

Hindalco Industries | BUY

Improving macro metal setup mitigates Novelis risks

Hindalco reported 4Q consol. adj. EBITDA of INR101.8bn, higher than JMFe of INR85.4bn. The beat was driven by a) ~INR12bn outperformance in Novelis - largely optical as ~USD577mn of fire-related losses were booked below the EBITDA line, and b) ~INR2.5bn beat in India Copper driven by elevated sulphuric acid prices; India Aluminium (incl. Utkal) was broadly in-line at ~INR57bn. India Al EBITDA was up ~13% QoQ driven by higher LME; blended EBITDA/t expanded to ~USD1.9k/t (+USD210/t QoQ). Key takeaways from the call are: a) India CoP expected ~5% higher in 1QFY27 driven by furnace oil and CP Coke, b) FY27 hedging: 29% of aluminium hedged at ~USD3,013k/t, 14% currency hedged at INR90.13/USD, c) Copper EBITDA expected at similar levels in 1QFY27 but may moderate to INR6-7bn in 2Q/3QFY27 if sulphuric acid prices correct, d) FY27 India capex guided at INR120bn; Novelis capex at USD2.1-2.4bn including ~USD350mn for Bay Minette, and e) Consol. net debt to peak at INR800-900bn over two years with Net Debt/EBITDA below 2.0x. Net debt increased to INR648bn from INR595bn in 3QFY26 driven by higher debt at Novelis. We revise our earnings upwards by 8.6% / 7.6% for FY27E / FY28E given LME sustaining above USD3.5k/t given the supply constraints leading to a TP of INR1,310/sh for FY28E. Maintain BUY.

- India Al business spreads expand on strong LME; Copper delivers a sharp beat:** India aluminium EBITDA incl. Utkal came in at ~INR57bn, +~13% QoQ and broadly in-line with our estimates. Blended EBITDA/t expanded to ~USD1.9k/t (+USD210/t QoQ) led by higher blended realisation at ~USD3.9k/t; volumes marginally lower at 339kt (-1.7% QoQ). Utkal EBITDA stable at INR14.6bn (+2.1% QoQ); alumina production at 931kt (-3.9% QoQ). CoP was higher by ~2.5% in 4Q and is expected to rise a further ~5% in 1QFY27 on furnace oil and CP Coke. Aditya Smelter Phase-I commissioning remains on track for Dec'27 and Phase-II for Dec'28; FY27 India capex guided at INR120bn. Copper EBITDA at INR9.1bn (+52.4% QoQ) beat our estimate of INR6.6bn, driven by elevated sulphuric acid prices and Cu LME at ~USD12.9k/t (+16.4% QoQ); implied EBITDA/t at USD782/t (+42.9% QoQ). Spot Tc/Rc at record lows of negative ~20-25 cents/lb with 85% of volumes contracted at near-zero or slightly negative levels; Copper EBITDA expected to remain similar in 1QFY27 but may moderate to INR6-7bn in 2Q/3QFY27.
- Novelis EBITDA above est; underlying operations resilient post Oswego:** Novelis reported 4QFY26 adj. EBITDA of USD459mn vs JMFe of USD356mn – beat largely optical with ~USD577mn of fire losses booked below the EBITDA line. Underlying EBITDA/t improved to USD544/t vs USD430/t in 3Q on favourable scrap and cost efficiencies; volumes at 844kt (~73kt lost to Oswego). Oswego hot mill restart expected within weeks, ahead of prior end-June guidance. Adverse FCF impact revised to ~USD1.7bn with 70-75% recoverable through insurance. Bay Minette full commissioning on track for 2HCY26 with FCF-positive expected by end-FY27; cost savings target upgraded to USD350-400mn by end-FY28.
- Net debt elevated; coal mine ramp-ups a structural cost tailwind:** Net debt increased to INR648bn from INR595bn in 3QFY26, driven by higher Novelis debt (~USD520mn increase despite USD950mn parent equity infusion in FY26, no further infusion expected) and increased working capital for copper (~INR40bn). India business net cash stands at ~INR60bn. Consol. net debt expected to peak at INR800-900bn over two years with Net Debt/EBITDA targeted below 2.0x. Coal mine ramp-ups provide a structural cost tailwind: Chakla to deliver first coal in 4QFY27, Bandha in FY28, and Meenakshi in FY29.

Financial Summary

Y/E Mar	FY24A	FY25A	FY26A	FY27E	FY28E
Net Sales	2,159,620	2,384,960	2,749,440	3,310,551	3,502,425
Sales Growth (%)	-3.2	10.4	15.3	20.4	5.8
EBITDA	242,570	328,240	352,020	438,780	477,265
EBITDA Margin (%)	11.2	13.8	12.8	13.3	13.6
Adjusted Net Profit	105,190	179,000	206,720	222,137	239,583
Diluted EPS (INR)	47.4	80.6	93.1	100.1	107.9
Diluted EPS Growth (%)	2.4	70.2	15.5	7.5	7.9
ROIC (%)	9.5	12.9	12.1	12.1	12.1
ROE (%)	10.5	15.6	15.9	15.0	14.0
P/E (x)	24.2	15.4	18.4	11.1	10.3
P/B (x)	2.3	2.0	1.8	1.6	1.3
EV/EBITDA (x)	12.0	9.2	9.5	7.4	6.6
Dividend Yield (x)	0.4	0.4	0.2	0.2	0.2

Source: Company data, JM Financial. Note: Valuations as of May 22, 2026



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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	1,310
Upside/(Downside)	18.1%
Previous Price Target	1,210
Change	8.3%

Key Data – HNDL IN EQUITY

Current Market Price	INR1,109
Market cap (bn)	INR2,492.6/US\$26.0
Free Float (%)	58.5
Shares in issue (mn)	2,247.2
Diluted share (mn)	2,247.2
3-mon avg daily val (mn)	INR6,454.9/US\$67.5
52-week range	INR1,115/618
Sensex/Nifty	75,415/23,719
INR/US\$	95.7

Price Performance

%	1M	6M	12M
Absolute	6.7	42.6	70.8
Relative*	8.4	60.0	85.0

*To the NSE Nifty 50

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 concall takeaways:

- FY27 hedging details:
 - 29% of Aluminium hedged at USD3,013/t
 - 14% of currency hedged at 90.13 (applicable to aluminium and not copper)
- Cost of Production: CoP was higher by ~2.5% in 4QFY26. Company expects CoP to be ~5% higher in 1QFY27 primarily driven by higher furnace oil prices along with CP Coke.
- Copper business:
 - Copper EBITDA was higher due to strong operational performance and significantly higher sulphuric acid (bye-product) prices given the West Asia conflict despite lower Tc/Rc.
 - Spot Tc/Rc remain at record lows of negative ~20-25 cents/lb. However, Hindalco has 85% contracted at near-zero or slightly negative levels.
 - Company expects Copper EBITDA to be in similar range in 1QFY27 given higher sulphuric acid prices but 2QFY27 and 3QFY27 might be lower at ~INR6-7bn in case sulphuric acid prices correct.
- Capex guidance:
 - FY27 capex for India business to be ~120bn and is expected to increase in FY28 with capacity ramp-ups happening
 - Novelis capex to be at ~USD2.1-2.4bn and is expected to come down FY28 onwards post commissioning of Bay Minette project.
- Coal:
 - Chakla: to be commissioned by 1HFY27 with Stage 1 approval in place and first coal expected to come in from 4QFY27.
 - Bandha: box cut done this quarter but first coal to come in FY28 given higher strip ratio.
 - Meenakshi: currently under Stage 1 approval process with first coal to come in FY29 (lower strip ratio so higher volumes in FY29 itself).
- Net Debt:
 - India business Net Cash currently stands at ~INR60bn
 - Company expects Consol. Net Debt to peak at ~INR800-900bn over the next 2 years.
 - Company plans to maintain Net Debt / EBITDA below 2.0x going ahead.
- Phase-I of Aditya Smelter to be commissioned in Dec'27 while Phase-II to be commissioned by Dec'28.

Exhibit 1: Hindalco-Consolidated performance

(INR mn)

Y/E March - INR mn	4QFY26	4QFY26E	% Var	4QFY25	YoY %	3QFY26	QoQ %	FY26	FY25	YoY %
Net Sales	781,330	712,041	9.7	648,900	20.4	665,210	17.5	2,749,440	2,384,960	15%
Raw material cost	520,030	454,898		396,000		424,990		1,770,380	1,449,490	22%
Gross profit	261,300	257,143	1.6	252,900	3.3	240,220	8.8	979,060	935,470	5%
Gross margin (%)	33.4	36.1		39.0		36.1		35.6	39.2	
Power and fuel	34,260	35,151		35,720		32,840		136,220	143,960	
Staff cost	44,250	46,551		39,300		43,490		171,480	154,060	
Other cost	81,030	90,061		81,790		84,140		319,340	309,210	
Total expenditure	679,570	626,661	8.4	552,810	22.9	585,460	16.1	2,397,420	2,056,720	17%
EBITDA	101,760	85,380	19.2	96,090	5.9	79,750	27.6	352,020	328,240	7%
EBITDA (%)	13.0	12.0		14.8		12.0		12.8	13.8	
Other income	10,250	5,560		7,000		5,490		28,890	27,080	
Depreciation	23,750	22,800		21,180		22,200		88,300	78,810	
EBIT	88,260	68,140	29.5	81,910	7.8	63,040	40.0	292,610	276,510	6%
Interest	10,420	8,900	17.1	8,740		8,810		34,800	34,190	
PBT	77,840	59,240		73,170		54,230		257,810	242,320	
Tax	8,540	19,549		12,660		7,800		51,050	63,350	
Eff. Tax rate (%)	11.0	33.0		17.3		14.4		19.8	26.1	
PAT	69,300	39,691	74.6	60,510	14.5	46,430	49.3	206,760	178,970	16%
XO items	(43,290)	-		(7,670)		(25,910)		(72,810)	(18,980)	
Minority interests	-	-		10		-				
Share of associates	(40)	(30)		-		(30)		(40)	30	
Reported PAT	25,970	39,661		52,830		20,490		133,910	160,020	
Adjusted PAT	69,300	39,691	74.6	60,490	14.6	46,430	49.3	206,760	178,970	16%
EPS (INR)	31.2	17.9		27.2		20.9		93.1	80.6	

Source: Company, JM Financial

Exhibit 2: Hindalco- Consol. EBITDA

(INR mn)

Y/E March - INR mn	4QFY26	4QFY26E	% Var	4QFY25	YoY (%)	3QFY26	QoQ %	FY26	FY25	YoY %
Consol. EBITDA	101,760	85,380	19.2	96,090	5.9	79,750	27.6	352,020	328,240	7%
India aluminium	42,420	40,782	4.0	23,960	77.0	36,340	16.7	136,220	82,380	65%
Utkal Alumina	14,610	14,176	3.1	26,610	(45.1)	14,310	2.1	62,400	86,570	-28%
India copper	9,070	6,570	38.1	6,140	47.7	5,950	52.4	118,918	67,163	77%
Novelis	42,020	32,278	30.2	41,030	2.4	31,020	35.5	145,460	152,420	-5%
Adj. on account of OI	(6,360)	(8,426)		(1,650)		(7,870)		(110,978)	(60,293)	84%

Source: Company, JM Financial

Exhibit 3: India volume breakup

Y/E March	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ %	FY26	FY25	YoY %
Volumes ('000 tons)								
Aluminium	339	332	2.1	345	-1.7	1,350	1,327	2%
VAP (excl. wire rod)	124	105	18.1	108	14.8	446	403	11%
Copper	128	135	-5.2	122	4.9	487	491	-1%
CC rod	91	109	-16.5	82	11.0	374	394	-5%
Alumina prod. (incl. Utkal)	931	951	-2.1	969	-3.9	3,784	3,857	-2%

Source: Company, JM Financial

Exhibit 4: Hindalco- Standalone quarterly performance										(INR mn)
Y/E March - INR mn	4QFY26	4QFY26E	% Var	4QFY25	YoY (%)	3QFY26	QoQ %	FY26	FY25	YoY %
Net Sales	342,440	337,638	1.4	251,160	36.3	292,640	17.0	1,125,520	933,090	21%
Aluminium	162,850	116,669	39.6	139,060		145,290		573,850	510,870	
Copper	221,560	220,969	0.3	145,650		182,330		698,380	547,030	
Metals volumes (k tons)										
Aluminium	339	345		332	2.1	345	(1.7)	1,350	1,327	2%
Copper	128	125		135	(5.2)	122	4.9	487	491	-1%
Metals realization (INR/ton)										
Aluminium	356,578	338,172		317,801	12.2	319,739	11.5	465,176	416,816	12%
Copper	1,730,938	1,078,889		1,078,889	60.4	1,494,508	15.8	1,434,045	1,114,114	29%
Raw material cost	215,380	218,719		166,560		227,780		798,850	629,770	
Raw material cost/t	461,199	465,360		356,660		487,752		434,867	346,408	
Change in stock	18,170	7,157		5,450		(26,860)		-35,250	-1,300	
Change in stock/t	38,908	15,227		11,670		(57,516)		(19,189)	(715)	
Gross profit	108,890	111,762		79,150	37.6	91,720	18.7	361,920	304,620	19%
Gross margin (%)	31.8	33.1		31.5		31.3		32.2	32.6	
Gross margin /t	233,169	237,791		169,486		196,403		197,017	167,558	
Power and fuel	19,840	26,998		20,560		20,330		80,520	87,980	
P&F/t	42,484	57,444		44,026		43,533		43,832	48,394	
Other cost	37,560	37,412		28,490		29,100		117,090	104,010	
Other cost/t	80,428	79,600		61,006		62,313		63,740	57,211	
Total expenditure	290,950	290,286	0.2	221,060	31.6	250,350	16.2	961,210	820,460	17%
Raw materials	233,550	225,876		172,010	35.8	200,920	16.2	763,600	628,470	22%
Power & Fuel	19,840	26,998		20,560	(3.5)	20,330	(2.4)	80,520	87,980	-8%
Staff Cost	7,240	8,759		6,670	8.5	8,190	(11.6)	29,720	26,210	13%
EBITDA	51,490	47,352	8.7	30,100	71.1	42,290	21.8	164,310	112,630	46%
EBITDA (%)	15.0	14.0		12.0		14.5		14.6	12.1	
EBITDA/t	110,257	100,748		64,454		90,557	21.8	89,445	61,953	44%
Other income	2,670	3,350		2,090		3,220		11,520	13,290	
Depreciation	6,260	5,900		5,240		5,750		23,070	20,290	
EBIT	47,900	44,802	6.9	26,950	77.7	39,760	20.5	152,760	105,630	45%
Interest	2,750	2,650	3.8	2,350		2,520		8,860	9,390	
PBT	45,150	42,152		24,600		37,240		143,900	96,240	
Tax	15,780	10,538		8,880		7,260		41,520	31,360	
Eff. Tax rate (%)	35.0	25.0		36.1		19.5		28.9	32.6	
XO items	(30)	-		(110)		190		-1,590	-1,020	
Reported PAT	29,340	31,614	(7.2)	15,610	88.0	30,170	(2.8)	100,790	63,860	
Adjusted PAT	29,370	31,614	(7.1)	15,720	86.8	29,980	(2.0)	102,380	64,880	1
EPS (INR)	13.2	14.2		7.1		13.5		46.1	29.2	58%

Source: Company, JM Financial

Exhibit 5: Key assumption table

	FY24	FY25	FY26E	FY27E	FY28E
Aluminium (USD/ton)	2,300	2,600	2,776	3,250	3,250
USD/INR	82.0	84.0	88.0	92.0	92.0
India aluminium					
Volume ('000 tons)	1,327	1,327	1,331	1,377	1,412
EBITDA (INR mn)	75,711	139,377	172,410	230,320	248,219
EBITDAUS\$/t	713	1,313	1,619	2,090	2,197
India Copper					
Volume (mn tons)	0.4	0.5	0.48	0.50	0.51
EBITDA (INR mn)	17,542	31,823	25,994	30,583	33,091
EBITDA/t (INR)	46,058	69,630	53,655	61,290	64,385
Novelis ('000 tons)	3,673	3,757	3,557	3,800	4,100
Novelis - EBITDA (USD mn)	1,798	1,864	2,160	1,933	2,130
Novelis - EBITDA/ton (USD)	490	496	607	509	519

Source: Company, JM Financial

Exhibit 6: Hindalco - SOTP valuation

	FY28 EBITDA (INR bn)	Multiple	Value (INR bn)
India Aluminium	248.22	7.5	1861.65
India Copper	33.1	5.5	182.00
Novelis	195.95	7.0	1371.68
Total EV			3,415.33
Net Debt			635.95
Implied Mcap			2,779.4
No. of shares (bn)			2,220
Value (INR/share)			1252
Investments			59
Target price			1,310

Source: JM Financial

Exhibit 7: Segmental quarterly performance (US\$/ton)

Y/E March	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ %	FY26	FY25	YoY %
USD/INR	90.6	86.9	4.2	89.1	1.6	88.1	84.5	4%
Blended Realisation (US\$/ton)								
Aluminium	3,937	3,657	7.7	3,589	9.7	3,591	3,443	4%
Copper	19,113	12,414	54.0	16,773	13.9	16,277	13,185	23%
Blended Cost (US\$/ton)								
Aluminium	2,080	1,904	9.2	1,941	7.2	1,921	1,936	-1%
Copper	18,331	11,891	54.2	16,226	13.0	15,625	12,449	26%
Blended EBITDA (US\$/ton)								
Aluminium	1,858	1,753	6.0	1,648	12.7	1,670	1,507	11%
Copper	782	523	49.5	547	42.9	653	736	-11%
LME Spot Prices (US\$/ton)								
Aluminium	3,184	2,630	21	2,828	12.6	2776	2526	10%
Copper	12,922	9,361	38	11,104	16.4	10834	9484	14%
EBIT								
Aluminium (\$/ton)	1,229	694	77	1,042	17.9	994	597	66%
Copper (c/lb)	29	19	57	19	56.0	23	28	-16%
Implied premium (US\$/ton)								
Aluminium	753	1,027	(27)	761	(0.9)	815	917	-11%
Copper	6,191	3,053	103	5,669	9.2	5,443	3,701	47%

Source: Company, JM Financial

Exhibit 8: Novelis quarterly performance

Y/E March	4QFY26	4QFY26E	% Var	4QFY25	YoY %	3QFY26	QoQ %	FY26	FY25	YoY %
Net sales	4,787	4,524	5.8	4,587	4.4	4,186	14.4	18,434	17,149	7%
Shipments ('000 tons)	844	825	2.3	957	(11.8)	809	4.3	3,557	3,757	-5%
Realisations (USD/ton)	5,672	5,484	3.4	4,793	18.3	5,174	9.6	5,182	4,565	14%
LME (USD/t)	3,184	3,184	-	2,630	21.1	2,828	12.6	11,084	10,231	8%
Premium (USD/t)	2,488	2,300	8.2	2,163	15.0	2,346	6.0	(5,902)	(5,666)	4%
Total cost										
COGS (USD mn)	3,970	3,995	(0.6)	3,862	2.8	3,513	13.0	15,587	14,469	8%
COGS as % of sales	82.9	88.3		84.2		83.9		84.6	84.4	
Adjusted EBITDA	459	356	28.8	473	(3.0)	348	31.9	1,645	1,802	-9%
EBITDA margins (%)	9.6	7.9		10.3		8.3		8.9	10.5	
EBITDA/ton (USD/ton)	544	432	25.9	494	10.0	430	26.4	462	480	-4%
Other income	191	5		55		126		515	69	
Depreciation	161	152		152	5.9	155	3.9	616	575	7%
Interest	58	63		60	(3.3)	62	(6.5)	245	257	-5%
EO income/(expense)	(630)	-		(13)		(412)		(1,283)	(197)	
PBT	(199)	146		303		(155)		16	842	
Tax	(114)	38		9	NA	4	(2,950.0)	1	159	-99%
Reported PAT	(84)	112	(174.9)	294		(160)		15	683	
Adjusted PAT	546	112	387.1	307	77.9	252	116.7	1,298	880	48%
Key monitorables										
Net Debt (USD bn)	6.7	-		5.1		6.1		6.7	5.1	
Capex	766	-		514		664		2,343	1,689	
FCF (from continuing ops.)	(736)	-		178		(1,142)		(2,377)	(737)	

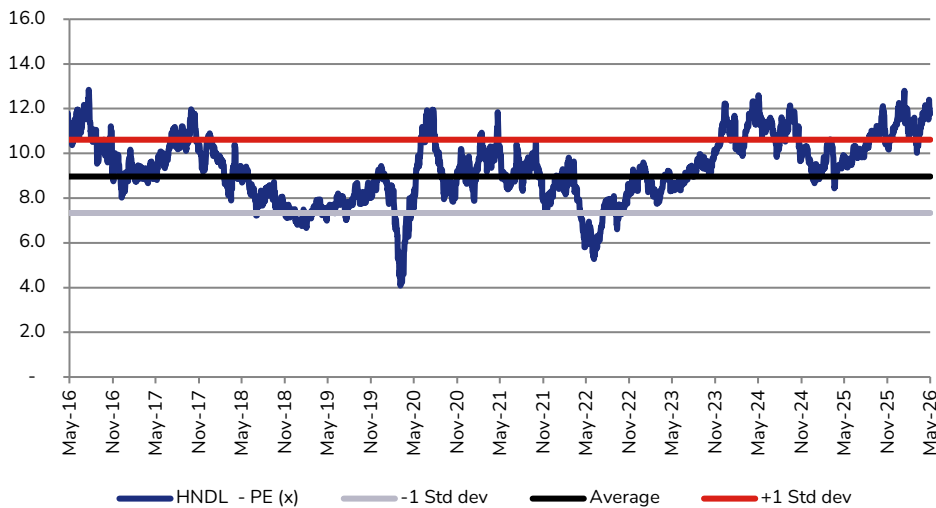
Source: Company, JM Financial

Exhibit 9: Novelis segmental performance

	Y/E March	4QFY26	4QFY25	YoY %	3QFY26	QoQ %	FY26	FY25	YoY %
North America									
Total Shipments ('000 tons)		302	375	-19.5	283	6.7	1343	1519	-12%
EBITDA (USD)		74	150	-50.7	94	-21.3	435	640	-32%
EBITDA/ton (USD/ton)		245	400	-38.7	332	-26.2	324	421	-23%
Europe									
Total Shipments ('000 tons)		284	265	7.2	262	8.4	1068	985	8%
EBITDA (USD)		150	104	44.2	78	92.3	379	306	24%
EBITDA/ton (USD/ton)		528	392	34.6	298	77.4	355	311	14%
Asia									
Total Shipments ('000 tons)		230	201	14.4	189	21.7	753	744	1%
EBITDA (USD)		71	89	-20.2	48	47.9	311	347	-10%
EBITDA/ton (USD/ton)		309	443	-30.3	254	21.5	413	466	-11%
South America									
Total Shipments ('000 tons)		177	164	7.9	170	4.1	637	635	0%
EBITDA (USD)		164	129	27.1	130	26.2	521	504	3%
EBITDA/ton (USD/ton)		927	787	17.8	765	21.2	818	794	3%

Source: Company, JM Financial

Exhibit 10: HNDL: 1yr forward P/E valuation



Source: Bloomberg, JM Financial

Exhibit 11: HNDL: 1yr forward EV/EBITDA valuation



Source: Bloomberg, JM Financial

Exhibit 12: Change in estimates

	Unit	Old		New		% Change	
		FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Net Sales	INR mn	31,89,077	33,72,419	3,310,551	3,502,425	3.8%	3.9%
EBITDA	INR mn	4,08,919	4,49,734	438,780	477,265	7.3%	6.1%
PAT	INR mn	2,04,463	2,22,579	222,137	239,583	8.6%	7.6%
EPS		92.1	100.3	100.1	107.9	8.6%	7.6%
Target Price	INR		1210		1310		8.3%
Rating			BUY		BUY		

Source: JM Financial

Financial Tables (Standalone)

Income Statement		(INR mn)				
Y/E Mar	FY24A	FY25A	FY26A	FY27E	FY28E	
Net Sales	2,159,620	2,384,960	2,749,440	3,310,551	3,502,425	
Sales Growth (%)	-3.2	10.4	15.3	20.4	5.8	
Other Operating Income	-	-	-	-	-	
Total Revenue	2,159,620	2,384,960	2,749,440	3,310,551	3,502,425	
Cost of Goods Sold/Op. Exp	1,338,550	1,449,490	1,586,232	1,979,548	2,104,902	
Personnel Cost	147,780	154,060	79,831	82,714	85,886	
Other Expenses	430,720	453,170	731,357	809,509	834,373	
EBITDA	242,570	328,240	352,020	438,780	477,265	
EBITDA Margin (%)	11.2	13.8	12.8	13.3	13.6	
EBITDA Growth (%)	6.0	35.3	7.2	24.6	8.8	
Depn. & Amort.	75,210	78,810	88,300	114,288	121,435	
EBIT	167,360	249,430	263,720	324,492	355,830	
Other Income	14,960	27,080	28,890	19,132	21,364	
Finance Cost	38,580	34,190	34,800	52,054	60,449	
PBT before Excep. & Forex	143,740	242,320	257,810	291,571	316,745	
Excep. & Forex Inc./Loss(-)	-	-	-	-	-	
PBT	143,740	242,320	257,810	291,571	316,745	
Taxes	38,570	63,350	51,050	69,394	77,122	
Extraordinary Inc./Loss(-)	-3,640	-18,980	-72,810	-	-	
Assoc. Profit/Min. Int.(-)	20	30	-40	-40	-40	
Reported Net Profit	101,550	160,020	133,910	222,137	239,583	
Adjusted Net Profit	105,190	179,000	206,720	222,137	239,583	
Net Margin (%)	4.9	7.5	7.5	6.7	6.8	
Diluted Share Cap. (mn)	2,220	2,220	2,220	2,220	2,220	
Diluted EPS (INR)	47.4	80.6	93.1	100.1	107.9	
Diluted EPS Growth (%)	2.4	70.2	15.5	7.5	7.9	
Total Dividend + Tax	10,402	10,402	5,201	5,201	5,201	
Dividend Per Share (INR)	4.0	4.0	2.0	2.0	2.0	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E Mar	FY24A	FY25A	FY26A	FY27E	FY28E	
Profit before Tax	101,530	159,990	133,950	222,177	239,623	
Depn. & Amort.	75,210	78,810	88,300	114,288	121,435	
Net Interest Exp. / Inc. (-)	-	-	-	-	-	
Inc (-) / Dec in WCap.	6,490	-38,650	-47,280	56,250	16,696	
Others	6,940	11,270	-27,920	-	-	
Taxes Paid	-	-	-	-	-	
Operating Cash Flow	190,170	211,420	147,050	392,715	377,754	
Capex	-157,280	-245,490	-417,840	-351,620	-290,600	
Free Cash Flow	32,890	-34,070	-270,790	41,095	87,154	
Inc (-) / Dec in Investments	-13,280	-87,140	-8,000	42,580	-	
Others	19,310	18,440	-29,470	4,400	4,400	
Investing Cash Flow	-151,250	-314,190	-455,310	-304,640	-286,200	
Inc / Dec (-) in Capital	-	-	-	-	-	
Dividend + Tax thereon	-8,880	-8,880	-4,440	-4,440	-4,440	
Inc / Dec (-) in Loans	-39,350	75,730	352,320	16,030	-104,000	
Others	-	10	-	573	-	
Financing Cash Flow	-48,230	66,860	347,880	12,163	-108,440	
Inc / Dec (-) in Cash	-9,310	-35,910	39,620	100,238	-16,886	
Opening Cash Balance	153,680	144,370	108,460	148,080	248,318	
Closing Cash Balance	144,370	108,460	148,080	248,318	231,432	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E Mar	FY24A	FY25A	FY26A	FY27E	FY28E	
Shareholders Fund	1,061,570	1,237,210	1,365,950	1,588,660	1,828,243	
Share Capital	2,220	2,220	2,220	2,220	2,220	
Reserves & Surplus	1,059,240	1,234,870	1,363,610	1,585,747	1,825,330	
Preference Share Capital	-	-	-	-	-	
Minority Interest	110	120	120	693	693	
Total Loans	563,560	639,290	991,610	1,007,640	903,640	
Def. Tax Liab. / Assets (-)	93,440	104,710	76,790	76,790	76,790	
Other non-current liabilities / Lease Liabilities	-	-	-	-	-	
Total - Equity & Liab.	1,718,570	1,981,210	2,434,350	2,673,090	2,808,673	
Net Fixed Assets	1,266,770	1,439,530	1,797,770	2,035,102	2,204,267	
Gross Fixed Assets	1,630,725	1,750,915	1,947,465	2,672,823	2,963,423	
Intangible Assets	260,750	266,830	295,530	295,530	295,530	
Less: Depn. & Amort.	773,375	852,185	940,485	1,054,773	1,176,208	
Capital WIP	148,670	273,970	495,260	121,522	121,522	
Investments	154,440	241,580	249,580	207,000	207,000	
Current Assets	897,860	978,800	1,430,600	1,681,378	1,718,763	
Inventories	408,120	488,010	755,170	816,300	863,612	
Sundry Debtors	164,040	198,340	272,220	317,450	335,849	
Cash & Bank Balances	144,370	108,460	148,080	248,318	231,432	
Loans & Advances	181,330	183,990	255,130	299,310	287,871	
Other Current Assets	-	-	-	-	-	
Current Liab. & Prov.	600,500	678,700	1,043,600	1,250,390	1,321,357	
Current Liabilities	574,110	651,890	1,006,490	1,224,450	1,295,417	
Provisions & Others	26,390	26,810	37,110	25,940	25,940	
Net Current Assets	297,360	300,100	387,000	430,988	397,406	
Other Non Current Assets/ROU Assets	-	-	-	-	-	
Total - Assets	1,718,570	1,981,210	2,434,350	2,673,090	2,808,673	

Source: Company, JM Financial

Dupont Analysis		FY24A	FY25A	FY26A	FY27E	FY28E
Y/E Mar						
Net Margin (%)	4.9	7.5	7.5	6.7	6.8	
Asset Turnover (x)	1.3	1.3	1.2	1.3	1.3	
Leverage Factor (x)	1.7	1.6	1.7	1.7	1.6	
RoE (%)	10.5	15.6	15.9	15.0	14.0	

Source: Company, JM Financial

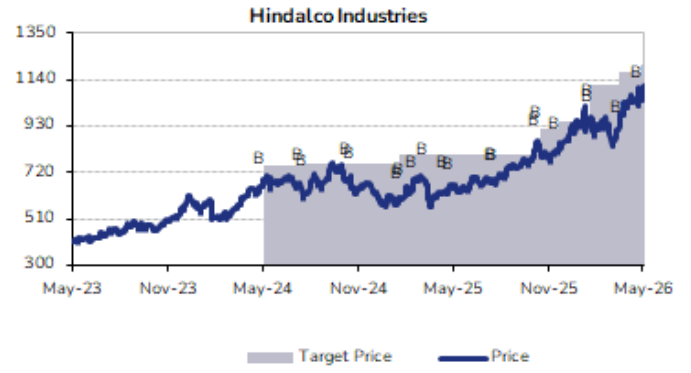
Key Ratios		FY24A	FY25A	FY26A	FY27E	FY28E
Y/E Mar						
BV/Share (INR)	478.1	557.2	615.2	715.3	823.2	
ROIC (%)	9.5	12.9	12.1	12.1	12.1	
ROE (%)	10.5	15.6	15.9	15.0	14.0	
Net Debt/Equity (x)	0.4	0.4	0.6	0.5	0.4	
P/E (x)	24.2	15.4	18.4	11.1	10.3	
P/B (x)	2.3	2.0	1.8	1.6	1.3	
EV/EBITDA (x)	12.0	9.2	9.5	7.4	6.6	
EV/Sales (x)	1.3	1.3	1.2	1.0	0.9	
Debtor days	28	30	36	35	35	
Inventory days	69	75	100	90	90	
Creditor days	109	116	153	156	156	

Source: Company, JM Financial

Recommendation History Table

Date	Recommendation	Target Price	% Chg.
19-May-26	Buy	1,210	3.0
9-Apr-26	Buy	1,175	4.9
12-Feb-26	Buy	1,120	0.0
11-Feb-26	Buy	1,120	17.3
13-Dec-25	Buy	955	4.4
7-Nov-25	Buy	915	14.3
4-Nov-25	Buy	800	0.0
12-Aug-25	Buy	800	0.0
11-Aug-25	Buy	800	0.1
20-May-25	Buy	800	-0.1
12-May-25	Buy	800	0.0
1-Apr-25	Buy	800	0.0
12-Mar-25	Buy	800	0.0
14-Feb-25	Buy	800	0.0
10-Feb-25	Buy	800	5.2
13-Nov-24	Buy	760	0.0
6-Nov-24	Buy	760	0.0
13-Aug-24	Buy	760	0.0
7-Aug-24	Buy	760	1.3
24-May-24	Buy	750	

Recommendation History Chart



APPENDIX I

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