Sushil Finance
ACTIONABLE KNOWLEDGE

Transformers and Rectifiers (India) Limited



INITIATING COVERAGE REPORT

Transformers and Rectifiers (India) Ltd. (TARIL)

Market Cap.	52 Week H/L	CMP	Target Price
Rs. 10,737 cr.	Rs. 579/224	Rs. 358	Rs.492

POWR

BUY

Reuters Code	TRNS.BO
Bloomberg Code	TARIL IN
BSE Code	532928
NSE Symbol	TARIL
Face Value	Rs. 1
Shares Outstanding	30 Cr.
Avg. Daily Vol. (6m)	5,980,197 Shares

Price Performance (%)

1M	3M	6M
20	30	22

200 Days EMA Rs.296

SHARE HOLDING (%)

Promoters	64.4
FII	8.3
FI/MF	1.8
Body Corporate	1.3
Public & Others	24.2

RESEARCH ASSOCIATE
Bhavya Doshi | +91 22 4093 4075
bhavya.doshi@sushilfinance.com

SALES:
Devang Shah | +91 22 4093 6060/61
devang.shah@sushilfinance.com

INDIA'S POWER DEMAND-SUPPLY GAP: A STRUCTURAL TAILWIND THAT TARIL'S EXPANDED CAPACITY IS BUILT TO CAPTURE

India needs to add ~1,90,000 circuit km of transmission lines and 1,274 GVA of transformation capacity by FY32, with the government targeting over ₹9 lakh crore in transmission investment over the decade. That is not a demand problem, the system broadly meets current load, it is a build-out problem. Transformers & Rectifiers (India) Ltd. (TARIL) has spent three years expanding from 40,000 to 75,000 MVA, with another 37,000 MVA in progress across Changodar and Moraiya. It is one of the few domestic manufacturers cleared to supply the highest-voltage segments. The question is not whether the orders are coming. It is whether TARIL has the capacity to take them, and the capex programme is the answer to that.

CRGO BACKWARD INTEGRATION THROUGH ACQUISITION TO EXPAND EBITDA MARGINS

TARIL acquired a 51% stake in Posco-Poggenamp Electrical Steel to bring CRGO processing in-house. CRGO is not a side input. It determines transformer cost, quality and delivery reliability, and buying it externally creates both margin drag and supply chain exposure. The integration programme goes beyond CRGO into bushings, tank fabrication and pressboard, with management targeting full coverage by FY27-FY28. Owning more of the input chain means less paid to third-party processors, less volatility on raw material costs, and faster production cycles. Outside commentary at the time of the acquisition pointed to a 100-150 bps EBITDA uplift once integration is complete. The numbers do not show it yet because commissioning delays have pushed the timeline, which is why the model carries a near-term margin plateau before expansion. The margin improvement is not a projection pulled from thin air. It follows directly from how the cost structure changes as TARIL stops outsourcing inputs it now controls.

ORDER BOOK AS A SIGN OF GROWING AND CONSISTENT REVENUE VISIBILITY

TARIL had an unexecuted order book of around ₹5,005 crore as of March 31, 2026, covering roughly 18 months of revenue. That means most of FY27 revenue is already in hand, not dependent on orders still to be won. The tender pipeline sits at over ₹23,000 crore, so replenishment is not the concern. Management has been deliberate about what it accepts, holding out for better pricing and payment terms rather than filling the book with low-margin work. The context for why this matters now is the capacity expansion. TARIL has added substantially to its installed base across Changodar and Moraiya and needs a consistent order flow to keep utilisation high as that capacity comes online. An 18-month book does that job. It limits the risk of new capacity sitting underutilised and gives the margin expansion story a more credible foundation.

Y/E Mar	Revenue (Rs. Cr)	EBITDA (Rs. Cr)	EBITDA Margin (%)	PAT (Rs. Cr)	NPM (%)	EPS (Rs.)	P/E (x)	P/B (x)	EV/EBITDA (x)
FY25	2,019.4	327.5	16.2%	216.4	10.7%	7.1	50.4	8.6	33.8
FY26	2,508.8	383.2	15.3%	272.2	10.8%	9.1	39.5	7.1	28.9
FY27E	**3,035.6**	**464.5**	**15.3%**	**306.4**	**10.1%**	**10.2**	**35.1**	**5.9**	**23.8**
FY28E	**3,551.7**	**568.3**	**16.0%**	**335.0**	**9.4%**	**11.2**	**32.1**	**5.0**	**19.5**
FY29E	**4,226.5**	**693.2**	**16.4%**	**422.2**	**10.0%**	**14.1**	**25.5**	**4.2**	**16.0**

OUTLOOK & VALUATION

We expect TARIL to deliver 67% growth in Revenues to Rs. 4226.5 crore in FY29E from Rs. 2508.8 crore in FY26. This growth is majorly driven by the structural tailwinds of the Indian power industry and its supply gap. Furthermore, the company's move towards backward integration through acquisition and capex increases EBITDA margins. The stable order book shows the way for growth and consistent revenue for the company. We estimate the EBITDA and PAT margins to be 16.4% and 10% respectively by FY29E. **Our estimated EPS is Rs. 10.2, Rs. 11.2 and Rs 14.1 for FY27E, FY28E and FY29E respectively. We assign a P/E multiple of 35x to arrive at the target price of Rs. 492, which is an upside of ~37% from its last closing price at Rs. 358. We initiate coverage on TARIL with a BUY rating, over an investment horizon of 24-30 months.**

KEY RISK

- **ORDER BOOK GUIDANCE MISS:** This miss was explained by the management as a strategic move by taking only good margins and efficient trade orders. But the miss was from Rs. 8000 crores to Rs 5005 crores. The order book is to be looked out for in the upcoming quarters
- **INCREASING COMPETITION:** Although there is a supply-demand gap in the power industry, the competition in this market is slowly growing. The companies tactics to stay relevant are to be watched.
- **COMPRESSED MARGINS:** As the depreciation on CAPEX will start to show, you might see compressed net profit margins in the short term before the increase starts

Source: Sushil Finance Research, Company Research

COMPANY OVERVIEW

Transformers and Rectifiers (India) Limited, or TARIL, is an Indian power equipment manufacturer focused on **transformers and reactors** used by utilities, industrial customers, and export clients. Founded in 1981 and headquartered in Ahmedabad, the company has built a meaningful presence in India's transformer market over the years. Its capabilities today span a wide range of products, including **power, furnace, rectifier, distribution, and specialty transformers**, along with reactors used across grid and industrial applications.

One of TARIL's strengths is the breadth of its product portfolio. The company manufactures power transformers ranging from **5 MVA to 1,000 MVA in the 1,200 kV class**, distribution transformers up to 10 MVA, and a variety of specialised products for sectors such **as railways, renewable energy, heavy industry, and process applications**. This diversity gives TARIL exposure to several parts of the power value chain and reduces its reliance on any single product category or end-market.

The company also operates with a relatively focused industrial model. It runs three manufacturing facilities in Gujarat and has been in the middle of a major expansion programme that is set to increase overall capacity from about **40,000 MVA to more than 75,000 MVA**. This expansion includes additional capacity in low- and medium-rating transformers, a **dedicated scale-up in EHV transformer manufacturing** at the Moraiya facility, and backward integration through a controlling stake in a **CRGO steel processing unit**. Together, these initiatives are meant to improve execution, reduce lead times, and support better margin resilience over time.

TARIL remains a **pure B2B business**, with demand closely tied to capital expenditure by utilities, EPC players, state transmission companies, and industrial customers. Its order inflows are supported by long-term themes such as transmission network expansion, renewable energy integration, railway electrification, industrial power demand, and the replacement cycle in the installed transformer base. As of FY26, the company had an unexecuted **order book of about ₹5,005 crore**, which provides a degree of near-term revenue visibility, while the pipeline of enquiries under discussion remained significantly higher.

A notable differentiator for TARIL is its position within the domestic transformer landscape. The company is among the **small group of Indian manufacturers** with capability in the 1,200 kV class and remains the only listed, Indian-owned, pure-play transformer manufacturer in that category. For investors, that creates a relatively direct way to participate in India's transmission and distribution capex cycle through a focused industrial business rather than a broader electrical equipment company with several unrelated segments.

Source: Sushil Finance Research, Company Research

TARIL JOURNEY

1981-1993

- Journey began from repairing to manufacturing 33 kV up to 66 kV class
- Furnace Transformers

1994-2000

- New state-of-the-art facility to begin manufacturing of 110 kV class transformers
- Started manufacturing upto 245 kV class transformers

2011-2015

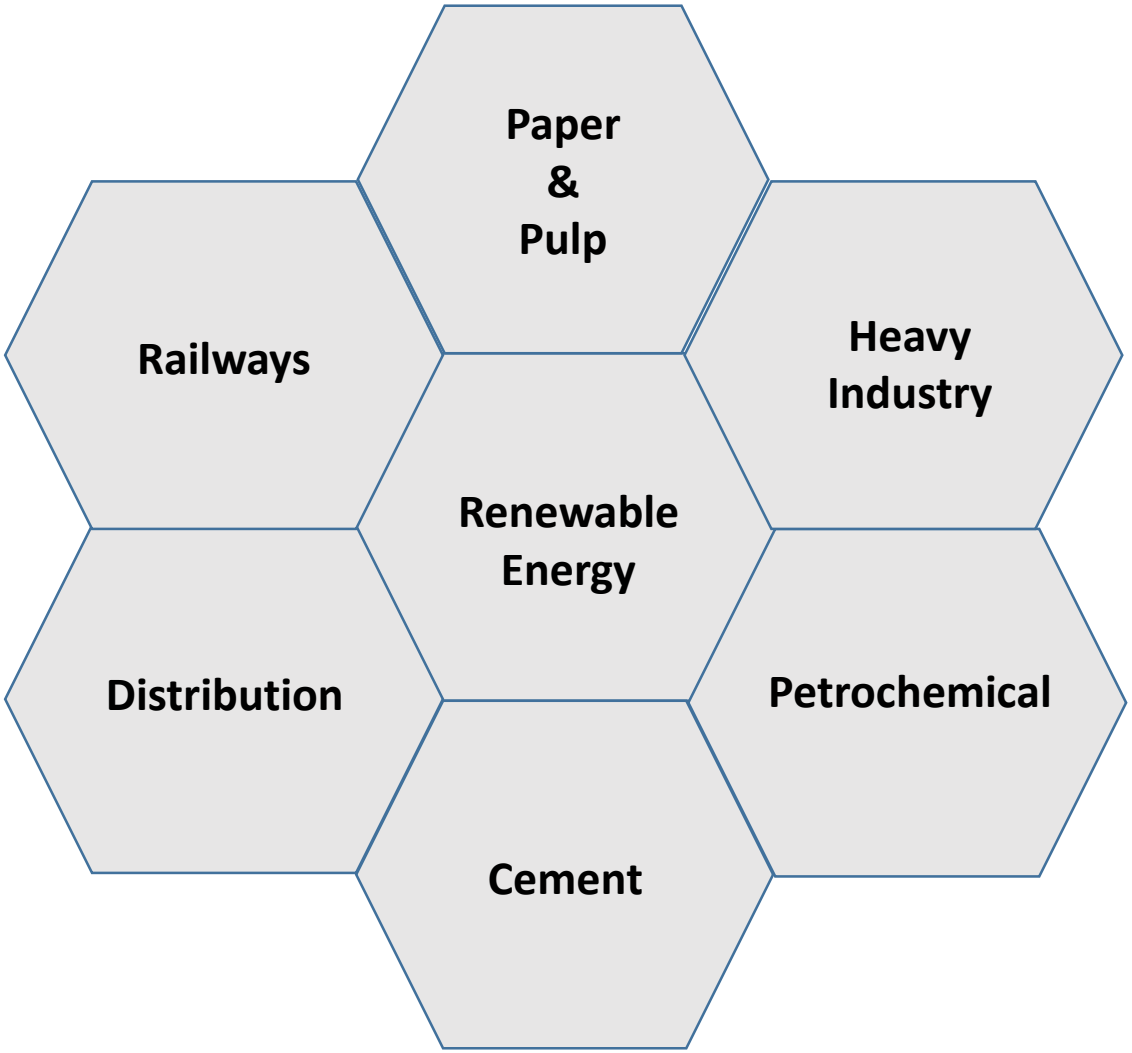
- Alliance with ZTR Ukraine for 765 kV transformer
- Technology License agreement with Fuji Electric Co. Ltd. for 400 & 765 kV class reactor and generator transformers
- Successfully tested and commissioned 1st Unit of 765 kV Class of Transformers
- Crossed Turnover of Rs. 700 Crores.

2020-2025

- Manufactured Green Transformers and reactors (up to 400 kV) using natural ester fluid
- Successfully type tested OIP bushings up to 145 kV
- Only Indian transformer company having NABL accredited lab for electrical steel testing
- Successfully Raised Rs. 500 crores through QIP

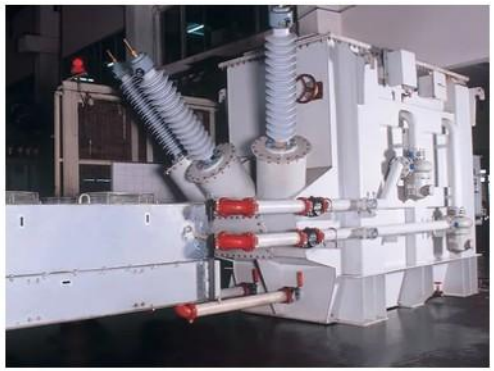
Source: Sushil Finance Research, Company Research

FOCUS INDUSTRIAL SEGMENTS



Source: Sushil Finance Research, Company Research

PRODUCT PORTFOLIO



Special Transformers



Power Transformers



Furnace Transformers



Reactors



Rectifier Transformers



Distribution Transformers

Source: Sushil Finance Research, Company Research

MANUFACTURING UNITS



Moraiya

Moraiya is TARIL's largest plant. This is where their largest transformers are manufactured and tested upto 765 kV on site.

- **Capacity:** 40,000+ MVA
- **Area:** 42500~ sq. mt.
- **Specialization:** Transformers 10000MVA 1200 kV

It has a massive 300 ton crane, 30 meter high testing bay and the ability to handle upto 1200 kV



Changodar

Changodar facility is designed for precision and large-scale manufacturing. The advanced machinery specializes in high-efficiency transformer production, including core assembly and tank fabrication.

- **Capacity:** 35,000+ MVA
- **Area:** 30000~ sq. mt.
- **Specialization:** Transformer upto 200MVA 220 kV

Equipped with modern machinery and skilled workforce, it handles the assembly of high voltage transformers, core fabrication, and tank manufacturing.



Odhav

Odhav manufacturing unit focuses on manufacturing transformers and related components. It supports large scale production at high standards of quality

- **Capacity:** 2000 MVA
- **Area:** 2000 sq. mt.
- **Specialization:** Transformer up to10 MVA 66 kV

It's equipped with modern machines and advanced assembly lines. It handles everything from winding to assembly, ensuring precision at every stage.

Source: Sushil Finance Research, Company Research

COMPANIES AND RELATIONSHIPS DRIVING GROWTH



Source: Sushil Finance Research, Company Research

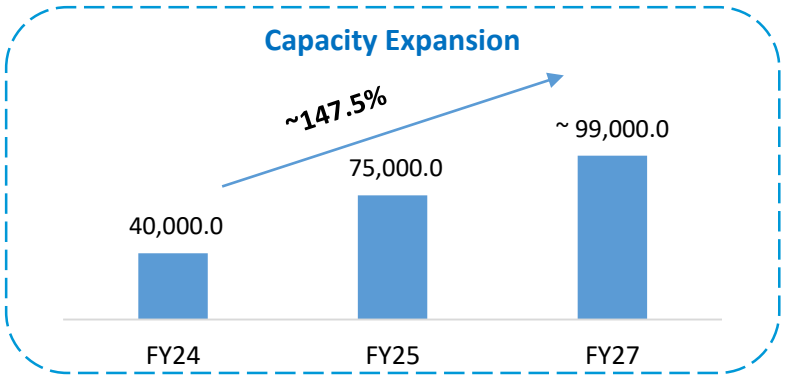
INVESTMENT RATIONALE: INDIA'S POWER DEMAND-SUPPLY GAP: A STRUCTURAL TAILWIND THAT TARIL'S EXPANDED CAPACITY IS BUILT TO CAPTURE

India’s power sector is not constrained by a shortage of demand so much as by the scale of investment required to keep pace with the country’s electrification, renewable integration and grid modernisation needs. The Ministry of Power has stated that the gap between energy requirement and energy supplied has been marginal in recent years, which means the system is broadly meeting current demand, but that does not reduce the need for large and sustained capex in transmission infrastructure. The National Electricity Plan called for the addition of about **1,90,000 circuit kilometres of transmission lines and 1,274 GVA of transformation capacity at 220 kV** and above between FY23 and FY32, with the Government also highlighting an **investment opportunity of over ₹9 lakh crore in the transmission sector** over the next decade.

That is the backdrop in which TARIL should be viewed. The company has spent the last few years **expanding capacity from roughly 40,000 MVA to around 75,000 MVA**, while also adding **EHV transformer capability** and working toward greater backward integration. According to company and industry updates, the ongoing capex programme includes a **15,000 MVA expansion at Changodar, a 22,000 MVA expansion at Moraiya**, and additional investments in backward integration, all of which are aimed at improving throughput, shortening production cycles and supporting future volume growth.

The investment case is therefore not built on the idea that TARIL itself creates demand. Rather, it is built on the company’s ability to convert a large and visible national transmission build-out into operating growth. TARIL is one of the few domestic manufacturers qualified to participate in the highest-voltage segments of the market, and its expanded capacity places it in a better position to capture orders as utilities, grid operators and EPC contractors continue to procure transformers for grid expansion, renewable evacuation and replacement demand.

This makes the company particularly relevant in a market where execution matters as much as market size. A stronger capacity base, a wider product range and backward integration into key inputs should improve delivery capability and margin resilience over time, especially if the current industry cycle remains supportive. For investors, the rationale is simple: India’s transmission investment cycle is long, structural and policy-supported, and TARIL has positioned itself to be one of the direct beneficiaries of that cycle



Source: Sushil Finance Research, Company Research

INVESTMENT RATIONALE- CRGO BACKWARD INTEGRATION THROUGH ACQUISITION TO EXPAND EBITDA MARGINS

TARIL's backward integration strategy is one of the clearest examples of how the company is trying to turn scale into margin quality. The most important step in that plan was the **acquisition of a controlling 51% stake in Posco-Poggenamp Electrical Steel Pvt Ltd**, which gives TARIL a dedicated **CRGO processing capability** and tighter control over **one of the most critical inputs in transformer manufacturing**. CRGO steel is not a side input. It is a core raw material that directly affects cost, quality, and supply reliability, so bringing this process in-house should reduce dependence on external vendors and improve supply chain control over time.

This matters because transformer manufacturing is a business where execution quality and input stability can be just as important as top-line growth. TARIL has also indicated that the **broader backward integration programme** extends beyond CRGO into **bushings, tank fabrication, pressboard, and related components**, with management targeting full backward integration by FY27-FY28. That means the CRGO acquisition should be viewed as part of a larger operating model shift, not as a standalone financial investment.

The margin opportunity is straightforward. By controlling a larger share of the value chain, TARIL should be able to **reduce input volatility, shorten production cycles, and capture more value internally** rather than paying third parties for processing and conversion. Management has previously signaled that backward integration can contribute meaningfully to EBITDA margin expansion, and outside commentary at the time of the acquisition suggested a possible 100 to 150 basis point uplift once the system is fully integrated.

The margin benefits have not yet shown up cleanly in the reported numbers because the full integration programme is still being rolled out and some of the associated facilities have faced delays in commissioning. Thus, in the model there is a delay in EBITDA growth before a small fall to help full integration. So the argument is not that margins have already expanded. It is that TARIL is deliberately building the operating structure that should support higher EBITDA margins over the medium term, especially as volume scales and more of the input chain is internalised.

CRGO stands for **Cold Rolled Grain Oriented steel**. It is a special electrical steel used mainly in the core of transformers and reactors because it helps reduce energy loss and improves magnetic efficiency.

In simple terms, it is the material that allows a transformer to work more efficiently. The steel is processed so its grains are aligned in one direction, which makes it much better at carrying magnetic flux in transformer cores and lowers core losses

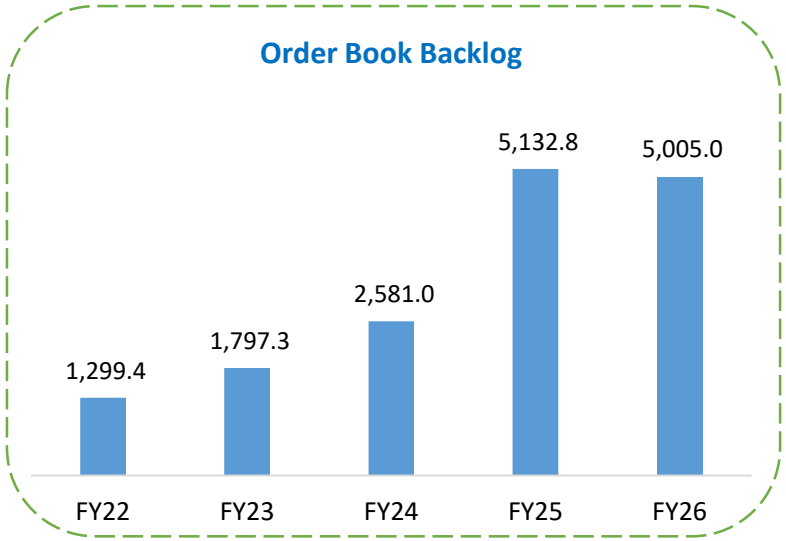
Source: Sushil Finance Research, Company Research

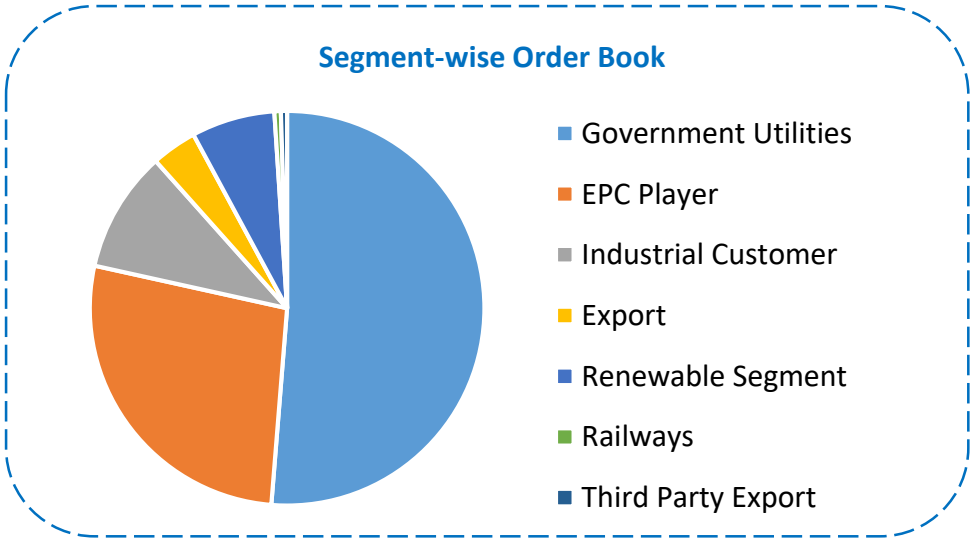
INVESTMENT RATIONALE- ORDER BOOK AS A SIGN OF GROWING AND CONSISTENT REVENUE VISIBILITY

TARIL's order book is one of the clearest indicators that the business has moved beyond short-term project wins and into a more visible growth phase. As of March 31, 2026, the company reported an **unexecuted order book of around ₹5,005 crore**, which management and brokers have described as providing roughly **18 months of revenue visibility**. That matters because in a manufacturing business like TARIL's, the order book is not just a backlog figure. It is a forward indicator of how much of next year's revenue is already effectively spoken for.

The quality of the order book is as important as the size. TARIL has repeatedly highlighted that it is **being selective about order intake, preferring better pricing, better payment terms and a more manageable execution cycle** over simply chasing volume. That approach is visible in the mix of orders and in the fact that the company continues to maintain a strong tender pipeline of more than ₹23,000 crore, which suggests the business is not running out of demand even if it is being more disciplined in how it books that demand.

For investors, this creates a useful kind of visibility. A strong order book reduces earnings uncertainty, supports capacity planning, and gives the company a clearer path to revenue conversion over the next few quarters. In TARIL's case, that visibility is especially relevant because the company has just expanded capacity materially and now needs a steady flow of executable orders to keep utilisation high and margins moving in the right direction.

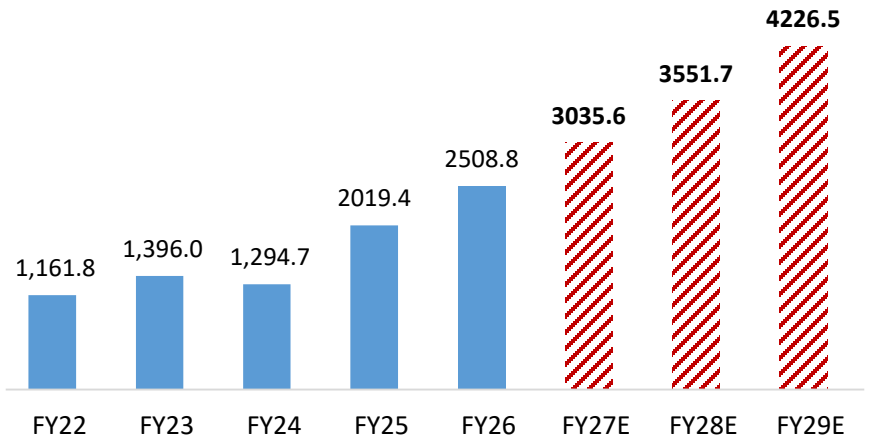




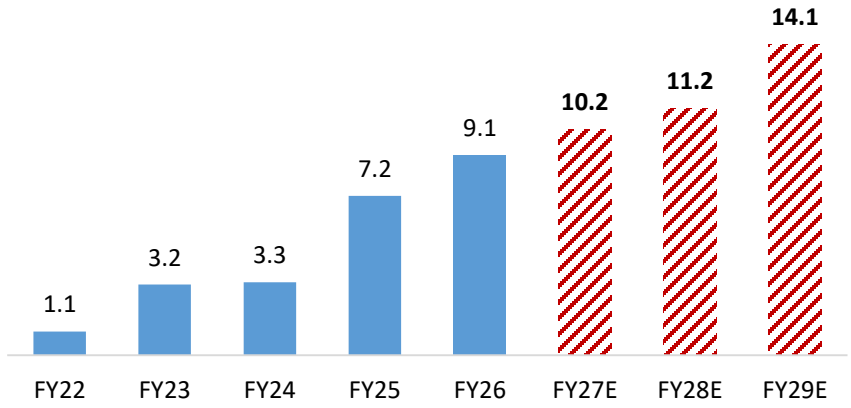
Source: Sushil Finance Research, Company Research

BUSINESS OVERVIEW

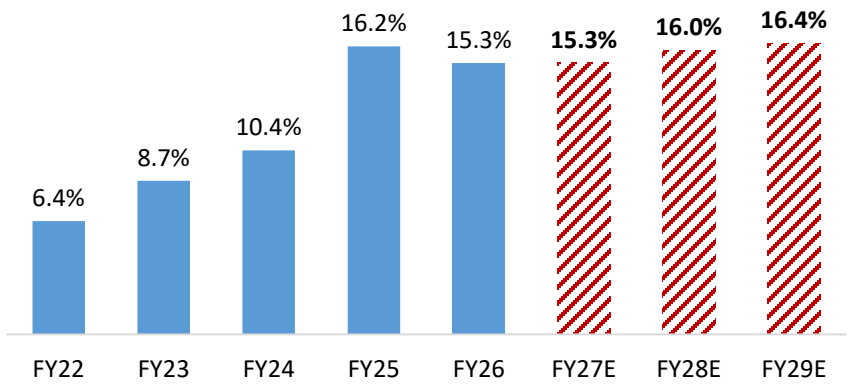
Net Sales (Rs. Cr)



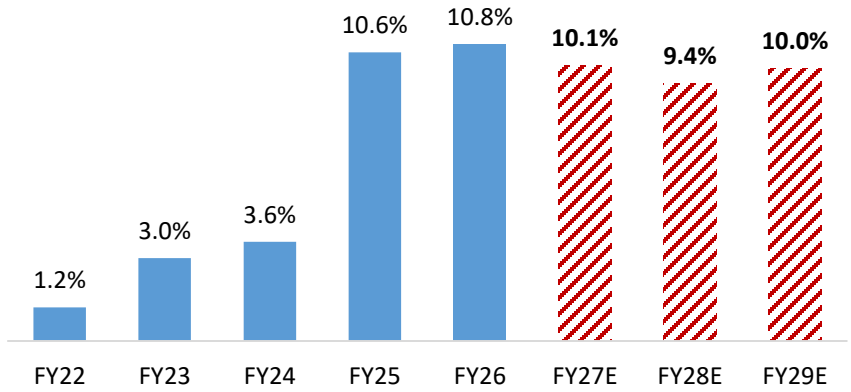
EPS



EBITDA Margins



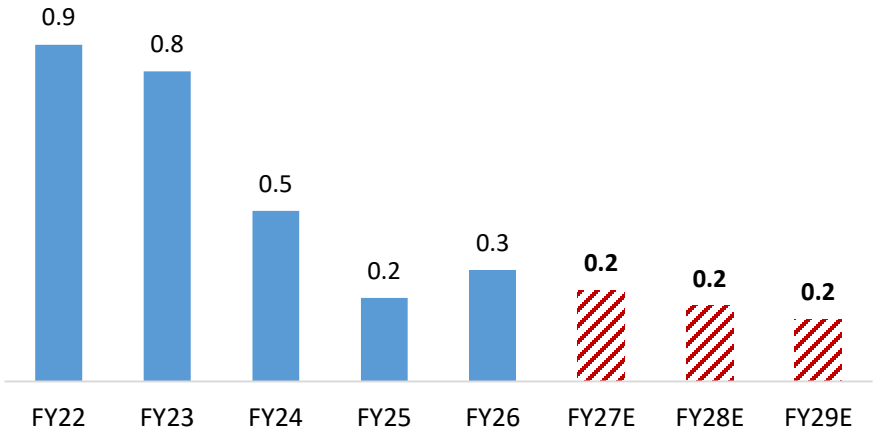
PAT Margins



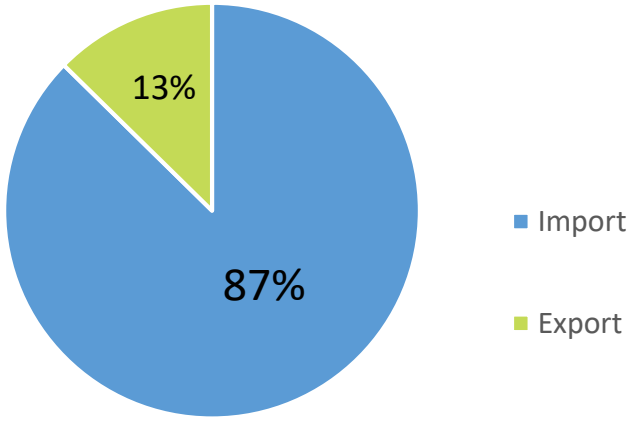
Source: Sushil Finance Research, Company Research

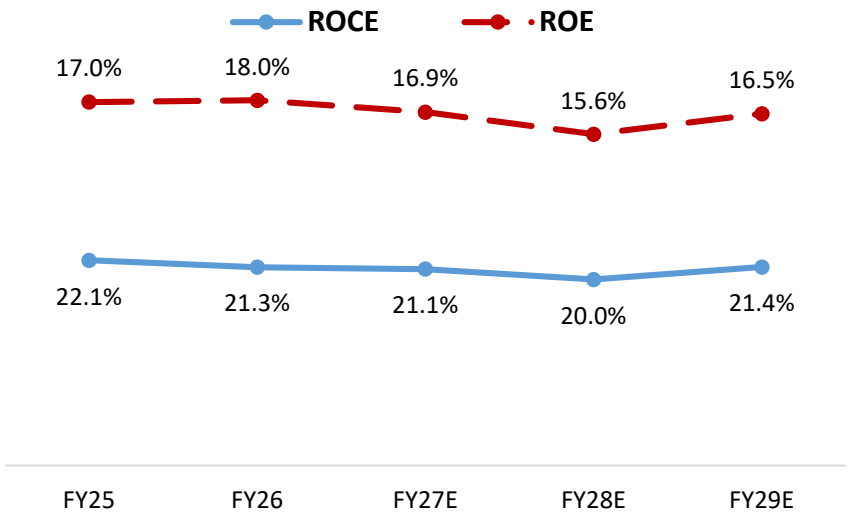
Transformers and Rectifiers (India) Limited

Debt-Equity (x)

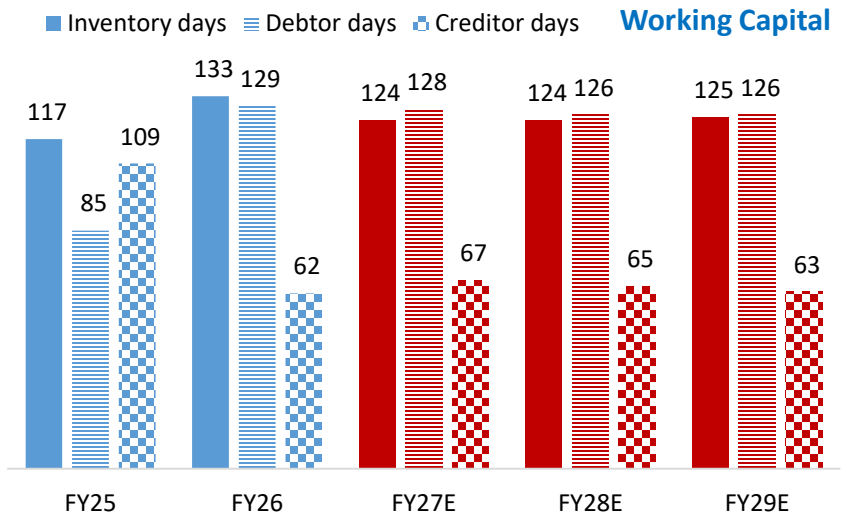


Sales by Geography (as on 31st March 2025)





Working Capital



Source: Sushil Finance Research, Company Research

INDUSTRY OVERVIEW: INDIAN POWER SECTOR

India's installed power capacity crossed 520 GW in FY26, yet the system is being asked to absorb a demand curve that the Central Electricity Authority projects will reach 458 GW peak by FY32, against the 250 GW today. That gap is not a demand problem. It is a transmission and transformation infrastructure problem, and it is the single biggest reason transformer procurement is in a multi-year upcycle.
India needs to add approximately 100 GVA of substation transformation capacity every year through 2030 to stay on track. In the EHV segment (220 kV and above), only 8–10 organised domestic manufacturers are qualified to supply. In the next six years, India requires 381 transformers (220 kV+) and 93 reactors, and current domestic manufacturing capacity covers less than 50% of this demand.

Industry Drivers:

- **Renewable energy integration**: India has crossed 220 GW of RE capacity and must reach 500 GW by 2030. Every solar and wind plant requires step-up transformers and grid connectivity infrastructure.
- **Electrification and peak load growth**: Peak demand hit an all-time record of 250 GW in FY25. With rapid urbanisation, industrial expansion and EV adoption, CEA projects a further 83% increase to 458 GW by FY32.
- **Replacement demand**: A large portion of India's transformer stock is 25–30 years old and approaching end of useful life. Replacement demand runs independently of incremental growth.
- **New load centres**: Hyperscale data centres, green hydrogen plants, EV charging corridors and smart city infrastructure are all creating speciality transformer demand that barely existed five years ago.
- **Rural Electrification:** Government has had a continuous focus on providing electricity to rural areas and make it easily accessible. This drives the supply for transformers



Source: Sushil Finance Research, Company Research

INDUSTRY OVERVIEW: GLOBAL TRANSFORMER SECTOR

- The global transformer market is estimated at $72B in 2026 and forecast to reach $132B by 2035, a 6.9% CAGR i.e. driven by grid modernisation, renewable integration and data centre electrification (Precedence Research, Dec 2025).
- IEA's Electricity 2026 report finds that over 2,500 GW of renewable and large-load projects are stalled in grid queues worldwide. Annual grid investment must increase by ~50% from today's $400B to meet demand through 2030.
- Lead times for standard power transformers averaged 128 weeks in Q2 2025 and generator step-up units 144 weeks — both still rising. New manufacturing capacity is not expected to come online at scale until 2026-2027 at the earliest (Wood Mackenzie, IEA).
- Transformer prices have risen 77% since 2019 (industry sourcing data, 2025). GOES — the core input — has doubled in price since 2020. IEA notes that in some cases prices have reached 2.6x pre-pandemic levels in real terms (CWIEME 2026).
- India is IEA-cited as a key global exporter of power transformers. Powergrid Corporation alone plans $34.2B in interstate network investment, with $17B allocated for FY26-FY27 — directly supporting domestic order flow.

Market size (2026E)

$72B

Projected size (2035)

$132B

CAGR 6.9% (2026–2035)

Grid investment needed

+50%

above $400B/yr by 2030 — IEA 2026

- **Grid queues already at 2,500+ GW:** Renewable, large-load & storage projects stalled globally (IEA Electricity 2026)
- **Grid investment must rise 50% by 2030:** From $400B/yr today to $600B/yr by 2030 to meet demand (IEA Electricity 2026)

Source: Sushil Finance Research, Company Research

THE COMPETITIVE STRUCTURE

India has over 300 transformer manufacturers in total, but the organised EHV segment is concentrated among 8–10 players. Combined domestic manufacturing capacity across all segments stands at approximately 400 GVA. The sector is consolidating at the high end, with EHV and speciality transformer capability acting as a hard qualification barrier for new entrants.

Industry driven by Policy

The investment cycle is not discretionary. It is underpinned by the National Electricity Plan, India's COP26 commitment on 500 GW non-fossil capacity, the Revamped Distribution Sector Scheme (RDSS) with $36.74 billion allocated for distribution infrastructure upgrades, and ICRA's projection of Rs. 50000 crore in transmission investment between FY27 and FY32.

PEER COMPARISON

Company Name	Sales (Rs. Cr.)	EBITDA Margin (%)	Net Margin (%)	D/E (x)	CMP* (Rs.)	Overlap with TARIL	P/E (x)	P/B (x)	EV/EBITDA (x)
Hitachi Energy India	8,148	15%	12%	0.02	36,655	Very high power transformers, grid, equipment, EHV	159	31.6	106
BHEL	33,782	7%	4.7%	0.31	413	1,200 kV UHVAC transformer	89	5.44	43.6
GE Vernova T&D India Ltd	6,206	27.1%	20%	0.01	5,460	Up to 1,200 kV AC and ±1,100 kV DC	109	51.9	78
TARIL	**2,509**	**15%**	**10.9%**	**0.30**	**369**	**Target Company**	**40**	**7.07**	**24.9**

Source: Sushil Finance Research, Company Research

Q4FY26- CONCALL HIGHLIGHTS

Order Book & Intake:

- Order inflow for FY26 stood at ₹2,374 crore. The unexecuted order book as of March 31, 2026 is ₹5,005+ crore, providing ~18 months of revenue visibility.
- The tender pipeline (inquiries under negotiation) stands at ₹23,000+ crore.
- Management was explicitly asked about the miss vs. the ₹8,000 crore order book guidance from the prior call. Mamtora's response: "We are deliberately not taking orders currently... we want to limit our exposure to not more than 18 to 24 months... we are being extremely selective of what orders to take." The ₹5,000 crore book reflects discipline, not demand weakness.

HVDC Entry — Key New Development:

- TARIL received an HVDC transformer repair order from PGCIL, making it the first Indian company to receive such an order. Management described this as "paving the way for TARIL's entry into the HVDC sector."
- On the competitive landscape: Mamtora noted only three credible global competitors in HVDC i.e. Hitachi, Siemens, and GE Vernova. TARIL would be the only domestic player entering this space. Current HVDC tender pipeline is 1–2 per year, but management expects this to grow to 10–12 tenders annually, each with approximately three units.
- HVDC is flagged as a structurally higher-margin product segment given the limited number of qualified suppliers globally.

FY27 Guidance:

- Revenue guidance for FY27: ~₹3,250 crore (consolidated), per CFO Mehul Shah. That implies ~30% YoY growth on FY26 consolidated revenue.
- Capex: ₹600 crore over the next 15 months which is to be funded from QIP proceeds and internal accruals. No new debt planned.
- Margin trajectory: gradual improvement as backward integration kicks in from early FY27-28. No step-change expected in FY27 itself — the margin story plays out over FY28-29.

Supply Chain / Macro Risks Flagged:

- The Hormuz disruption has caused some copper price volatility and slight disturbance in ancillary parts like bushings. Management characterised the overall impact as limited since export exposure to the West Asia region is minimal and raw material imports from the region are negligible.
- Gas availability for fabrication units is being monitored and mitigation measures are being taken.

Source: Sushil Finance Research, Company Research

PROFIT & LOSS STATEMENT

(Rs. cr)

Y/E Mar.	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**2,019**	**2,509**	**3,036**	**3,552**	**4,227**
Raw Material Cost	1,385	1,695	2,046	2,383	2,823
Employee Cost	60	106	137	160	190
Other Expenses	247	325	389	440	520
EBITDA	**327**	**383**	**464**	**568**	**693**
EBITDA Margin (%)	*16.2%*	*15.3%*	*15.3%*	*16.0%*	*16.4%*
Depreciation	27	30	44	110	114
EBIT	**301**	**353**	**420**	**458**	**579**
EBIT Margin (%)	*14.9%*	*14.1%*	*13.8%*	*12.9%*	*13.7%*
Finance Costs	51	51	63	64	70
Other Income	32	61	52	52	53
Profit before Tax	**282**	**363**	**409**	**447**	**563**
Tax Expense	77	96	102	112	141
Net Profit	**213**	**272**	**306**	**335**	**422**
Net Margin (%)	*10.6%*	*10.8%*	*10.1%*	*9.4%*	*10.0%*
EPS	**7.1**	**9.1**	**10.2**	**11.2**	**14.1**

Source: Sushil Finance Research, Company Research

BALANCE SHEET STATEMENT

(Rs. cr)

Y/E Mar.	FY25	FY26	FY27E	FY28E	FY29E
PP&E (incl. CWIP)	294	369	784	815	801
Right of Use Assets / Investment Property	0	0	0	0	0
Other Non-Current	493	423	280	282	284
Inventories	445	616	695	810	967
Trade Receivables	469	887	1,065	1,226	1,459
Cash and Bank Balances	172	141	12	69	129
Other Current Assets	313	230	190	215	263
Total Assets	**2,185**	**2,666**	**3,026**	**3,416**	**3,903**
Equity Share Capital	30	30	30	30	30
Reserves & Surplus	1,222	1,485	1,785	2,114	2,530
Borrowings (LT)	81	67	67	63	61
Other Non-Current Liabilities	30	24	24	24	24
Trade Payables	412	290	376	424	487
Other Financial Liabilities	18	6	6	11	8
Current Borrowings	202	390	380	376	370
Other Current Tax Liab & Provisions	169	347	330	346	365
Total Liabilities	**2,185**	**2,666**	**3,026**	**3,416**	**3,903**

Source: Sushil Finance Research, Company Research

CASH FLOW STATEMENT

(Rs. cr)

Y/E Mar.	FY25	FY26	FY27E	FY28E	FY29E
PBT	282	363	409	447	563
Depreciation	27	30	44	110	114
Interest	51	51	63	64	70
CFO before Working Cap chg	**359**	**444**	**516**	**621**	**747**
Chg in Inventories	(170)	(171)	(80)	(115)	(157)
Chg in Trade Receivables	145	(419)	(177)	(162)	(233)
Chg in Trade Payables	171	(122)	86	49	63
Income Taxes Paid	(77)	(96)	(102)	(112)	(141)
Cash Flow from Operations	**157**	**(105)**	**345**	**394**	**419**
Interest Paid	(51)	(51)	(63)	(64)	(70)
Dividend Paid	3	6	(6)	(6)	(6)
Other Adjustments	593	256	(89)	(26)	(43)
Cash Flow from Financing	**469**	**116**	**(260)**	**(208)**	**(260)**
Capital Expenditure	(180)	(105)	(460)	(140)	(100)
Other Adjustments	(445)	98	249	11	1
Cash Flow from Investing	**(625)**	**(7)**	**(211)**	**(129)**	**(99)**
Opening Cash	**2**	**168**	**137**	**12**	**69**
Total Cash Flow	**(0)**	**3**	**(126)**	**57**	**60**
Closing Cash	**168**	**137**	**12**	**69**	**129**

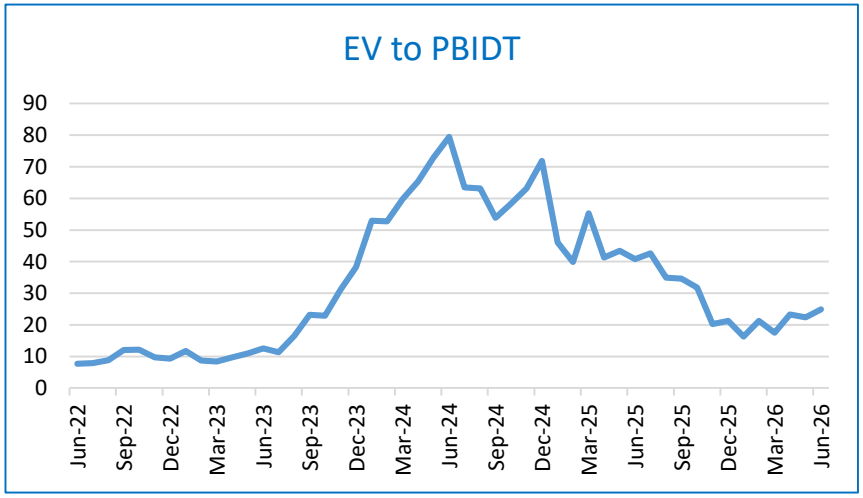
Source: Sushil Finance Research, Company Research

FINANCIAL RATIOS STATEMENT

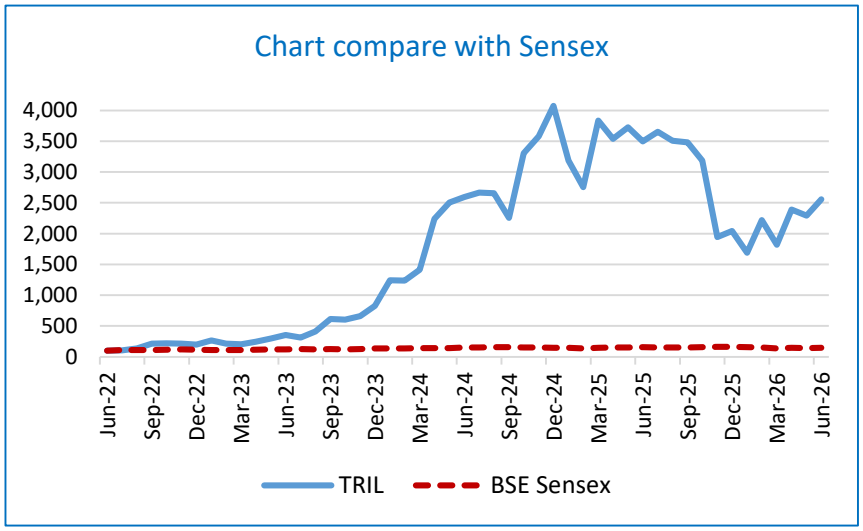
Y/E Mar.	FY25	FY26	FY27E	FY28E	FY29E
Growth (%)					
Revenue	56.0%	24.2%	21.0%	17.0%	19.0%
EBITDA	144.2%	17.0%	21.2%	22.4%	22.0%
Net Profit	353.4%	27.7%	12.6%	9.3%	26.0%
Profitability (%)					
EBITDA Margin	16.2%	15.3%	15.3%	16.0%	16.4%
Net Profit Margin	10.6%	10.8%	10.1%	9.4%	10.0%
ROCE	22.1%	21.3%	21.1%	20.0%	21.4%
ROE	17.0%	18.0%	16.9%	15.6%	16.5%
Per Share Data (Rs.)					
EPS	7.1	9.1	10.2	11.2	14.1
BVPS	41.7	50.5	60.5	71.4	85.3
CEPS	8.0	10.1	11.7	14.8	17.9
Valuation (x)					
P/E	50.4	39.5	35.1	32.1	25.5
P/BV	8.6	7.1	5.9	5.0	4.2
EV/EBITDA	33.8	28.9	23.8	19.5	16.0
P/Sales	5.3	4.3	3.5	3.0	2.5
Turnover					
Inventory days	117	133	124	124	125
Debtor days	85	129	128	126	126
Creditor days	109	62	67	65	63
Net working capital days	**93**	**199**	**185**	**185**	**188**
Gearing (x)					
D/E	0.2	0.3	0.2	0.2	0.2

Source: Sushil Finance Research, Company Research

MARKET INFORMATION









Source: Sushil Finance Research, Company Research

Rating Scale : This is a guide to the rating system used by our Institutional Research Team. Our rating system comprises of three rating categories.

Total Expected Return Matrix (Rating and Return)	BUY : Over 12%	HOLD : -12% to 12%	SELL : Below -12%

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Member : BSE / NSE - SEBI Regn. No. INZ000165135

Research Analyst – SEBI Registration No. INH000000867

Compliance officer / Grievance Officer : Mr. Suresh Nemani – Phone : +91 22-40935000 |

Email : suresh.nemani@sushilfinance.com | Grievance Email - compliance@sushilfinance.com

Regd. Office : 12, Homji Street, Fort, Mumbai 400 001.

Phone: +91 22 40936000 Fax: +91 22 22665758 | Email : info@sushilfinance.com

Analyst Stock Ownership	No
Stock Recommended to Clients	Yes
Remuneration/Benefits received from company in 12 months	No
Merchant Banking Market Making activities / projects	No
Sushil Financial Services Pvt. Ltd and Group Companies Holding	No
Sushil Financial Services Pvt. Ltd and Group Directors Holding	No
Broking Relationship with the company covered	No