Larsen & Toubro | BUY

Resilient performance despite headwinds

L&T reported core EBITDA 10% ahead of our estimates, led by core margin beat (7.0%) vs our estimate (6.3%), with core execution in line. Order inflows were robust at INR1.08tn (+14%YoY) beating our estimate of INR892bn led by the ultra-mega order for offshore wind by TenneT. With strong prospects of INR15tn for 9MFY27 supported by continued momentum in ordering by the Middle East (ME), we view L&T's FY27 order inflow growth guidance of 10-12% as achievable. While Q1FY27 execution was adversely impacted by West Asia geopolitical disruptions, we expect normalisation in execution from 2HFY27 onwards. This, coupled with a large order book should support revenue growth of 10-12% in FY27 (in line with the guidance). Management has retained guidance on core margin as well. In our view, L&T is well placed to deliver 16%+ CAGR in EBITDA over FY26-28 supported by strong momentum in ME ordering, pick up in execution 2HFY27 onwards and stable core margins. We remain constructive and maintain BUY with a TP of INR4,640. Our TP implies core P/E of 26x (vs trading at 21x core P/E)

- **Core order inflows (ex-TenneT order), in line with estimates, strong prospects support order inflow growth guidance of 10-12%:** L&T reported core (ex-services) order inflows of INR860bn ahead of our estimate of INR650bn. However, this includes the ultra-mega offshore wind TenneT order announced today. As a result, aggregate order inflows of INR1.08tn were ahead of JMFe of INR892bn. We were already factoring in this ultra mega order in our estimates for FY27. With strong order prospects of INR15tn for 9MFY27, we expect L&T to deliver 10% growth in order inflows (unchanged) and thus achieve its guidance for FY27.

- **Core execution in line, expect double digit growth from 2HFY27 onwards as war-related disruptions subside, FY27 revenue growth guidance of 10-12% appears achievable:** Core revenue at INR462bn (+2%YoY) was in line with JMFe. Consol revenue at INR679bn (6.7%YoY) also came in line with JMFe. We note that Q1FY27 execution was adversely impacted by war-related disruptions in West Asia. With a strong orderbook and easing supply chain disruptions, we expect double digit growth in execution in 2HFY27. This should support consol revenue growth of 10-12% in FY27 (in line with management guidance for FY27).

- **Core margin at 7.0% ahead of JMFe of 6.3%, expect L&T to meet its core margin guidance:** Core EBITDA margin (including infrastructure, energy and manufacturing) came in at 7.0%, ahead of JMFe of 6.3%. Margin surprise was led by energy segment partially offset by infrastructure segment (higher credit loss provisions of INR2.5bn due to water projects). Management has maintained core margin guidance of 7.8% for FY27 (JMFe=7.5%).

- **Strong performance on NWC despite higher ECL provisions in infrastructure:** Net-Working capital (NWC) remained in check at 4.9% of sales despite higher-than-expected credit loss provisions in the infrastructure segment. This is driven by rise in collections and receipt of customer advances for the projects. The management expects NWC/sales to stabilise at ~10% in FY27 as advances get consumed. ROE came in at 17.1% (ex- labour code impact of 100 bps).

- **Trading at 14x FY28E EV/EBITDA, maintain BUY with TP of INR4,640**: Our FY27/28 EBITDA estimates are unchanged. We value L&T on an SoTP (sum of the parts) with effective EV/EBITDA of 22x and add market cap of listed subsidiaries (LTIM, LTTS and LTFH) at 25% holdco discounts, yielding a TP of INR 4,640 (earlier INR 4,700), led by decline in market cap for LTFH.

Recommendation and Price Target	
Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	4,640
Upside/(Downside)	21.1%
Previous Price Target	4,700
Change	-1.3%

Key Data – LT IN EQUITY	
Current Market Price	INR3,832
Market cap (bn)	INR5,272.3/US$55.0
Free Float (%)	70.2
Shares in issue (mn)	1,375.9
Diluted share (mn)	1,375.9
3-mon avg daily val (mn)	INR9,641.5/US$100.6
52-week range	INR4,440/3,288
Sensex/Nifty	76,766/23,985
INR/US$	95.9

Price Performance

%	1M	6M	12M
Absolute	-9.1	1.0	12.0
Relative*	-9.2	8.6	18.6

*To the NSE Nifty 50

Priyankar Biswas
priyankar.biswas@jmfl.com | Tel: (91 22) 69703622

Vaibhav Shah
vaibhav.shah@jmfl.com | Tel: (91 22) 66303068

Neelotpal Sahu
neelotpal.sahu@jmfl.com | Tel: (91 22) 69703660

Parth Thakkar
parth.thakkar@jmfl.com | Tel: (91 22) 61781879

Gaurav Jawalkar
gaurav.jawalkar@jmfl.com | Tel: (91 22) 66303372

Financial Summary (INR mn)

Y/E Mar	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	2,211,129	2,557,345	2,858,744	3,185,740	3,826,090
Sales Growth (%)	20.6	15.7	11.8	11.4	20.1
EBITDA	234,937	264,347	291,511	321,766	394,546
EBITDA Margin (%)	10.6	10.3	10.2	10.1	10.3
Adjusted Net Profit	129,655	145,593	178,064	218,941	269,316
Diluted EPS (INR)	95.1	106.6	129.4	159.2	195.8
Diluted EPS Growth (%)	29.4	12.1	21.4	23.0	23.0
ROIC (%)	9.1	9.6	10.7	12.2	15.2
ROE (%)	14.8	15.8	17.2	18.6	19.8
P/E (x)	40.0	34.8	32.8	24.1	19.6
P/B (x)	6.0	5.4	4.8	4.2	3.6
EV/EBITDA (x)	25.8	23.0	20.2	18.0	14.1
Dividend Yield (x)	0.9	0.7	1.0	1.0	1.3

Source: Company data, JM Financial. Note: Valuations as of July 28, 2026

Results strong despite West Asia crisis

Order inflows, core execution in line, core margin slightly ahead

- **Core order inflows (ex-TenneT order), in line with estimates, strong prospects support order inflow growth guidance of 10-12% in FY27**: L&T reported core (infra, energy and manufacturing) order inflows of INR860bn ahead of our estimate of INR650bn. However, this includes the ultra-mega offshore wind TenneT order announced today. As a result, aggregate order inflows of INR1.08tn were ahead of JMFe of INR895bn resulting in aggregate order book of INR7.8tn. We were already factoring in this ultra mega order in our estimates for FY27. Management has highlighted order prospects of INR15tn for 9MFY27. Prospects are evenly balanced between domestic and international prospects with private sector accounting for ~45% of domestic prospects, indicating potential revival in private capex in India. Prospects also include large order prospects such as USD2.75bn semiconductor plant in Gujarat (from Micron Technology, 10-15% is potential L&T's scope) and USD1.0bn projects in oil & gas in Kuwait, where L&T is well-placed. Furthermore, HVDC prospects from Europe aggregate to 12GW, of which L&T has secured 8GW in FY26 and 1QFY27. We expect it to secure 4GW in FY28. Management expects pick up in Middle East awarding from Q2FY27 onwards and noted that none of the projects have been cancelled. Thus, we view L&T's order inflow guidance of 10-12% for FY27 as achievable.

Exhibit 1: Strong order prospects of INR15tn for 9MFY27

INR tn	9MFY27	9MFY26
Infrastructure	**7.82**	**6.85**
Buildings & factories	*1.17*	
Transport Infra	*1.88*	
Heavy Civil	*1.72*	
Power T&D	*1.33*	
Water	*0.94*	
Minerals and metals	*0.78*	
Energy	**4.37**	**5.19**
Hydrocarbon	*3.67*	
Carbonlite solutions	*0.70*	
Green energy	**2.42**	**2.46**
Solar	*1.80*	
Offshore	*0.40*	
Onshore	*0.22*	
Manufacturing	**0.46**	**0.33**
Defence	*0.37*	
Heavy engineering	*0.092*	
Total	**15.07**	**14.83**

Source: Company, JM Financial

- **Core execution in line, expect double digit growth from 2HFY27 onwards as war-related disruptions subside**: Core revenue at INR462bn (+2%YoY) was in line with JMFe. Consol revenue at INR679bn (6.7%YoY) also came in line with JMFe. We note that Q1FY27 execution was adversely impacted by war-related disruptions in West Asia. With a strong orderbook and easing supply chain disruptions, we expect double digit growth in execution in 2HFY27. This should support consol revenue growth of 10-12% in FY27 (in line with management guidance for FY27).

- **Core margin better than expected, management has retained guidance of 7.8% for FY27:** Core EBITDA margin (including infrastructure, energy and manufacturing) came in at 7.0% ahead of JMFe of 6.3%. Resulting core EBITDA at INR32bn (-2%YoY) beat JMFe by 10%. This was driven by strong execution and profitability in the energy segment, while margin for the infrastructure segment was adversely impacted by credit loss provisions in the water related projects of INR2.5bn. In our view, since execution in water projects is reviving, these provisions are unlikely to recur in the coming quarters and may even witness some reversals. Management has maintained guidance of 7.8% for core margin for FY27 (JMFe=7.5%).

- **PAT beat estimates led by higher other income and lower finance cost**: PAT at INR41.2bn (+14%YoY) beat JMFe by 5% led by higher other income (58% higher vs JMFe) and lower finance cost (28% lower vs JMFe).

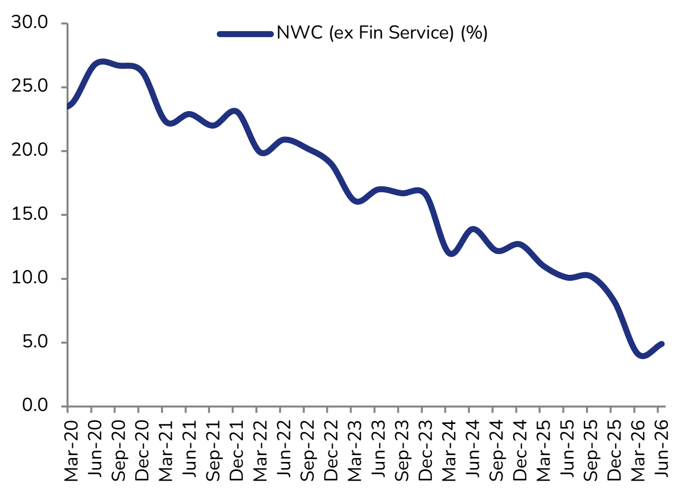
Exhibit 2: Core EBITDA beat JMFe by ~10%

INR bn	Jun-25	Mar-26	Jun-26	JMFe	QoQ	YoY
Core Sales	389.9	611.5	461.9	464.6	-24%	18%
Core EBITDA	28.9	54.4	32.1	29.2	-41%	11%
Core EBITDA margin (%)	7.4%	8.9%	7.0%	6.3%	(194)	(45)
Consolidated						
Sales	636.8	827.6	679.4	688.9	-18%	7%
EBITDA	63.2	86.1	61.2	66.3	-29%	-3%
EBITDA Margin (%)	9.9%	10.4%	9.0%	9.6%	(140)	(92)
Recurring PAT	36.2	52.6	41.2	39.2	-22%	14%

Source: Company, JM Financial

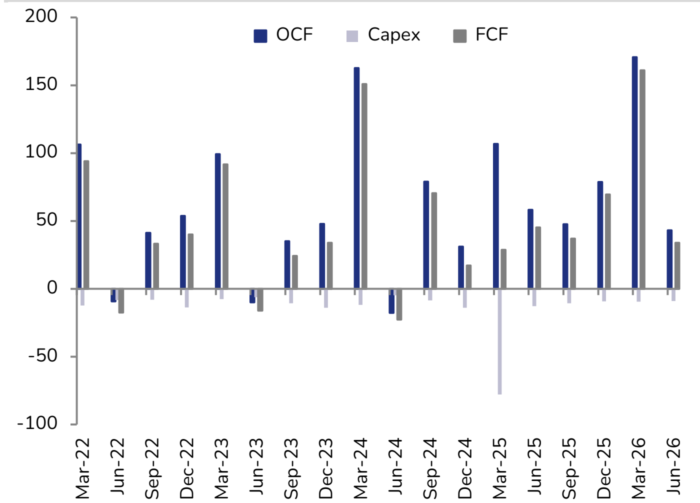
- **Strong performance on working capital despite elevated credit loss provisions** Net-Working capital (NWC) remained in check at 4.9% of sales despite higher-than-expected credit loss provisions in the infrastructure segment (vs 4.1% in 4QFY26, 10.1% in 1QFY26). This is driven by rise in collections and receipt of customer advances for the projects. The management expects NWC to stabilise at ~10% of sales in FY27 as these advances get consumed. ROE came in at 17.1% (excluding labour code impact of 100 bps).

Exhibit 3: NWC close to decadal lows



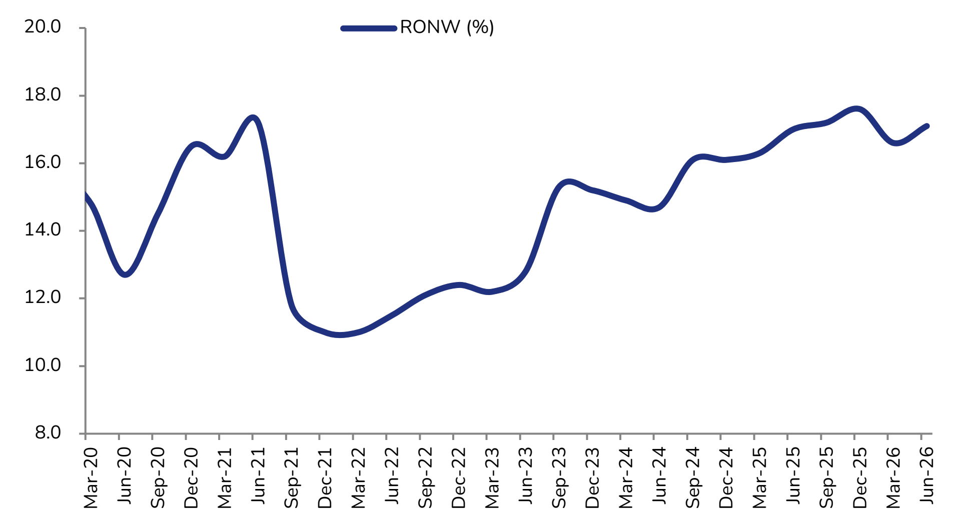
Source: Company, JM Financial

Exhibit 4: OCF and FCF positive in 1QFY27



Source: Company, JM Financial

Exhibit 5: ROE inching towards 18% (ex of one-off employee expenses)



Source: Company, JM Financial

Other key takeaways

- **Impact of Middle East geopolitical crisis**: Despite regional conflict in the Middle East, execution momentum has remained generally steady across most areas, with Qatar experiencing some slowdowns while active fabrication progresses well in Oman. To manage renewable supply chain challenges, L&T is establishing alternative shipping routes and maintaining close contact with clients regarding Force Majeure situations. In the event of an extended conflict which can lead to additional cost and timeline implications; management expects to be compensated for these additional costs as clients are appreciative of the situation. Furthermore, hydrocarbon order prospects remain strong, with official announcements on project awards expected soon. Currently, three months of inventory present at end of FY26 have largely been consumed (current inventory levels are around a month), and the company is securing alternative logistics paths; if clients agree to absorb these additional transport costs, materials are brought to the site immediately, otherwise, teams pivot to alternative project activities (civil activities). Management also noted that while 50% of the orderbook is fixed price in nature, significant share of the hydrocarbon orderbook (~70% and principally Middle East) are in engineering and procurement phases and are not materially impacted by the disruptions so far.

- **HVDC order prospects from Europe aggregates to 12GW, 4GW secured in FY26**: The aggregate HVDC order pipeline from Europe stands at 12GW, of which L&T has secured 8GW in FY26 and Q1FY27. It expects to secure another 4GW in FY28. It currently has orderbook of INR570bn in offshore wind projects to be executed over 4-5 years. L&T expects profitability in these projects to be better than those in the Middle East and thus, would target to participate in more offshore wind projects in EU and other regions.

- **Elevated other income levels to sustain for 1-2 quarters but taper off post that:** The management attributed higher other income to elevated cash levels and higher yields (2pp higher than market average). However, it expects other income levels to taper off as cash is invested in long term projects such as green energy and data centres.

- **Strong order prospects of INR15tn for 9MFY27**: Management has indicated strong prospects of INR15tn for 9MFY27. This includes 7.5tn in domestic prospects and includes 45% share of private prospects.

Exhibit 6: Segmental performance details for L&T in Q1FY27

INR bn	Jun-25	Mar-26	Jun-26	JMFEe	% y-y	% q-q	vs JMFEe
Segmental sales							
Infrastructure	224	397	219	305	-2.5%	-44.9%	-28.2%
Energy (Green+Conventional)	188	166	198	124	5.6%	19.6%	59.9%
Manufacturing & Products	41	49	45	36	9.3%	-7.7%	24.6%
Core sales	**453**	**611**	**462**	**465**	**1.9%**	**-24.5%**	**-0.6%**
IT&TS	126	141	146	142	15.9%	3.9%	3.0%
Financial services	40	47	50	52	27.0%	8.0%	-3.3%
Realty	5	4	10	18	120.8%	172.7%	-42.3%
Developmental projects	12	12	11	13	-14.0%	-8.6%	-14.8%
Consol sales	**637**	**828**	**679**	**689**	**6.7%**	**-17.9%**	**-1.4%**
Segmental EBITDA							
Infrastructure	12.3	34.9	11.1	15.8	-9.7%	-68.1%	-29.7%
Energy (Green+Conventional)	13.2	10.8	14.2	7.4	7.4%	31.4%	90.3%
Manufacturing & Products	7.2	8.7	6.8	5.9	-5.1%	-21.6%	14.8%
Core EBITDA	**32.7**	**54.4**	**32.1**	**29.2**	**-1.8%**	**-41.0%**	**9.9%**
IT&TS	24.6	26.2	28.1	26.3	14.1%	7.3%	6.9%
Financial services	9.8	11.4	13.0	12.5	32.0%	13.9%	3.8%
Realty	2.2	1.9	3.7	5.3	66.9%	NA	-29.1%
Developmental projects	2.1	2.4	1.3	2.1	-40.1%	-46.6%	-39.5%
Consol EBITDA	**63.2**	**86.1**	**61.2**	**66.3**	**-3.2%**	**-29.0%**	**-7.8%**
Segmental EBITDA margin							
Infrastructure	5.5%	8.8%	5.1%	5.2%	-40bps	-370bps	-10bps
Energy	7.0%	6.5%	7.1%	6.0%	12bps	64bps	114bps
Manufacturing & Products	17.5%	17.9%	15.2%	16.5%	-230bps	-270bps	-130bps
Core EBITDA margin (%)	**7.2%**	**8.9%**	**7.0%**	**6.3%**	**-26bps**	**-194bps**	**67bps**
IT&TS	19.5%	18.6%	19.2%	18.5%	-30bps	60bps	70bps
Financial services	24.8%	24.4%	25.8%	24.0%	98bps	135bps	176bps
Realty	48.8%	52.0%	36.9%	30.0%	-1190bps	-1510bps	690bps
Developmental projects	17.0%	20.2%	11.8%	16.7%	-515bps	-840bps	-484bps
Consol EBITDA margin (%)	**9.9%**	**10.4%**	**9.0%**	**9.6%**	**-92bps**	**-140bps**	**-62bps**
Other key metrics							
Core order inflows	756	665	860	650	13.7%	29.3%	32.3%
Aggregate order inflows	748	898	1,080	892	44.4%	20.3%	21.1%
NWC ex finance (%)	10.10	4.10	4.90	9.00			
ROE (%)	17.0	16.6	17.1	17.0			

Source: JM Financial, Company

Estimates remain unchanged

Exhibit 7: Our estimates largely unchanged

INR bn	New		Old		Old vs New	
	FY27	FY28	FY27	FY28	FY27	FY28
Sales	3,186	3,826	3,178	3,788	0.2%	1.0%
EBITDA	322	395	323	394	-0.4%	0.1%
EBITDA margin (%)	*10.1%*	*10.3%*	*10.2%*	*10.4%*	*-6bps*	*-9bps*
PAT	219	269	212	270	3.4%	-0.1%
EPS	160	197	155	197	3.4%	-0.1%

Source: Company, JM Financial

Exhibit 8: JMFE vs consensus estimates

INR bn	JMFe		Consensus		JMFe vs consensus	
	FY27	FY28	FY27	FY28	FY27	FY28
Sales	3,186	3,826	3,210	3,726	-0.8%	2.7%
EBITDA	322	395	327	387	-1.6%	2.0%
EBITDA margin (%)	*10.1%*	*10.3%*	*10.2%*	*10.4%*	-0.9%	-0.7%
PAT	219	269	200	246	9.3%	9.5%

Source: Bloomberg, JM Financial

Valuation: Maintain BUY with revised TP of INR4,640 (earlier INR4,700)

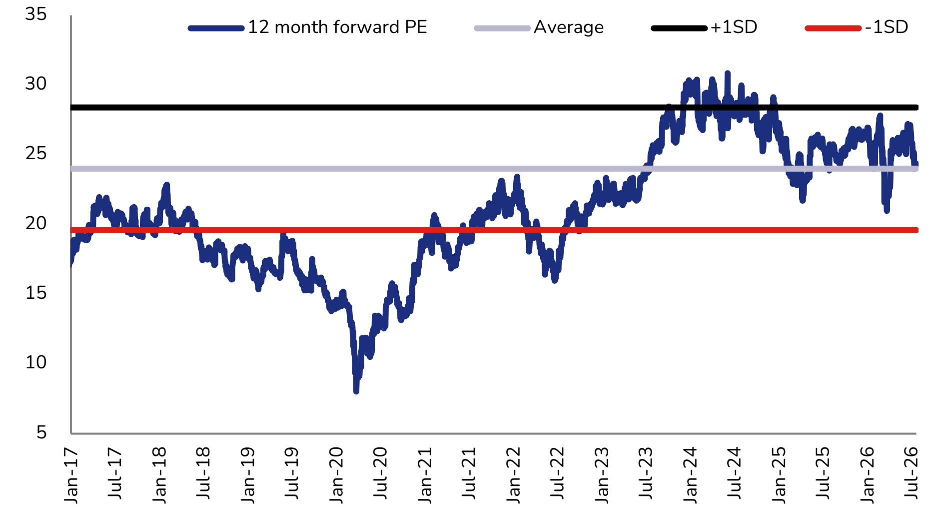
We value L&T on an SoTP (sum of the parts) with effective EV/EBITDA of 22x and add market cap of listed subsidiaries (LTIM, LTTS and LTFH) at 25% holdco discounts, yielding a TP of INR 4,640 (earlier INR 4,700), led by decline in market cap for LTFH.

Exhibit 9: SOTP based valuation: TP of INR4,640, Maintain BUY Rating

Segments	L&T share (%)	Holdco discount (%)	Valuation Metric	Multiple (x)	FY28E EBITDA	Enterprise value (INR bn)	Per share (INR)	Equity value (INR bn)	Mkt Cap (INR bn)
Core segments									
Infrastructure	100%		EV/EBITDA	19.6	124	2,440			
Energy (Green+Conventional)	100%		EV/EBITDA	25.0	80	1,991			
Manufacturing and products	100%		EV/EBITDA	30.0	25	736			
Realty	100%		DCF	15.9	34	532			
Core total (implied EV/EBITDA)				***21.7***	***262***	***5,700***			
Inter-segmental elimination	***84%***			*21.7*	(43)	*(783)*			
JV						*23*			
Aggregate EV				***22.5***	**220**	**4,939**	**3,783**	**5,167**	
Aggregate EV				***22.7***	**219**	**4,981**	**3,809**	**5,201**	
Net Debt/ (cash) Ex Finance and Development projects [Mar-27]						(228)			
Services									
Financial services (LTFH)	66.2%	25.2%	Mkt Cap				*218*	298	*602*
IT & TS							*636*	869	
LTIM	*68.6%*	*25.2%*	*Mkt Cap*					*652*	*1,270*
LTTS	*73.7%*	*25.2%*	*Mkt Cap*					*217*	*394*
Overall Equity value							**4,640**	**6,334**	

Source: Company, JM Financial

Exhibit 10: L&T 12 month forward P/E near its long-term average



Source: Bloomberg

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E Mar	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	2,211,129	2,557,345	2,858,744	3,185,740	3,826,090
Sales Growth (%)	20.6	15.7	11.8	11.4	20.1
Other Operating Income	-	-	-	-	-
Total Revenue	**2,211,129**	**2,557,345**	**2,858,744**	**3,185,740**	**3,826,090**
Cost of Goods Sold/Op. Exp	1,403,139	1,646,707	1,858,412	2,075,596	2,496,241
Personnel Cost	411,710	467,687	521,872	581,566	698,464
Other Expenses	161,343	178,604	186,948	206,811	236,839
EBITDA	**234,937**	**264,347**	**291,511**	**321,766**	**394,546**
EBITDA Margin (%)	10.6	10.3	10.2	10.1	10.3
EBITDA Growth (%)	13.2	12.5	10.3	10.4	22.6
Depn. & Amort.	36,823	41,212	43,648	41,345	39,561
EBIT	198,113	223,136	247,864	280,422	354,985
Other Income	41,580	41,248	57,607	79,668	79,251
Finance Cost	35,459	33,344	28,488	17,861	13,267
PBT before Excep. & Forex	204,235	231,040	276,983	342,228	420,969
Excep. & Forex Inc./Loss(-)	-226	-141	-2,055	-	-
PBT	204,009	230,900	274,927	342,228	420,969
Taxes	49,474	58,914	68,164	84,221	103,598
Extraordinary Inc./Loss(-)	936	4,748	-17,224	-	-
Assoc. Profit/Min. Int.(-)	24,880	26,392	28,699	39,066	48,054
Reported Net Profit	130,591	150,341	160,840	218,941	269,316
Adjusted Net Profit	**129,655**	**145,593**	**178,064**	**218,941**	**269,316**
Net Margin (%)	5.9	5.7	6.2	6.9	7.0
Diluted Share Cap. (mn)	1,363	1,366	1,376	1,376	1,376
Diluted EPS (INR)	**95.1**	**106.6**	**129.4**	**159.2**	**195.8**
Diluted EPS Growth (%)	29.4	12.1	21.4	23.0	23.0
Total Dividend + Tax	46,337	38,241	52,274	54,735	67,329
Dividend Per Share (INR)	34.0	28.0	38.0	39.8	48.9

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E Mar	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders Fund	1,025,497	1,154,037	1,285,305	1,488,577	1,738,618
Share Capital	2,749	2,750	2,751	2,751	2,751
Reserves & Surplus	860,843	973,806	1,090,147	1,254,353	1,456,340
Preference Share Capital	-	-	-	-	-
Minority Interest	161,904	177,481	192,407	231,473	279,527
Total Loans	1,140,398	1,295,593	1,216,830	1,246,303	1,308,655
Def. Tax Liab. / Assets (-)	-	-	-	-	-
Other non-current liabilities / Lease Liabilities	39,699	46,462	57,833	54,924	60,403
Total - Equity & Liab.	**2,205,593**	**2,496,092**	**2,559,968**	**2,789,804**	**3,107,676**
Net Fixed Assets	470,133	468,016	596,481	536,742	550,203
Gross Fixed Assets	335,851	377,361	693,146	743,642	796,663
Intangible Assets	253,325	255,971	105,845	36,955	36,955
Less: Depn. & Amort.	148,013	189,225	232,872	274,217	313,777
Capital WIP	28,970	23,909	30,363	30,363	30,363
Investments	383,575	541,390	649,813	649,813	649,813
Current Assets	2,547,643	2,785,836	3,279,206	3,669,827	4,360,390
Inventories	66,202	76,706	95,309	106,367	123,390
Sundry Debtors	487,710	537,137	604,613	703,810	816,446
Cash & Bank Balances	119,585	121,870	153,912	316,860	647,825
Loans & Advances	536,028	555,709	648,888	648,888	648,888
Other Current Assets	1,338,118	1,494,414	1,776,484	1,893,902	2,123,841
Current Liab. & Prov.	1,195,758	1,299,149	1,965,531	2,066,578	2,452,731
Current Liabilities	1,157,128	1,263,410	1,558,008	1,538,843	1,670,276
Provisions & Others	38,630	35,740	407,523	527,735	782,455
Net Current Assets	727,677	747,871	450,223	726,815	1,005,803
Other Non Current Assets/ROU Assets	624,208	738,816	863,452	876,434	901,856
Total - Assets	**2,205,593**	**2,496,092**	**2,559,968**	**2,789,804**	**3,107,676**

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E Mar	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	155,471	176,733	189,539	258,007	317,370
Depn. & Amort.	36,823	41,212	43,648	41,345	39,561
Net Interest Exp. / Inc. (-)	35,459	33,344	28,488	17,861	13,267
Inc (-) / Dec in WCap.	-66,652	-176,651	-164,888	-129,535	32,033
Others	21,561	16,969	70,623	-79,668	-79,251
Taxes Paid	-	-	-	-	-
Operating Cash Flow	**182,663**	**91,607**	**167,410**	**108,010**	**322,980**
Capex	-42,105	-35,407	-44,687	18,394	-53,021
Free Cash Flow	140,558	56,201	122,723	126,404	269,959
Inc (-) / Dec in Investments	-9,553	-89,419	-162,231	-	-
Others	73,288	-30,349	89,530	79,668	79,251
Investing Cash Flow	**21,630**	**-155,175**	**-117,388**	**98,061**	**26,230**
Inc / Dec (-) in Capital	-	-	-	-	-
Dividend + Tax thereon	-164,968	-38,496	-46,762	-54,735	-67,329
Inc / Dec (-) in Loans	-44,736	155,196	-78,763	29,473	62,353
Others	-44,429	-51,134	103,961	-17,861	-13,267
Financing Cash Flow	**-254,134**	**65,566**	**-21,564**	**-43,124**	**-18,244**
Inc / Dec (-) in Cash	**-49,841**	**1,998**	**28,457**	**162,947**	**330,966**
Opening Cash Balance	169,267	119,585	121,870	153,912	316,860
Closing Cash Balance	119,585	121,870	153,912	316,860	647,825

Source: Company, JM Financial

Dupont Analysis					
Y/E Mar	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin (%)	5.9	5.7	6.2	6.9	7.0
Asset Turnover (x)	1.0	1.1	1.1	1.2	1.3
Leverage Factor (x)	2.5	2.6	2.4	2.3	2.2
RoE (%)	14.8	15.8	17.2	18.6	19.8

Source: Company, JM Financial

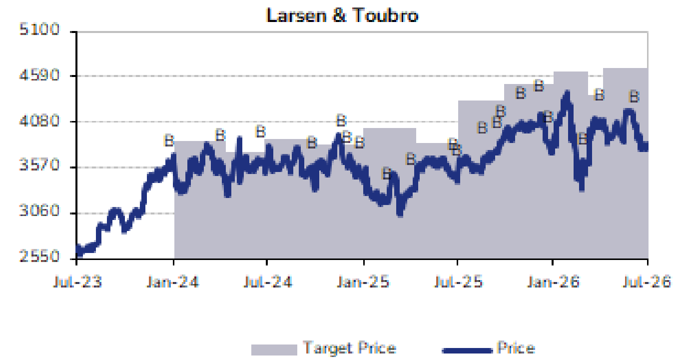
Key Ratios					
Y/E Mar	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	633.7	715.0	794.5	913.8	1,060.7
ROIC (%)	9.1	9.6	10.7	12.2	15.2
ROE (%)	14.8	15.8	17.2	18.6	19.8
Net Debt/Equity (x)	0.6	0.5	0.3	0.2	0.0
P/E (x)	40.0	34.8	32.8	24.1	19.6
P/B (x)	6.0	5.4	4.8	4.2	3.6
EV/EBITDA (x)	25.8	23.0	20.2	18.0	14.1
EV/Sales (x)	2.7	2.4	2.1	1.8	1.5
Debtor days	81	77	77	81	78
Inventory days	11	11	12	12	12
Creditor days	98	84	99	84	82

Source: Company, JM Financial

Recommendation History Table

Date	Recommendation	Target Price	% Chg.
14-Jul-26	BUY	4,700	0.0
6-May-26	BUY	4,700	7.3
6-Apr-26	BUY	4,380	-5.9
29-Jan-26	BUY	4,655	3.4
13-Jan-26	BUY	4,500	0.0
8-Dec-25	BUY	4,500	0.0
29-Oct-25	BUY	4,500	4.3
23-Oct-25	BUY	4,313	0.0
26-Sep-25	BUY	4,313	0.0
5-Aug-25	BUY	4,313	0.0
30-Jul-25	BUY	4,313	12.0
9-May-25	BUY	3,850	-4.1
26-Mar-25	BUY	4,015	0.0
31-Jan-25	BUY	4,015	5.0
8-Jan-25	BUY	3,825	0.0
27-Dec-24	BUY	3,825	0.0
31-Oct-24	BUY	3,825	-1.7
25-Jul-24	BUY	3,890	4.0
9-May-24	BUY	3,740	-3.5
1-Feb-24	BUY	3,875	

Recommendation History Chart



APPENDIX I

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

Research Analyst(s) Certification

The Research Analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that:

All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and

No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

Rating System: Definition of ratings	
Rating	**Meaning**
BUY	Expected return >= 15% over the next twelve months.
ADD	Expected return >= 5% and < 15% over the next twelve months.
REDUCE	Expected return >= -10% and < 5% over the next twelve months.
SELL	Expected return < -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Important Disclosures

This research report has been prepared by JM Financial Institutional Securities Limited (JM Financial Institutional Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its associates solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of JM Financial Institutional Securities. This report has been prepared independent of the companies covered herein.

JM Financial Institutional Securities is registered with the Securities and Exchange Board of India (SEBI) as a Research Analyst and a Stock Broker having trading memberships of the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). No material disciplinary action has been taken by SEBI against JM Financial Institutional Securities in the past two financial years which may impact the investment decision making of the investor. Registration granted by SEBI and certification from the National Institute of Securities Market (NISM) in no way guarantee performance of JM Financial Institutional Securities or provide any assurance of returns to investors.

JM Financial Institutional Securities renders stock broking services primarily to institutional investors and provides the research services to its institutional clients/investors. JM Financial Institutional Securities and its associates are part of a multi-service, integrated investment banking, investment management, brokerage and financing group. JM Financial Institutional Securities and/or its associates might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, broking, financing or any other advisory services to the company(ies) covered herein. JM Financial Institutional Securities and/or its associates might have received during the past twelve months or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services.

JM Financial Institutional Securities and/or its associates, their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) covered under this report or (c) act as an advisor or lender/borrower to, or may have any financial interest in, such company(ies) or (d) considering the nature of business/activities that JM Financial Institutional Securities is engaged in, it may have potential conflict of interest at the time of publication of this report on the subject company(ies).

Neither JM Financial Institutional Securities nor its associates or the Research Analyst(s) named in this report or his/her relatives, own one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

The Research Analyst(s) principally responsible for the preparation of this research report and their immediate relatives are prohibited from buying or selling debt or equity securities, including but not limited to any option, right, warrant, future, long or short position issued by company(ies) covered under this report. The Research Analyst(s) principally responsible for the preparation of this research report or their immediate relatives (as defined under SEBI (Research Analysts) Regulations, 2014); (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Research Analyst(s) are not serving as an officer, director or employee of the company(ies) covered under this report.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and JM Financial Institutional Securities does not warrant its accuracy or completeness. JM Financial Institutional Securities may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision.

This research report is based on the fundamental research/analysis conducted by the Research Analyst(s) named herein. Accordingly, this report has been prepared by studying/focusing on the fundamentals of the company(ies) covered in this report and other macro-economic factors. JM Financial Institutional Securities may have also issued or may issue, research reports and/or recommendations based on the technical/quantitative analysis of the company(ies) covered in this report by studying and using charts of the stock's price movement, trading volume and/or other volatility parameters. As a result, the views/recommendations expressed in such technical research reports could be inconsistent or even contrary to the views contained in this report.

The investment discussed or views expressed or recommendations/opinions given herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and JM Financial Institutional Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction.

This report is not directed or intended for distribution to, or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject JM Financial Institutional Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions. Please click here to access our detailed Terms and Conditions, including the Most Important Terms and Conditions.

Additional disclosure only for U.S. persons: JM Financial Institutional Securities has entered into an agreement with JM Financial Securities, Inc. ("JM Financial Securities"), a U.S. registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") in order to conduct certain business in the United States in reliance on the exemption from U.S. broker-dealer registration provided by Rule 15a-6, promulgated under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and as interpreted by the staff of the U.S. Securities and Exchange Commission ("SEC") (together "Rule 15a-6").

This research report is distributed in the United States by JM Financial Securities in compliance with Rule 15a-6, and as a "third party research report" for purposes of FINRA Rule 2241. In compliance with Rule 15a-6(a)(3) this research report is distributed only to "major U.S. institutional investors" as defined in Rule 15a-6 and is not intended for use by any person or entity that is not a major U.S. institutional investor. If you have received a copy of this research report and are not a major U.S. institutional investor, you are instructed not to read, rely on, or reproduce the contents hereof, and to destroy this research or return it to JM Financial Institutional Securities or to JM Financial Securities.

This research report is a product of JM Financial Institutional Securities, which is the employer of the research analyst(s) solely responsible for its content. The research analyst(s) preparing this research report is/are resident outside the United States and are not associated persons or employees of any U.S. registered broker-dealer. Therefore, the analyst(s) are not subject to supervision by a U.S. broker-dealer, or otherwise required to satisfy the regulatory licensing requirements of FINRA and may not be subject to the Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Any U.S. person who is recipient of this report that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, must contact, and deal directly through a U.S. registered representative affiliated with a broker-dealer registered with the SEC and a member of FINRA. In the U.S., JM Financial Institutional Securities has an affiliate, JM Financial Securities, Inc. located at 1177 Avenue of the Americas, 5th Floor, Offices 5045 and 5046, New York, New York 10036. Telephone +1 (646) 452 7004 / +1 (646) 452 7005 which is registered with the SEC and is a member of FINRA and SIPC.

Additional disclosure only for U.K. persons: Neither JM Financial Institutional Securities nor any of its affiliates is authorised in the United Kingdom (U.K.) by the Financial Conduct Authority. As a result, this report is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the matters to which this report relates may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This report is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons.

Additional disclosure only for Canadian persons: This report is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada or any province or territory thereof. Under no circumstances is this report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. This report is not, and under no circumstances is it to be construed as, a prospectus or an offering memorandum. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. If you are located in Canada, this report has been made available to you based on your representation that you are an "accredited investor" as such term is defined in National Instrument 45-106 Prospectus Exemptions and a "permitted client" as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada nor should it be construed as being tailored to the needs of the recipient. Canadian recipients are advised that JM Financial Securities, Inc., JM Financial Institutional Securities Limited, their affiliates and authorized agents are not responsible for, nor do they accept, any liability whatsoever for any direct or consequential loss arising from any use of this research report or the information contained herein.

JM Financial Institutional Securities Limited
Corporate Identity Number: U67100MH2017PLC296081
Member of BSE Ltd. and National Stock Exchange of India Ltd.
SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610
Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.
Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancial.research@jmfl.com | www.jmfl.com
Compliance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: ashley.johnson@jmfl.com
Grievance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: instcompliance@jmfl.com