BEML Ltd. (BEML)

CMP: ₹ 2032 | Target: ₹ 2765 (36%) | Target Period: 12 month | BUY

September 3, 2026

Engineering India's next mobility & defence cycle...

About the company- BEML is a diversified engineering PSU operating across Rail & Metro, Defence & Aerospace and Mining & Construction. The company has evolved from a conventional mining and rail equipment manufacturer into an indigenous mobility and defence platform, with products spanning Vande Bharat Sleeper, metro coaches, High Mobility Vehicles, Armoured Recovery Vehicles, mining equipment and strategic defence systems.

- Order book as on Q1FY27 stood at ₹16,285 crore, with 65% Rail & Metro, 25% Defence, 4% Mining & Construction and 6% exports, providing stronger multi-year revenue visibility.

Investment Rationale

- **Rail & Metro to drive the next leg of growth-** BEML is transitioning from a largely mining-led business to a Rail & Defence-led engineering play, with Rail & Metro already contributing 65% of the ₹16,285 crore order book. The opportunity is supported by multiple programmes across Vande Bharat Sleeper, metro, LHB coaches, commuter rail and High-Speed Rail, creating a sizeable multi-year addressable market. The company's Rail & Metro revenue is estimated to increase from ₹1,044 crore in FY26 to ₹2,067 crore in FY27E and ₹3,101 crore in FY28E, taking its revenue contribution from 24% to ~45% by FY28E. Importantly, ~65–70% of targeted FY27 order inflows are expected from Rail & Metro, while the opportunity pipeline includes six commuter-rail tenders, Vande Bharat, Bullet trains and multiple metro projects. Capacity additions through ADITYA (~100 metro/50–70 HSR coaches annually) and the upcoming BRAHMA facility (~300–350 coaches annually) further improve BEML's ability to capture this opportunity.
- **Defence portfolio scaling up with strong platform optionality** – BEML's Defence & Aerospace business is moving beyond traditional mobility equipment towards indigenously developed, higher-value platforms, with products such as 12×12 HMVs, LAMV, ARVs and strategic systems providing multiple avenues for growth. The 12×12 HMV has completed trials and is qualified for programmes including Pinaka, BrahMos and LRSAM. The company has identified ₹4,000–5,000 crore of potential FY27 defence order inflows, excluding Pinaka, with an additional ₹600–700 crore QRSAM supporting-vehicle opportunity. Longer term, participation in the AMCA consortium provides strategic optionality in aerospace manufacturing, with the prototype programme carrying an indicative ~₹15,000 crore outlay. We estimate Defence & Aerospace revenue to increase from ₹1,523 crore in FY26 to ₹2,120 crore in FY28E, supported by higher defence procurement and localisation.

Rating and Target Price: We expect Revenue and PAT to grow at 26% and 102% CAGR over FY26 FY28E. We initiate **BUY** on **BEML** with a Target Price of **₹ 2,765 (based on 40x on FY28E EPS)**

Conviction Pick

ICICI Securities – Retail Equity Research

BEML

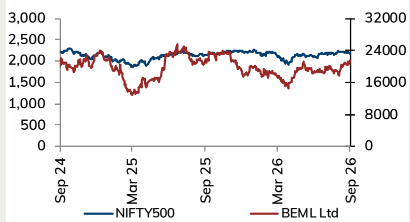
Particulars

	Rs. (in crore)
Market Capitalisation	16866
Gross Debt (FY26)	309
Cash (FY26)	37
EV (₹crore)	17138
52-week H/L	2277/1355
Equity capital	42
Face value	5

Shareholding pattern (%)

%	Sep-25	Dec-25	Mar-26	Jun-26
Promoter	54.0	54.0	54.0	54.0
FII	5.8	5.5	5.6	5.5
DII	18.5	18.4	18.7	19.4
Others	21.6	22.1	21.7	21.1

Price Chart



Key risks

- Timely order conversion.
- Working capital and cash-flow volatility.

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Key Financial Summary

Key Financials (₹ Crore)	FY24	FY25	FY26	2-year CAGR (FY24-26)	FY27E	FY28E	2-year CAGR (FY26-28E)
Revenues	4054	4022	4351	3.6	5523	6930	26.2
EBITDA	442	506	299	NA	685	942	77.5
EBITDA margin (%)	10.9	12.6	6.9		12.4	13.6	
Net Profit	281.8	292.5	141.4	NA	407.2	575.5	101.8
EPS (Rs)	33.8	35.1	17.0		48.9	69.1	
P/E (x)	60.1	57.9	119.7		41.6	29.4	
P/B (x)	3.2	2.9	2.9		2.6	2.3	
RoCE (%)	13.8	13.9	6.6		16.1	19.8	
RoE (%)	10.6	10.1	4.8		12.5	15.4	

Source: Company, ICICI Direct Research

Background

BEML Limited was established on 11th May 1964 as a Schedule 'A' Public Sector Undertaking under the Ministry of Defence, Government of India, with a founding mandate to indigenise the manufacture of earth-moving equipment and rail coaches for a newly industrialising India. Over six decades, the company has evolved from a single-purpose manufacturing unit into a diversified engineering conglomerate. The company operates through three major business verticals, namely Mining & Construction (M&C), Defence & Aerospace (D&A), and Rail & Metro (R&M). Historically, the Mining & Construction business has been the largest contributor to revenue, while the Defence and Rail segments have been witnessing increasing traction, supported by the Government's focus on defence indigenisation, railway modernisation and infrastructure development.

Since its inception, BEML has evolved from a manufacturer of earth-moving equipment and rail coaches into a diversified engineering major with capabilities spanning High Mobility Vehicles, Armoured Recovery Vehicles, driverless metro technology, UAVs, a 1,500 hp engine for Main Battle Tanks and Vande Bharat Sleeper trainset.

Company has a pan-India manufacturing and service footprint comprising 4 manufacturing complexes (Bangalore, Mysuru, KGF, and Palakkad), supported by 3 seaport office locations, 3 zonal offices, 12 regional offices, 16 district offices, 1 defence spares division and 7 activity centres spread across the country. The company is also expanding its manufacturing base with new facilities the 'ADITYA' plant at its Bangalore Complex for High-Speed Rail component manufacturing), the upcoming Bhopal rolling stock facility under the BRAHMA project, a new warehousing facility at the KIADB Aerospace SEZ in Bengaluru, and a proposed Central Warehousing Centre at Bilaspur.

Product Portfolio & Business Segments

BEML's business is organized around three Strategic Business Units — Defence & Aerospace, Mining & Construction, and Rail & Metro supported by supported by a high-margin Sustenance (aftermarket) business. The company's diversified product portfolio and strong indigenous engineering capabilities position it to benefit from India's defence modernisation, infrastructure development and railway expansion.

Exhibit 1: Product Portfolio:

Source: Company, ICICI Direct Research

Defence & Aerospace:

- Focused on indigenising critical defence mobility, weapons-platform and aerospace-integration equipment for the Indian armed forces, this vertical covers Armoured Vehicles, High Mobility Vehicles (HMV), Aerospace, Maritime, Engines and Strategic Systems, supported by a dedicated Sustenance business for spares and lifecycle support.
- **Key Products:** Armoured Recovery Vehicles, High Mobility Vehicles (6×6, 8×8, 12×12 configurations), the Light Armoured Multipurpose Vehicle (LAMV), track width mine ploughs, pontoon bridge systems, engines for Main Battle Tanks (up to 1,500 hp), motor casings for the Akash and QRSAM missile systems, light alloy structures for the LVM3 launch vehicle, and ground support/handling equipment for the LCA Mk2.

LAMV

Mining & Construction:

- Focused on designing, manufacturing and supporting heavy earth-moving and mining equipment for domestic and export markets, this vertical covers Mining, Construction, Hydraulics & Powerline, and a dedicated Sustenance business for spares and annual maintenance contracts.
- **Key Products:** The company's product portfolio includes dump trucks, electric rope shovels, hydraulic excavators, bulldozers, wheel loaders, motor graders, pipe layers and other specialised mining equipment catering primarily to Coal India subsidiaries, NMDC, SCCL and infrastructure contractors.

35T Electric Dump Truck

Rail & Metro:

- Focused on the design and manufacture of rolling stock for India's commuter rail, metro and emerging high-speed rail networks, positioning BEML as a key partner in the country's rail modernisation programme.
- **Key Products:** Rail coaches, EMUs, metro cars, driverless metro trainsets, the Vande Bharat Sleeper trainset, LHB coaches, and (under development) High Speed Rail trainsets and components.

Vande Bharat Sleeper Trains

Sustenance business (Aftermarket Business)

Complementing these three verticals is the Sustenance business, which provides maintenance, refurbishment, spare parts and lifecycle support across defence, mining and rail equipment. The business generates relatively stable and higher-margin recurring revenues while strengthening customer relationships and improving earnings visibility. As BEML's installed equipment base continues to expand, the contribution from aftermarket services is expected to increase, supporting margin improvement and cash flow generation.

Manufacturing Capabilities

BEML has built a pan-India manufacturing ecosystem anchored around four principal complexes, each specialising in a distinct product vertical, supported by a growing network of modification and warehousing facilities that underpin the company's next phase of capacity expansion across Defence, Mining & Construction, and Rail & Metro.

Bengaluru Complex: Centre for Rail, Defence & Advanced Manufacturing

The Bengaluru complex serves as BEML's flagship manufacturing and engineering hub, housing facilities for Rail & Metro rolling stock, Defence systems, aerospace structures and R&D. The recently commissioned **'ADITYA'** High-Speed Rail manufacturing facility has strengthened the company's capabilities in aluminium coach manufacturing and next-generation rolling stock, while supporting projects such as the Vande Bharat Sleeper and future high-speed rail programmes. The facility also undertakes engineering, system integration and prototype development for several strategic defence and transportation platforms.

Kolar Gold Fields (KGF): Heavy Equipment & Defence Manufacturing Hub

The KGF complex is BEML's largest integrated manufacturing facility and the backbone of its Mining & Construction business. The plant manufactures dump trucks, excavators, bulldozers, wheel loaders, motor graders, rope shovels and other heavy earthmoving equipment while also producing defence mobility platforms. The facility has recently commenced assembly of the Light Armoured Multi-Purpose Vehicle (LAMV) and has played a key role in developing indigenous products such as the 21 Cum Electric Rope Shovel, 550 HP Motor Grader and 35-ton Electric Dump Truck, reinforcing BEML's localisation capabilities.

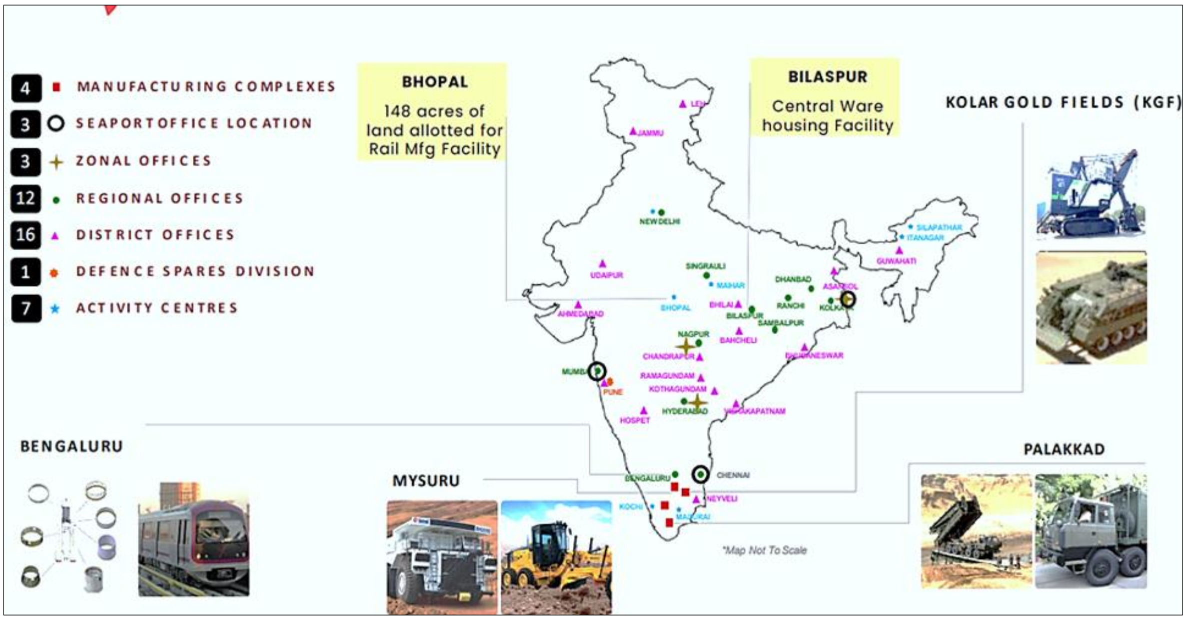
Mysuru & Palakkad: Powertrain and Component Manufacturing

The Mysuru and Palakkad facilities primarily support BEML's manufacturing ecosystem through the production of engines, powertrain systems, hydraulic aggregates, structural fabrications, transmission assemblies and critical components used across mining, construction, defence and rail products. These facilities enhance vertical integration, improve localisation and provide manufacturing flexibility by supplying key assemblies to BEML's final assembly plants, thereby reducing dependence on external vendors and strengthening supply chain resilience.

Bhopal: Next-Generation Rolling Stock Facility

BEML is establishing a new rolling stock manufacturing facility under the BRAHMA Project at Bhopal to cater to the rising demand for metro coaches, Vande Bharat trains and future railway projects. **Once operational, the facility is expected to add 300–350 coaches per annum of manufacturing capacity**, significantly expanding BEML's rail business and enabling it to cater efficiently to projects across northern and western India. The plant will complement the Bengaluru facility and play a crucial role in supporting the company's long-term growth in the Rail & Metro segment.

Exhibit 2: Manufacturing facilities



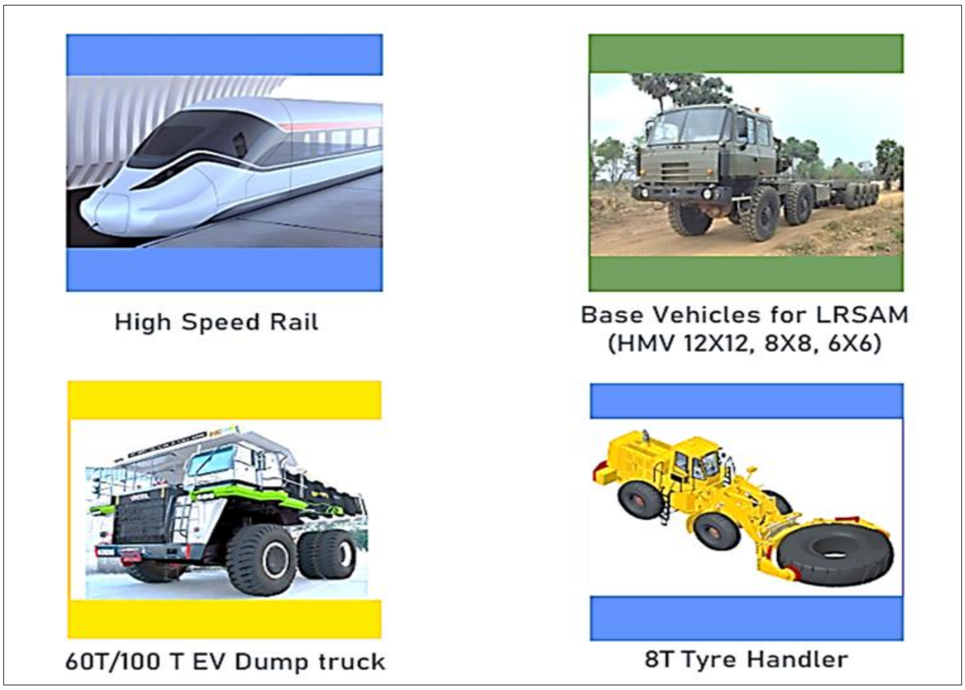
Source: Company, ICICI Direct Research

Research & Development (R&D)

Innovation remains a key pillar of BEML's long-term strategy, with the company focusing on indigenous design and development across defence, mining and rail mobility solutions. BEML has established dedicated R&D centres and engineering teams responsible for product design, prototyping, testing and system integration, enabling the company to reduce import dependence and enhance value addition. The company's R&D efforts have resulted in several indigenous products, including the 12×12 High Mobility Vehicle (HMV), 21 Cu.m Electric Rope Shovel, 35-ton Electric Dump Truck, 550 HP Motor Grader, Driverless Metro Trainset and Vande Bharat Sleeper train.

The company is also developing next-generation products such as 60-ton and 100-ton electric dump trucks, aluminium high-speed rail coaches, aerospace structures and advanced defence mobility platforms. Higher investments in R&D are expected to strengthen BEML's competitive positioning, support product localisation and expand opportunities in both domestic and export markets.

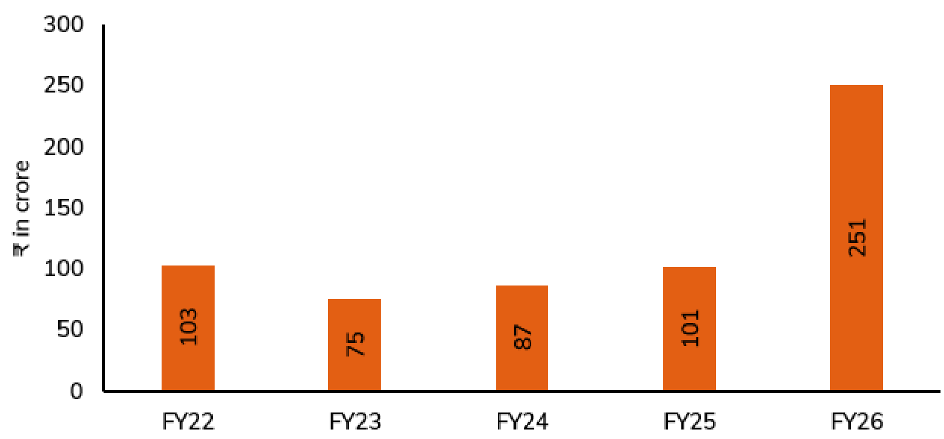
Exhibit 3: Products Under Development



Source: Company, ICICI Direct Research

Company has increased its R&D spending by 150% YoY to ₹251 crore in FY26, raising R&D intensity to 6.25% of revenue from 2.57% in FY25. The company has restructured its innovation ecosystem into a four-tier R&D framework and plans to sustain R&D investment at 6–7% of revenue over the next five years.

Exhibit 4: R & D Expenditure



Source: Company, ICICI Direct Research

Investment Rationale

Rail & Metro to emerge as the primary growth engine

We believe BEML is entering a structural growth cycle in its Rail & Metro business, supported by India's aggressive investment in metro rail, Vande Bharat and High-Speed Rail. The company has successfully transitioned from a conventional metro coach manufacturer to a diversified rolling stock player with exposure to Vande Bharat Sleeper, High-Speed Rail, LHB coaches and commuter rail. Rail & Metro already accounts for ~65% of the current order book, providing multi-year revenue visibility.

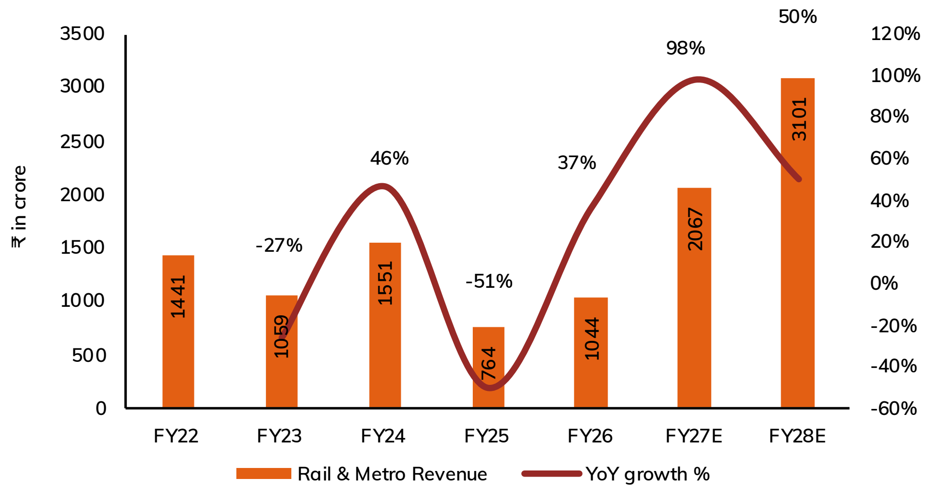
The near-term pipeline remains robust, with six live metro tenders across Chennai, Delhi MRTS (R20/R21), UP Metro extension, Pune Metro and MMRDA Line 12. Beyond domestic metro, commuter rail offers a sizeable opportunity, with six tenders currently valued at ~₹8,000 crore.

The opportunity extends beyond the domestic market, with BEML pursuing ~₹15,000 crore of export metro opportunities across two markets. In addition, the company remains positioned for Vande Bharat Sleeper, LHB coaches, MEMU and track-machine opportunities, creating multiple avenues to sustain order inflows as existing projects move into execution.

We estimate Rail & Metro revenue to grow from ₹1,044 crore in FY26 to ₹3,101 crore in FY28E, increasing its contribution from 24% to ~45%, while nearly ~65-70% of FY27 order inflows are expected to originate from the Rail & Metro business.

Capacity expansion further strengthens this outlook. The commissioning of the ADITYA facility increases annual capacity by ~100 metro coaches (or 50-70 High-Speed Rail coaches), while the upcoming BRAHMA facility will add 300-350 coaches per annum, significantly enhancing execution capability.

Exhibit 5: Rail & Metro revenue trend



Source: Company, ICICI Direct Research

High-Speed Rail and Sleeper Vande Bharat offer ~₹1.80+ lakh crore multi-year growth runway:

India's passenger rail modernisation is creating a sizeable multi-year opportunity for trainset manufacturers, led by the rapid scale-up of Vande Bharat and the emergence of High-Speed Rail. Indian Railways has planned 260 Vande Bharat Sleeper rakes, to be manufactured in phases through BEML, ICF and technology partners. BEML has been entrusted with 10 trainsets and has already established its capability through the development and commercial deployment of the indigenous Vande Bharat Sleeper. The 260-rake Sleeper programme itself represents a sizeable ~₹31,200 crore opportunity, assuming an indicative realisation of ~₹120 crore per 16-coach trainset. Beyond the initial programme, the government's broader vision is to scale the Vande Bharat fleet to ~800 trainsets by 2030, comprising both Chair Car and Sleeper variants, providing a much larger replacement and fleet-expansion opportunity over the medium term.

High-Speed Rail provides an additional and substantially larger opportunity. The seven newly announced HSR corridors are expected to span ~4,000km. BEML is developing two 280-kmph trainsets for the Mumbai–Ahmedabad corridor and has submitted an offer for 16 additional trainsets. Successful execution could position BEML for the seven upcoming HSR corridors, which are estimated to require ~600 trainsets over the next 10–15 years. At ~₹250 crore per trainset, this translates into an overall ~₹1.5 lakh crore rolling-stock opportunity. Company believes its successful execution of the initial trainsets could position it to capture a meaningful share of this opportunity, with the potential to address ~50% of the market alongside another rolling-stock supplier.

Exhibit 6: Rail Transformation - a multiyear, large-scale opportunity

Source: Company, ICICI Direct Research, * Indicative estimate; actual opportunity depends on variant mix, tendering and final realisations

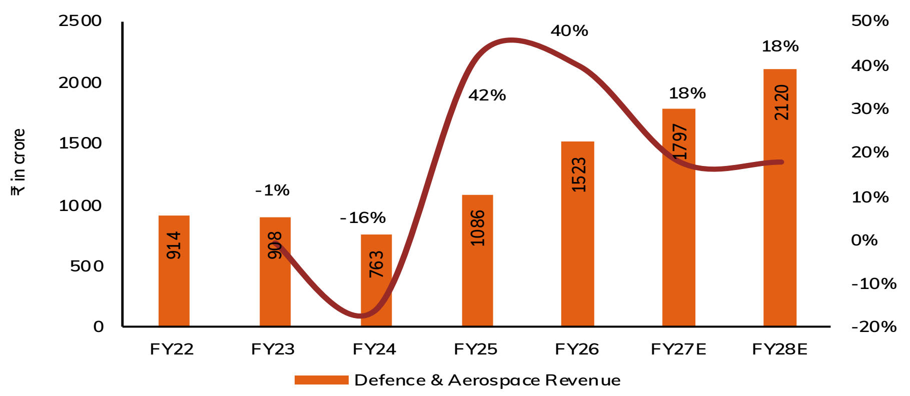
Defence business entering a multi-year expansion cycle

BEML is well positioned to benefit from India's defence indigenisation programme, supported by increasing procurement of indigenous mobility platforms and strategic equipment. The company has successfully commercialised indigenous products including the 12×12 High Mobility Vehicle, LAMV, missile launcher platforms and Armoured Recovery Vehicles. Importantly, the indigenous 12×12 platform has completed trials and is now qualified for future programmes including Pinaka, BrahMos and LRSAM, significantly expanding BEML's addressable market.

Defence & Aerospace business has a healthy near-term pipeline, with ₹4,000–5,000 crore of potential Defence order inflows for FY27, excluding Pinaka. The identified opportunities span 230 Armoured Recovery Vehicles (ARV) cleared by DAC, Command Post Vehicles, Self-Propelled Mine Burier, Tank Transporters and LAMV. The LAMV has successfully cleared summer trials and is now progressing towards winter trials, strengthening the prospect of order conversion. The pipeline also has incremental upside from QRSAM, where BEML expects ₹600–700 crore of supporting-vehicle orders.

We estimate Defence revenue to increase from ₹1,523 crore in FY26 to ₹2,120 crore in FY28E, supported by rising defence capital expenditure and localisation.

Exhibit 7: Defence & Aerospace revenue trend



Source: Company, ICICI Direct Research

AMCA: Entry into India's next-generation fighter ecosystem

BEML's participation in the Bharat Forge–BEML–Data Patterns consortium provides an opportunity to enter India's high-value combat-aircraft manufacturing ecosystem. The consortium is among the three shortlisted bidders and has now received the RFP for development of the Advanced Medium Combat Aircraft (AMCA), covering five flying prototypes and one structural test aircraft. The prototype programme carries an indicative government outlay of ~₹15,000 crore, with the first prototypes targeted for flight testing around 2032.

For BEML, the opportunity is particularly relevant given its planned role in aerostructures, while Bharat Forge brings capabilities in hydraulics/fabrication and Data Patterns in avionics. BEML had earlier indicated that its focus within the consortium would primarily be on aerostructures, with no major dedicated capex requirement expected as the testing infrastructure is being developed separately; hence, initial participation should remain relatively asset-light.

The larger opportunity lies beyond the prototype phase. Once AMCA is proven, the programme is expected to move into series production, with the IAF's initial requirement estimated at ~120 aircraft. We view AMCA as a strategic option value for BEML rather than a near-term revenue driver, with successful selection potentially providing a multi-decade opportunity across aerostructures and associated manufacturing.

The key near-term catalyst is the consortium's selection for the prototype contract, while the principal risk remains the competitive nature of the three-way bidding process and the long development-to-production cycle.

Exhibit 8: ~₹15,000 crore AMCA prototype programme

Source: ICICI Direct Research

Record order pipeline provides strong earnings visibility

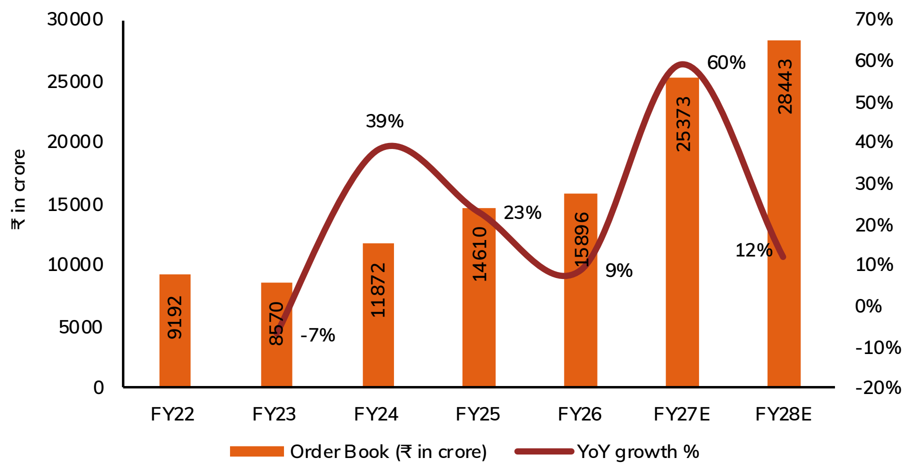
BEML enters FY27 with one of the strongest order pipelines in its history. The company closed FY26 with an order book of ₹15,900 crore, which has already increased to ₹16,285 crore. with 65% from Rail & Metro, 25% Defence, 4% Mining & Construction and 6% Exports, resulting in a favourable shift towards strategic businesses. **The company is targeting ₹20,000 crore of order inflows in FY27, with Rail & Metro expected to contribute 65–70%, Defence ~20% and the balance from Mining and exports.**

The order pipeline remains broad-based. Rail & Metro-led opportunities account for the bulk of the ₹35,000–40,000 crore opportunity pool, while Defence offers ₹4,000–5,000 crore of potential FY27 order inflows. Within Mining & Construction, BEML is L1 for ~₹900 crore of orders, is bidding for an additional ₹500–600 crore of tenders and is pursuing export opportunities in West Asia.

The improving mix should also make revenue execution more predictable. Unlike the historical dependence on H2 Mining orders, the current order book is predominantly Rail and Defence, supporting a more balanced execution profile.

We estimate the order book to increase to ₹25,373 crore in FY27E and ₹28,443 crore in FY28E, providing strong medium-term revenue visibility.

Exhibit 9: Order Book trend



Source: Company, ICICI Direct Research

Key Risk and Concerns

High dependence on timely order conversion:

BEML's growth outlook is increasingly dependent on converting its sizeable opportunity pipeline into executable orders. While the order book has risen to ~₹16,600 crore, achieving the management targeted ~₹30,000–31,000 crore order book by FY27-end would require strong order inflows across Rail & Metro and Defence. Delays in tender finalisation or customer approvals could impact revenue visibility.

Railway concentration creates execution dependency:

Rail & Metro already forms ~65% of the order book, with the next growth phase dependent on metro, Vande Bharat, LHB and high-speed rail programmes. Any postponement in railway tender awards or customer-side execution could therefore have a severe impact on BEML's growth trajectory.

Large defence pipeline has long conversion cycles:

The defence opportunity across HMVs, LRSAM, ARV, bridging systems and AMCA provides significant optionality, but several programmes remain at various stages of tendering, development or qualification. We therefore see a risk of longer-than-expected conversion of pipeline into executable orders.

Mining remains inherently cyclical:

Mining revenue has lower order-book visibility because of its shorter execution cycle, making quarterly performance more volatile. Delays in Coal India and other mining tenders can lead to sudden revenue gaps; the company has previously flagged tender delays and weather-related disruptions as factors affecting the segment.

Working capital and cash-flow volatility:

The expected increase in large-ticket railway and defence projects could raise working-capital requirements, particularly through inventory build-up and milestone-linked receivables. With revenue expected to scale rapidly, maintaining disciplined collections and working-capital days will be important to ensure that growth translates into sustainable free cash flow.

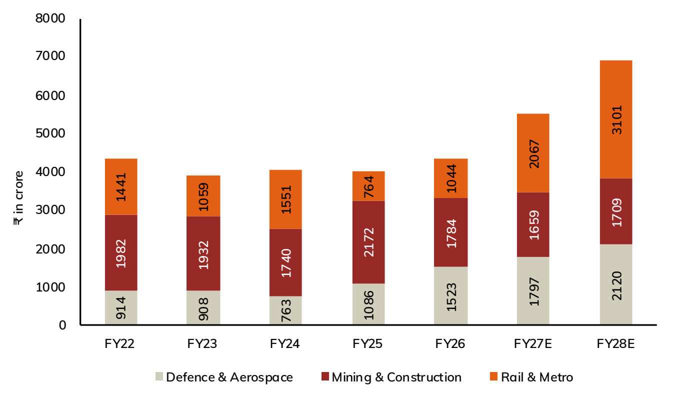
Key Financial Summary

Consolidated Revenue to grow at ~26% CAGR over FY26-28E driven by Rail & Metro and Defence & Aerospace

We expect BEML to deliver a strong revenue CAGR over FY26–29E, driven by execution of its record order book, favourable business mix and capacity expansion across strategic segments. **Revenue is estimated to increase from ₹4,351 crore in FY26 to ₹5,523 crore in FY27E and ₹6,930 crore in FY28E, supported by improving execution visibility and a robust order pipeline.**

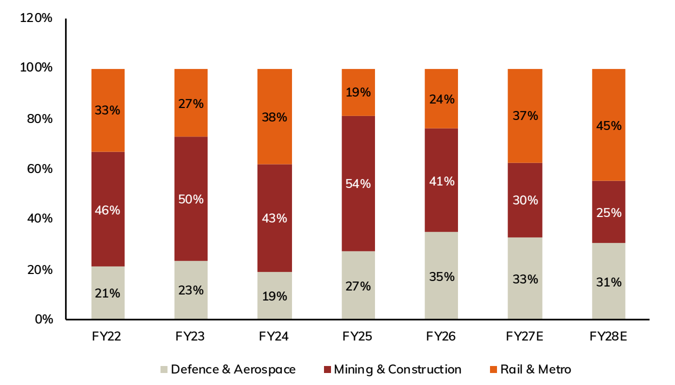
Unlike the past, when the Mining & Construction segment accounted for over half of revenues, the next phase of growth is expected to be driven by Rail & Metro and Defence & Aerospace. We expect the Rail business to witness a sharp ramp-up, led by execution of the Vande Bharat Sleeper, High-Speed Rail, metro rolling stock and LHB coach orders. Consequently, Rail & Metro revenue is estimated to more than double from ₹1,044 crore in FY26 to ₹2,067 crore in FY27E, increasing its contribution to ~37% of consolidated revenue by FY27E.

Exhibit 10: BEML Ltd. consolidated revenue trend



Source: Company, ICICI Direct Research

Exhibit 11: BEML Ltd. consolidated revenue mix trend



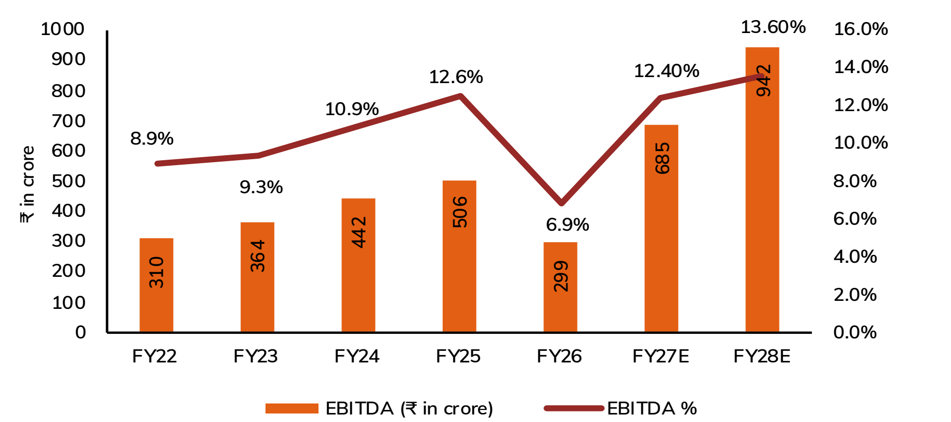
Source: Company, ICICI Direct Research

EBITDA margins expected to improve driven by operating leverage and business mix shift

We expect EBITDA to grow at a 77% CAGR over FY26–28E, increasing from ₹299 crore in FY26 to ₹942 crore in FY28E, with margins improving from 6.9% to 13.6%. The sharp decline in FY26 profitability was primarily due to one-off legacy project adjustments and gratuity-related provisions, masking the underlying operational performance.

Going forward, we expect margins to recover, supported by a favourable shift towards the higher-margin Defence & Rail & Metro businesses, improved operating leverage as revenues scale above the ~₹4,000 crore break-even level, increasing contribution from the high-margin sustenance and export businesses, and commodity cost pass-through through price variation clauses (PVC) in most rail contracts. We believe these factors position BEML for a structural improvement in profitability over the medium term.

Exhibit 12: EBITDA & EBITDA margin trend



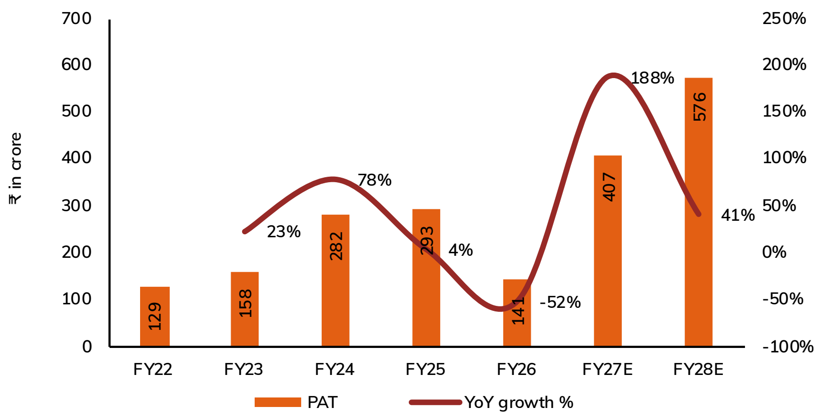
Source: Company, ICICI Direct Research

PAT to to grow at ~102% CAGR over FY26-28E driven by margin expansion and operating leverage

We expect PAT to recover sharply from ₹141 crore in FY26 to ₹407 crore in FY27E and ₹576 crore in FY28E, driven by higher operating profitability, operating leverage and normalisation of one-time charges. FY26 earnings were impacted by legacy project adjustments, gratuity-related provisions and adverse forex impact on legacy export contracts, resulting in a significant decline in reported profitability despite record revenue.

Going forward, we expect PAT growth to outpace revenue, supported by improving EBITDA margins, a favourable shift towards higher-margin Defence & Rail & Metro businesses, better absorption of fixed costs and lower impact of exceptional items.

Exhibit 13: Consolidated PAT trend



Source: Company, ICICI Direct Research

Financial Summary

Exhibit 14: Profit and loss statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Revenue	**4,022**	**4,351**	**5,523**	**6,930**
% Growth	(0.8)	8.2	27.0	25.5
Other income	24	29	29	29
Total Revenue	4,046	4,380	5,552	6,959
% Growth	(1.2)	8.3	26.8	25.3
Raw Material Costs	2,015	2,279	2,872	3,673
Employee Expenses	826	835	1,027	1,206
Other expenses	676	938	939	1,109
Total Operating Exp.	3,517	4,052	4,838	5,987
EBITDA	**506**	**299**	**685**	**942**
% Growth	14.3	(40.9)	129.0	37.6
Interest	54	45	56	59
PBDT	475	283	659	913
Depreciation	71	83	112	141
PBT before Expl. Items	**404**	**200**	**547**	**773**
Total Tax	111	58	139	197
PAT before MI	293	141	407	576
PAT	**293**	**141**	**407**	**576**
% Growth	3.8	(51.7)	188.1	41.3
EPS	**35**	**17**	**49**	**69**

Source: Company, ICICI Direct Research

Exhibit 15: Cash flow statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Profit after Tax	293	141	407	576
Depreciation	71	83	112	141
Interest	54	45	56	59
Cash Flow before WC changes	1,475	1,273	1,429	1,944
Net Increase in Current Assets	(419)	(518)	(109)	(585)
Net Inc in Current Liability	188	184	39	301
Net CF from Operating activities	**183**	**118**	**506**	**491**
(Purchase)/Sale of Fixed Assets	(183)	(290)	(350)	(300)
Other investing cash flows	(22)	(64)	-	-
Net CF from Investing activities	**(205)**	**(354)**	**(350)**	**(300)**
Issue of Equity	-	-	-	-
Inc/(Dec) in loans	-	74	-	-
Others	(139)	165	(139)	(142)
Net CF from Financing Activities	**(139)**	**238**	**(139)**	**(142)**
Net Cash flow	(162)	2	17	49
Opening Cash/Cash Equivalent	8	4	7	15
Cash used to repay bank overdraft	(158)	(0)	8	10
Closing Cash/ Cash Equivalent	**4**	**7**	**15**	**54**
Bank Overdraft at the end of year	(218)	(218)	(210)	(200)

Source: Company, ICICI Direct Research

Exhibit 16: Balance Sheet ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Equity Capital	42	42	42	42
Reserve and Surplus	2,845	2,891	3,215	3,708
Total Shareholders' funds	**2,887**	**2,933**	**3,257**	**3,749**
Total Debt	**229**	**309**	**309**	**309**
Total Liabilities	**3,115**	**3,242**	**3,566**	**4,058**
Gross Block	1,104	1,312	1,662	1,962
Acc.: Depreciation	523	607	719	859
Net Block	581	705	943	1,102
Capital WIP	107	276	276	276
Total Fixed Assets	**688**	**981**	**1,219**	**1,378**
Non-Current Assets	239	258	258	258
Inventory	2,379	2,338	2,527	2,848
Debtors	1,696	2,274	2,194	2,658
Other Current Assets	866	1,121	1,121	921
Cash	5	37	45	84
Total Current Assets	**4,947**	**5,771**	**5,888**	**6,511**
Current Liabilities	2,488	3,487	3,517	3,808
Provisions	269	282	282	282
Total Current Liabilities	**2,757**	**3,769**	**3,799**	**4,090**
Net Current Assets	2,190	2,002	2,088	2,421
Total Assets	**3,116**	**3,242**	**3,566**	**4,058**

Source: Company, ICICI Direct Research

Exhibit 17: Ratio Analysis ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Per Share Data (₹)				
EPS	35.1	17.0	48.9	69.1
DPS	21.2	5.4	10.0	10.0
Operating Ratios (%)				
EBITDA Margin	12.6	6.9	12.4	13.6
PAT Margin	7.3	3.2	7.4	8.3
Asset Turnover (x)	1.3	1.3	1.5	1.7
Return Ratios (%)				
RoE	10.1	4.8	12.5	15.4
RoCE	13.9	6.6	16.1	19.8
Valuation Ratios (x)				
EV / EBITDA	33.9	57.5	25.1	18.2
P/E	57.9	119.7	41.6	29.4
EV / Net Sales	4.3	4.0	3.1	2.5
Sales / Equity	1.4	1.5	1.7	1.8
Market Cap / Sales	4.2	3.9	3.1	2.4
WC Management Ratios				
Inventory Days	210.3	197.9	167.0	150.0
Debtor Days	142.2	166.5	145.0	140.0
Creditor Days	133.1	138.9	120.0	110.0
Solvency Ratios				
Debt / Equity	0.1	0.1	0.1	0.1
Current Ratio	1.8	1.5	1.5	1.6
Quick Ratio	0.9	0.9	0.9	0.9

Source: Company, ICICI Direct Research

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