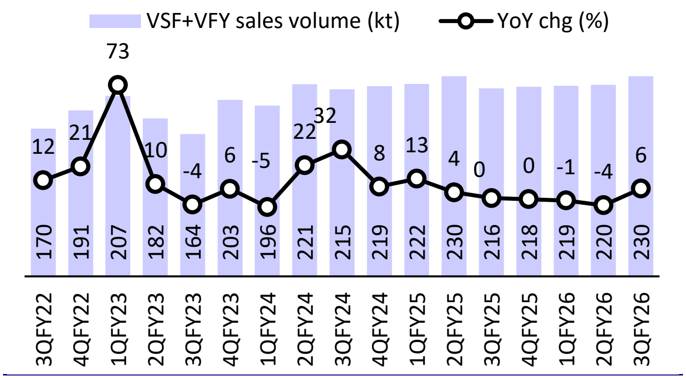
Particulars (₹ crore)	Capex Spent 9MFY26	Planned Capex FY26
Cellulosic Fibres	**370**	**839**
Capacity Expansion (including debottlenecking)	152	424
Modernisation and Maintenance Capex	218	415
Chemicals (A + B + C)	**471**	**668**
(A) Capacity Expansion: Chlor-Alkali & Chlorine Derivatives	**130**	**168**
Caustic Soda	*4*	*10*
Chlorine Derivatives	*126*	*158*
(B) Capacity Expansion: Specialty Chemicals		
Epoxy Polymers & Curing Agents	*6*	*18*
(C) Modernisation and Maintenance Capex	**335**	**482**
New High Growth Businesses	**445**	**653**
Birla Opus (Decorative Paints)	440	643
Birla Pivot (B2B E-Commerce)	5	10
Other Businesses		
Textiles, Insulators & Others	24	103
Total	**1,310**	**2,263**

Grasim Industries Limited | Q3FY26 38

Source: Company, MOFSL

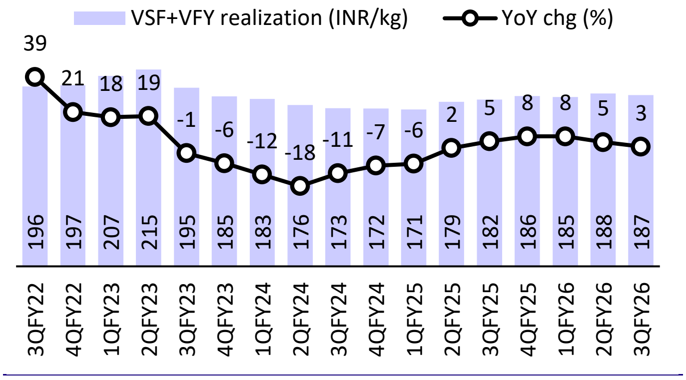
Story in charts

Exhibit 2: Volume of the VSF segment increased 6% YoY



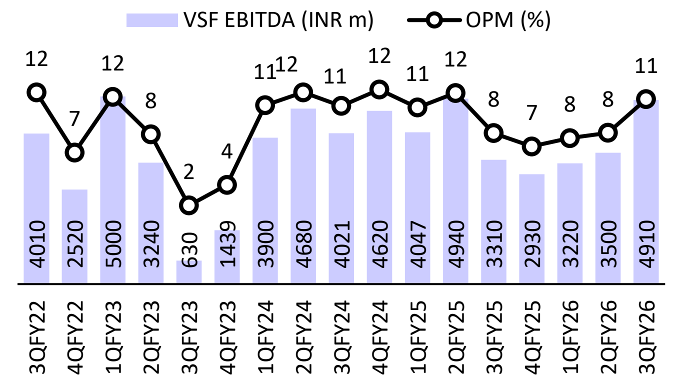
Source: Company, MOFSL

Exhibit 3: Blended realization of VSF rose 3% YoY



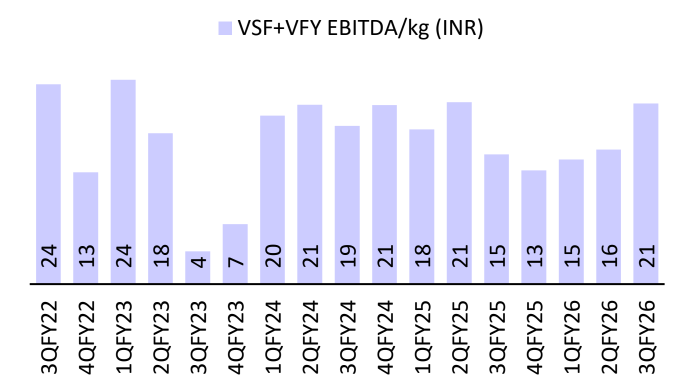
Source: Company, MOFSL

Exhibit 4: OPM of the VSF segment expanded 3.0pp YoY



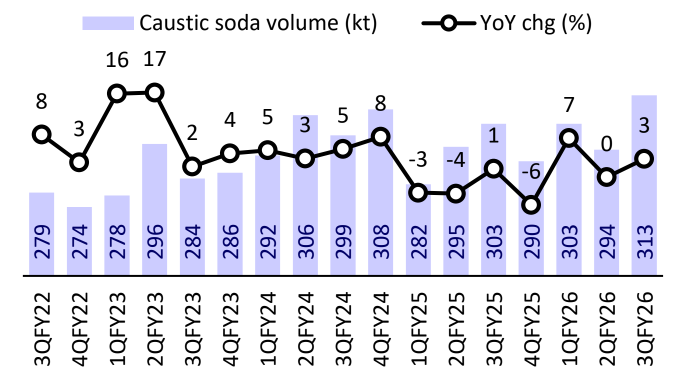
Source: Company, MOFSL

Exhibit 5: EBITDA/kg at INR21 (vs. INR15 in 3QFY25)



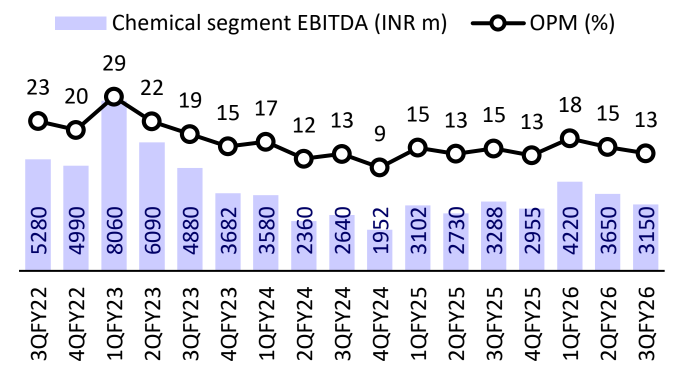
Source: Company, MOFSL

Exhibit 6: Caustic soda volume grew ~3% YoY



Source: Company, MOFSL

Exhibit 7: Chemical segment's OPM contracted 1.3pp YoY



Source: Company, MOFSL

Exhibit 8: Holding company discount at 44%, at par with the long-term average

Source: Company, MOFSL

Exhibit 9: Our SoTP valuation

Particulars	Valuation method	Unit	FY28E	INR/share
UTCEM's m-cap based on TP		INR b	4,099	
Holding company discount		%	35	
GRASIM's stake		%	57	
Value of its cement stake		**INR b**	**1,526**	
Value/share	**35% HoldCo discount to our TP**	**INR**		**2,242**
Value of standalone business (excluding Paints)		INR b	230	
Value/share	**6x for the standalone business**			**337**
Value of listed investments		INR b	119	
Holding company discount		%	35	
Assigned value to listed investments		**INR b**	**77**	
Value/share	**35% HoldCo discount on the CMP**	**INR**		**114**
Standalone net debt		INR b	46	
Value/share		**INR**		**67**
ABCAP		INR b	925	
Holding company discount		%	35	
GRASIM's stake		%	53	
Value of ABCAP's stake in GRASIM		**INR b**	**316**	
Value/share	**35% HoldCo discount on the CMP**	**INR**		**461**
Paint Business	**2.0x of invested capital**	INR b	207	
Value/share		**INR**		**304**
B2B e-commerce	**1.5x of Revenue**	INR b	180	
Value/share		**INR**		**265**
Renewable Business	**10x EV/EBITDA**	INR b	30	
Value/share				**44**
SoTP-based TP		**INR**		**3,700**

Source: MOFSL, Company

Financials and valuations

Standalone Income Statement (INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	**1,23,864**	**2,08,568**	**2,68,397**	**2,58,473**	**3,15,632**	**3,99,764**	**4,59,565**	**5,10,010**
Change (%)	*(33.4)*	*68.4*	*28.7*	*(3.7)*	*22.1*	*26.7*	*15.0*	*11.0*
Total Expenditure	1,08,220	1,76,407	2,36,598	2,35,313	3,04,218	3,82,871	4,33,237	4,75,806
EBITDA	**15,643**	**32,162**	**31,799**	**23,160**	**11,415**	**16,892**	**26,329**	**34,204**
Change (%)	*(32.3)*	*105.6*	*(1.1)*	*(27.2)*	*(50.7)*	*48.0*	*55.9*	*29.9*
Margin (%)	*12.6*	*15.4*	*11.8*	*9.0*	*3.6*	*4.2*	*5.7*	*6.7*
Depreciation	8,282	9,140	10,973	12,151	16,762	20,608	22,454	23,233
EBIT	**7,362**	**23,022**	**20,826**	**11,010**	**-5,347**	**-3,715**	**3,875**	**10,971**
Int. and Finance Charges	2,360	2,472	3,677	4,404	6,837	8,899	7,882	6,947
Other Income - Rec.	5,137	8,953	10,183	12,566	17,151	18,578	21,188	24,374
PBT & EO Items	**10,139**	**29,503**	**27,333**	**19,172**	**4,967**	**5,965**	**17,181**	**28,397**
Change (%)	*(39.8)*	*191.0*	*(7.4)*	*(29.9)*	*(74.1)*	*20.1*	*188.0*	*65.3*
Extra Ordinary (income)/expense	810	691	880	7,156	1,640	477	0	0
PBT but after EO Items	**9,329**	**28,812**	**26,452**	**12,016**	**3,327**	**5,488**	**17,181**	**28,397**
Tax	1,224	1,857	5,215	2,562	1,206	1,432	4,123	6,815
Tax Rate (%)	*12.1*	*6.3*	*19.1*	*13.4*	*24.3*	*24.0*	*24.0*	*24.0*
Reported PAT	**8,105**	**26,955**	**21,237**	**9,454**	**2,121**	**4,056**	**13,058**	**21,582**
PAT Adj for EO items	**8,817**	**22,306**	**20,933**	**16,157**	**3,267**	**4,414**	**13,058**	**21,582**
Change (%)	*(43.6)*	*153.0*	*(6.2)*	*(22.8)*	*(79.8)*	*35.1*	*195.8*	*65.3*
Margin (%)	*7.1*	*10.7*	*7.8*	*6.3*	*1.0*	*1.1*	*2.8*	*4.2*

Standalone Balance Sheet (INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	1,316	1,317	1,317	1,328	1,361	1,361	1,361	1,361
Employee Stock Options Outstanding	567	708	708	708	708	708	708	708
Reserves	4,27,595	4,84,133	4,67,524	5,19,110	5,41,907	5,65,396	5,85,380	6,02,199
Net Worth	**4,29,479**	**4,86,158**	**4,69,549**	**5,21,146**	**5,43,976**	**5,67,466**	**5,87,449**	**6,04,268**
Loans	41,634	41,208	52,542	94,529	1,11,214	95,729	89,729	73,729
Deferred liabilities	17,339	18,414	15,348	22,971	22,992	22,992	22,992	22,992
Capital Employed	**4,88,452**	**5,45,779**	**5,37,440**	**6,38,646**	**6,78,182**	**6,86,187**	**7,00,170**	**7,00,989**
Gross Block	1,48,940	1,95,985	2,20,577	2,41,611	3,24,623	3,68,071	3,93,071	4,08,071
Less: Accum. Deprn.	39,302	47,435	58,408	70,559	87,321	1,07,929	1,30,382	1,53,615
Net Fixed Assets	**1,09,637**	**1,48,549**	**1,62,169**	**1,71,052**	**2,37,302**	**2,60,142**	**2,62,689**	**2,54,456**
Capital WIP	40,334	17,428	29,257	71,310	27,848	8,000	5,000	5,000
Non-Current Investments /Strategic	3,05,230	3,39,418	3,08,412	3,62,918	3,58,887	3,58,887	3,58,887	3,58,887
Current - Financial	41,553	47,490	30,556	29,204	37,466	27,466	25,466	25,466
Curr. Assets	**46,827**	**73,477**	**91,378**	**1,06,895**	**1,18,305**	**1,41,832**	**1,68,962**	**1,89,044**
Inventory	21,790	39,408	44,928	52,150	60,514	70,560	84,756	95,629
Account Receivables	13,120	16,904	15,973	19,743	25,539	29,400	35,315	39,846
Cash and Bank Balance	1,327	2,253	4,744	3,096	1,937	1,896	2,935	2,568
Others	10,590	14,912	25,734	31,905	30,314	39,976	45,957	51,001
Curr. Liability & Prov.	**55,130**	**80,583**	**84,332**	**1,02,732**	**1,01,626**	**1,10,140**	**1,20,833**	**1,31,864**
Account Payables	27,069	46,507	47,112	54,826	48,313	56,840	64,744	73,050
Provisions	3,250	3,419	3,866	8,385	7,837	5,996	6,893	7,650
Other Liabilities	24,811	30,656	33,353	39,521	45,475	47,304	49,196	51,163
Net Current Assets	**-8,303**	**-7,105**	**7,046**	**4,163**	**16,680**	**31,692**	**48,129**	**57,181**
Appl. of Funds	**4,88,452**	**5,45,779**	**5,37,440**	**6,38,646**	**6,78,182**	**6,86,187**	**7,00,170**	**7,00,989**

Financials and valuations

Standalone Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share price								
EPS	**13.4**	**33.9**	**31.8**	**24.3**	**4.8**	**6.5**	**19.2**	**31.7**
Cash EPS	26.0	47.8	48.5	42.6	29.4	36.8	52.2	65.9
BV/Share	652.6	738.4	713.1	784.9	799.3	833.9	863.2	887.9
DPS	9.0	10.0	10.0	10.0	10.0	6.5	7.0	7.0
Valuation								
P/E	52.0	15.6	19.9	45.0	205.6	107.5	33.4	20.2
Cash P/E	24.7	13.4	13.2	15.0	21.8	17.4	12.3	9.7
P/BV	4.5	4.0	4.1	3.7	3.7	3.5	3.4	3.3
EV/Sales*	-0.9	-0.6	-0.3	-0.2	-0.1	(0.1)	(0.1)	(0.1)
EV/EBITDA*	-7.2	-3.9	-3.1	-1.9	-1.9	(1.9)	(1.8)	(2.2)
Dividend Yield (%)	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2
Return Ratios (%)								
RoE*	4.9	11.5	9.0	5.7	-4.3	-4.2	-0.9	1.6
RoCE*	5.3	12.9	11.0	6.6	0.4	0.7	3.0	5.1
Working Capital Ratios								
Debtor (Days)	31	37	24	27	32	30	30	30
Asset Turnover (x)	0.3	0.4	0.5	0.4	0.5	0.6	0.7	0.7
Leverage Ratio								
Debt/Equity	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.1

*calculated for standalone business

Standalone Cash Flow Statement (INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	9,329	28,812	26,452	12,016	3,327	5,965	17,181	28,397
Depreciation	8,282	9,140	10,973	12,151	16,762	20,608	22,454	23,233
Interest & Finance Charges	(421)	(4,552)	(4,184)	(5,260)	(7,271)	(3,720)	(7,116)	(10,905)
Direct Taxes Paid	(1,786)	(6,502)	(4,071)	(573)	3,366	(1,432)	(4,123)	(6,815)
(Inc)/Dec in WC	9,350	132	(5,426)	(5,965)	(16,692)	(15,053)	(15,398)	(9,418)
CF from Operations	**24,754**	**27,029**	**23,744**	**12,368**	**(507)**	**6,367**	**12,996**	**24,491**
Others	(780)	(467)	(556)	5,408	253	-	-	-
CF from Operating incl EO	**23,974**	**26,562**	**23,188**	**17,776**	**(254)**	**6,367**	**12,996**	**24,491**
(Inc)/Dec in FA	(11,932)	(25,382)	(40,225)	(55,260)	(38,350)	(23,600)	(22,000)	(15,000)
Free Cash Flow	**12,041**	**1,181**	**(17,036)**	**(37,484)**	**(38,604)**	**(17,233)**	**(9,004)**	**9,491**
(Pur)/Sale of Investments	102	66	111	271	4,714	-	-	-
Others	(10,249)	(9,541)	18,211	(874)	4,802	22,619	16,998	17,852
CF from Investments	**(22,079)**	**(34,857)**	**(21,902)**	**(55,863)**	**(28,834)**	**(981)**	**(5,002)**	**2,852**
Issue of Shares	126	(425)	(902)	9,376	29,464	23,380	11,690	-
Inc/(Dec) in Debt	(9,384)	(583)	11,306	42,023	16,693	(15,485)	(6,000)	(16,000)
Interest Paid	(3,241)	(843)	(5,478)	(6,419)	(10,512)	(8,899)	(7,882)	(6,947)
Dividend Paid	(2,622)	(5,915)	(6,574)	(6,577)	(6,686)	(4,423)	(4,764)	(4,764)
Others	-	-	-	-	-	-	-	-
CF from Fin. Activity	**(15,120)**	**(7,766)**	**(1,648)**	**38,404**	**28,959**	**(5,427)**	**(6,956)**	**(27,711)**
Inc/Dec of Cash	**(13,226)**	**(16,061)**	**(362)**	**317**	**(130)**	**(41)**	**1,039**	**(367)**
Opening Balance	510	692	5,106	2,779	2,067	1,937	1,896	2,935
Add: Cash on amalgamation	13,408	15,895	-	-	-	-	-	-
Closing Balance	**692**	**527**	**4,744**	**3,096**	**1,937**	**1,896**	**2,935**	**2,568**

NOTES

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BUY	>=15%
SELL	< - 10%
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