BUY (Maintained)

CMP: **INR 12,475** Target Price: **INR 16,000 (INR 13,720)** ▲ 28%

ICICI Securities

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22 April 2025

India | Equity Research | Company Update

Solar Industries

Defence

Primed for a giant leap

In the current volatile markets, Solar Industries' (SOIL) stock has outperformed its peers. Its traditional India business continues to be on a stable footing and the exports and overseas segment is also expanding. However, we are quite enthused about the defence business, where the company is rapidly expanding its scale and scope. As a result, we expect a 35% CAGR in EPS through to FY27E (compared to FY24 levels). Hence, we expect growth in the high-margin defence business to sustain even beyond FY27E driven by steady capex and SOIL's foray into new domains. Taking cognizance of growth opportunities, we raise our P/E multiple to 70x (earlier 60x), resulting in a revised TP of INR 16,000 (earlier INR 13,720). We continue to recommend SOIL as the top pick in the defence space.

Taking rapid strides in defence

We find SOIL's evolution in defence in FY25 as interesting and meaningful. Key points: 1) Order book (OB) has grown from INR 26bn at end-FY24 to nearly INR 130bn by end-FY25. 2) The company has successfully leapfrogged into supplying systems and platforms from consumables. 3) Well placed to take advantage of global tailwinds such as ReArm Europe and ammunition shortage. 4) Export orders comprise ~50% of the OB, reducing the customer concentration and execution risks to a large extent. In our view, the defence business is set for substantial earnings growth and is likely to comprise almost 33–35% of overall revenue by FY30E, compared to 19–20% in FY25E.

Healthy balance sheet to equip robust growth momentum

We expect SOIL to be net cash positive at end-FY25E aided by the advance received for the Pinaka order. Besides, working capital days (WCD) are likely to be within 90. As a result, we see the company being able to invest up to INR 150bn through to FY30E via a combination of internal accruals and debt up to INR 50bn. On the defence front, we expect to see the investments in line with the MoU already executed with Maharashtra's government. These key areas are likely to be certain defence products such as drones and UAVs, counter-drone systems (CDS), energetic materials, new generation explosives, etc. and new products such as military transport aircraft (MTA).

Financial Summary

Y/E March (INR mn)	FY24A	FY25E	FY26E	FY27E
Net Revenue	60,695	73,011	93,945	1,11,611
EBITDA	13,692	19,398	26,039	31,116
EBITDA Margin (%)	22.6	26.6	27.7	27.9
Net Profit	8,356	12,688	17,426	20,692
EPS (INR)	92.3	140.2	192.6	228.7
EPS % Chg YoY	7.8	47.4	38.0	19.7
P/E (x)	129.0	87.6	63.5	53.0
EV/EBITDA (x)	82.9	58.6	43.4	36.1
RoCE (%)	23.8	27.3	30.2	28.5
RoE (%)	30.6	35.2	36.2	32.0

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Market Data

Market Cap (INR)	1,129bn
Market Cap (USD)	13,259mn
Bloomberg Code	SOIL IN
Reuters Code	SLIN.BO
52-week Range (INR)	13,300 /7,888
Free Float (%)	27.0
ADTV-3M (mn) (USD)	13.7

Price Performance (%)	3m	6m	12m
Absolute	30.2	10.7	46.3
Relative to Sensex	25.5	12.9	37.7

ESG Score	2023	2024	Change
ESG score	**59.4**	**60.3**	**0.9**
Environment	34.7	43.0	8.3
Social	69.8	68.1	(1.7)
Governance	69.6	70.8	1.2

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY25E	FY26E	FY27E
Revenue	(2.9)	(0.9)	(4.6)
EBITDA	(0.9)	5.1	0.6
PAT	3.1	10.2	5.1

Previous Reports

01-03-2025: Company Update
24-02-2025: Company Update

Outlook: Pinaka and beyond

In our view, SOIL's stock merits a look beyond Pinaka, as the company is developing several products and getting into new domains that are in demand both in domestic and overseas markets. In our view, the steep multiple is justified given sustained EPS growth and attractive RoE. We believe that SOIL should be viewed as a growth company, as management is targeting an investment of INR 150bn over the next five years in capacity building and has executed an MoU worth INR 127bn with the Government of Maharashtra for defence domain.

We raise our P/E multiple to 70x (earlier 60x), taking cognizance of a sustained 24% EPS CAGR and RoE in excess of 25% through to FY30E. We maintain **BUY** with a revised TP of INR 16,000 at 70x FY27E EPS.

Key risks

- Subdued growth in exports & overseas markets.
- Fall in ammonium nitrate price leading to negative price-cost spread.
- Slow traction in construction and infrastructure segments.

Defence: Beyond Pinaka

We believe that viewing SOIL's defence journey only through Pinaka is not only erroneous but also myopic. The company is extending its defence portfolio by foraying into UAVs, ATGMs and CDS; and each of these segments, individually have the potential similar to or higher than Pinaka.

The key features of SOIL's defence endeavours are harnessing in-house capabilities, thrust of indigenisation and predictive development of products.

Transitioning to Medium Altitude Long Endurance (MALE) UAV arena

SOIL, through its wholly-owned subsidiary, Solar Defence and Aerospace Limited, has announced the entry into the development of advanced unmanned aerial vehicles (UAVs). The transition to MALE comes after completing the delivery of 480 (nos.) Nagastra-1 loitering munitions to Indian Army. The company plans to design and manufacture both MALE class drones. In our view, this is a significant development and implies the entry of the private sector in the much-required MALE UAV arena.

Enhancing footprint in artillery shells

As the Russia-Ukraine war enters its fourth year, Ukraine is facing a critical ammunition shortage. Despite reducing Russia's ammunition advantage from 8:1 (in Mar'22) to 3:1 (in Dec'24), Ukraine still needs about 2.4mn artillery shells annually. Considering that Russia is planning to increase its defence spending by 25% YoY in CY25, the need for Ukraine to procure artillery shells has become even more acute.

In Feb'24, EU countries responded to Ukraine's needs with a plan to procure artillery shells from non-EU sources. The initiative aimed to procure 500,000 rounds of 155mm and 300,000 rounds of 122mm artillery worth USD 3.2bn. The supply of these shells assumes greater importance as Russia produces ~250,000 artillery shells per month; vastly outpacing US' goal of 100,000 rounds of artillery per month by end-CY25.

Through the Russia-Ukraine conflict, the 155mm howitzer became one of the most sought-after artillery rounds. Although US has already sent over 1.5mn rounds to Ukraine, there still is a significant gap compared to Russia. Currently, Russia is producing more than double the combined output of the EU and US. However, EU countries are now trying to catch up. Germany gave a nod to purchase 155mm artillery ammunition worth more than USD 400mn from Rheinmetall and a French company. On 18 Dec'24, Rheinmetall announced the receipt of order for 155mm artillery propellent charge modules worth EUR 9mn to be delivered by Jan'25.

India aims to become the prime manufacturing hub for advanced 155mm artillery ammunition for all types of artillery guns operated by over 75 armies worldwide. India's Ministry of Defence (MoD) selected five domestic ammunition manufacturers in CY24 to supply ~2,000 (nos.) 155mm Terminally Guided Munitions (TGM) for Indian Army's in-service 155mm guns of 39/45/52 calibre artillery guns. These companies have been issued Project Sanction Orders (PSO) by the army under Make-II procurement scheme to develop 25 rounds of 155mm TGMS along with four fire control systems in one year and participate in the trials.

Several overseas original equipment manufacturers (OEMs) have shown interest in partnering with Indian companies to bulk-produce 155mm TGM projectiles. Amongst the OEMs that have shown interest are Nexter of France, Rosoboronexport of Russia, Nammo AS of Norway, Saab Bofors Dynamics of Sweden, Elbit Systems of Israel, Diehl Defence of Germany, Denel of South Africa, Yugoimport SDPR of Serbia, Arsenal of Bulgaria, and Raytheon/ BAE Systems Inc of US.

SOIL has been supplying the 30mm shells to Indian Army since a long time now. We believe that the company has all the capabilities required for competing in 155mm shells market. In future, this could open a revenue stream for the company not only in the domestic market but also in the fast-growing overseas market.

CDS: Bhargavastra

In Mar'25, Solar Defence and Aerospace Limited unveiled Bhargavastra Counter Unmanned Aerial System (CUAS), featuring dual model capabilities with both guided micro-missiles and unguided rockets.

Across the globe, we have seen a growing trend of usage of swarm drones and large number of autonomous drones. In conflicts like Azerbaijan-Armenia and Ukraine-Russia highlighted the heavy use of drones. Over 100,000 drones are deployed annually, often countered using expensive surface-to-air missiles. Bhargavastra offers an economical and effective alternative for neutralising enemy UAVs.

Bhargavastra employs a hard-kill micro-missile combined with soft-kill technology, creating a comprehensive UAV defence solution. The system seamlessly integrates with armed forces' existing networks, enhancing its utility in network-centric warfare. Each platform can carry 16 missiles, providing tremendous operational flexibility.

In our view, this CDS is cost-effective against swarm drones as it uses Electronic Warfare (EW) and Electronic Support Measures (ESM) to jam frequency-based communications; also, the mini missile has a powerful explosion, dispensing shrapnel in the process that can destroy more surrounding drones outside the blast range.

ReArm Europe, an arsenal of opportunities

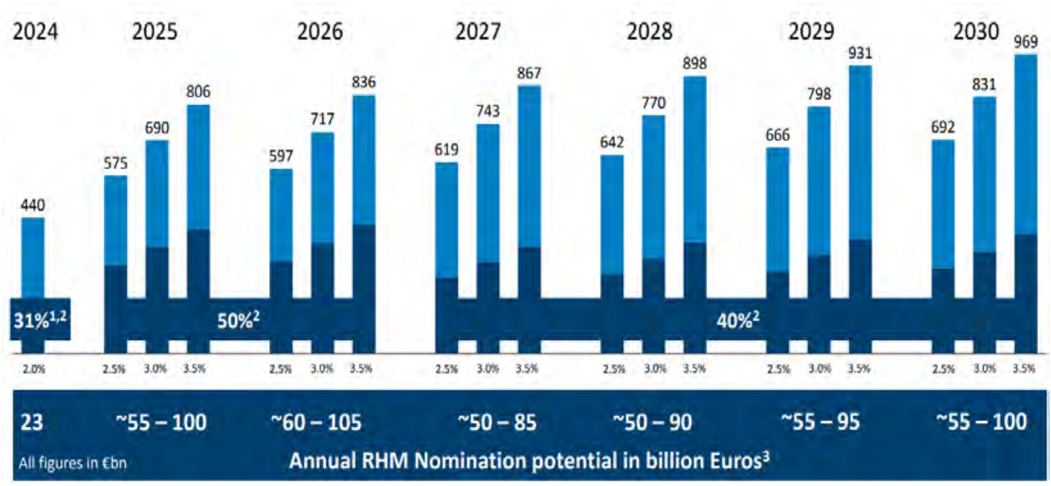
ReArm Europe might result in EUR 1,000bn of defence spending by CY30, of which 40% is likely to be towards equipment. Rheinmetall, in its CY24 commentary, mentioned that the addressable nomination potential for the company through to CY30 could be EUR 300–400bn, up nearly 10x from the estimates pre-ReArm Europe plan.

We expect significant benefits for SOIL, as its products dovetail into the key tenets of Europe's enhanced spending plan.

Rheinmetall expects 10x increase in opportunity post ReArm Europe

In its CY24 result analyst meet, Rheinmetall (RHM) management has indicated that the EU defence budget is expected to be ~EUR 1,000bn by CY30, of which 40% would be towards equipment procurement. Besides, the total opportunity size for the company through to CY30 is expected to be EUR 300–400bn, vs. the earlier expected EUR 42bn.

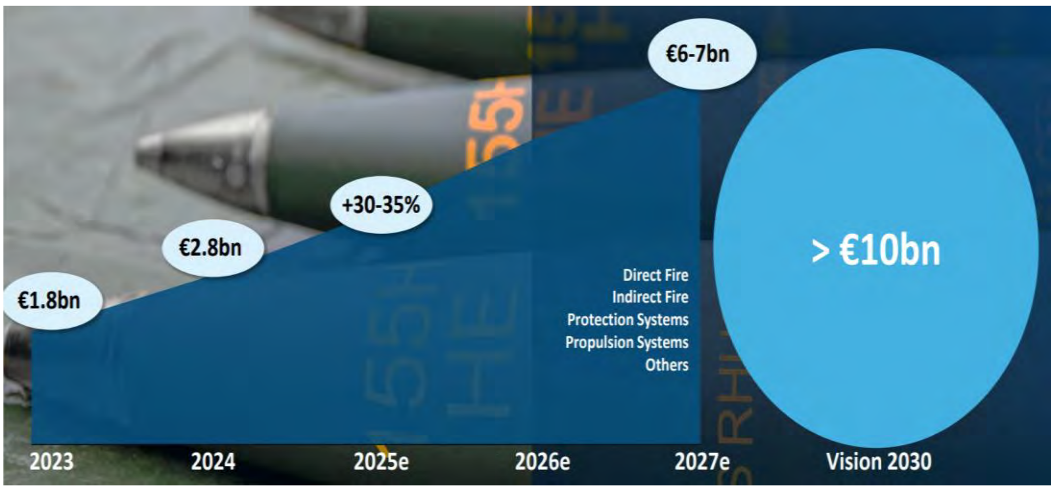
Exhibit 1: Opportunity size in Europe



Source: I-Sec research, Rheinmetall

RHM's management expects revenue from the weapons and ammunition vertical to grow 30–35% YoY in CY25, from the current base of EUR 2.8bn. Also, revenue potential is expected to be EUR 6–7bn by CY27 and >EUR 10bn by CY30.

Exhibit 2: Rheinmetall's vision for weapon and ammunition vertical



Source: I-Sec research, Rheinmetall

Potential for 155mm ammunition remains robust in Europe

RHM's management sees massive potential for 155mm calibre ammunition. Currently, the company is operating at a capacity of 750,000 rounds and is expected to grow it to 1.1mn rounds by CY27. Management mentioned that during war time, Ukraine needs about 3mn rounds of artillery every year. If there is ceasefire, they would need 1,5mn rounds of artillery per year over the next 10 years. Ukraine's government has asked Rheinmetall if they are willing to build up a factory in Ukraine to produce 1.5mn rounds. As per the RHM management, this would be 15mn rounds over 10 years and that would be nearly an EUR 50bn worth contract, which is not included in the above projections of addressable market.

SOIL's vantage

The key tenets of the Re-arm Europe plan, to a large degree, intends to build capabilities in ammunition, air and missile defence, artillery systems, drones and missiles.

Exhibit 3: Defence platforms likely to be in demand

Source: I-Sec research, Rheinmetall

Hence, we believe that ReArm Europe is likely to open up new opportunities for players such as SOIL.

SOIL has bagged significant export orders in ammunitions in the past 12 months. Its current defence OB stands at INR 130bn, of which ~45–50% is towards export orders ranging between 3–7 years. We expect SOIL to receive more orders for ammunition, given a shortage of TNT capacity around the world where SOIL can fill in.

Exhibit 4: Recent defence orders for SOIL

Date	Order	Duration	Region	Worth (INR mn)
04-Mar-25	Supply of Multi-Mode Hand Grenade - MoD	1 yr	India	2,390
28-Feb-25	Supply of Defence Products - International clients	3-7 yrs	Overseas	21,500
06-Feb-25	Pinaka rocket systems	7-10yrs	India	60,840
02-Dec-24	Supply of Products to be used in Defence - International Client	4yrs	Overseas	20,390
09-Nov-24	Supply of Products to be used in Defence - International Client	5yrs	Overseas	5,800
04-Nov-24	Supply of Products to be used in Defence - International Client	3yrs	Overseas	3,994
11-Mar-24	Supply of Products to be used in Defence - International Client	2yrs	Overseas	4,550
08-Jan-24	Supply of Products to be used in Defence - International Client	3yrs	Overseas	9,940

Source: I-Sec research, Company data

On the products front as well, SOIL is taking massive strides with export order for Pinaka worth INR 3bn, almost three years ago. We believe, given EU's focus on rocket systems, SOIL could be at a considerable advantage.

Recently, SOIL's indigenously developed CDS (Bhargavastra) was also tested by armed forces. We believe that there could be traction for this product as well in EU.

SOIL's revenue marching upward to INR 180bn by FY30E

We believe, SOIL's transformation should be looked at from a long-term perspective. SOIL's revenue should clock a 21% CAGR (FY18–30E), mainly led by the defence vertical, which should see a 53% CAGR in the same period – driven by a robust OB and increased opportunities both in India and abroad.

In the next five years, we see SOIL being in capex mode, as it readies to become a formidable defence player.

Defence to be mainstay of revenue growth

We expect a 53% CAGR through to FY30E in defence revenue. By FY30E, we expect the share of defence to be ~35% in overall revenue mix, compared to a mere 2% in FY18. We believe that SOIL's current OB of INR 130bn provides sufficient visibility for revenue growth of >5x by FY27E compared to FY24.

Beyond FY27E, we believe that growth would largely sustain, led by: 1) new verticals such as CDS, UAV and ATGMs; 2) robust export potential, as there is a shortage of TNT worldwide and SOIL has 10% of global capacity currently; and 3) 155mm shells likely to be a sustained revenue stream due to increased replenishment demand.

Exhibit 5: SOIL's revenue mix through to FY30E

(INR mn)	FY18	FY21	FY24	FY27E	FY30E	CAGR (FY18-FY30E)
CIL	3,262	4,216	9,290	9,902	12,940	12.2%
Institutional	3,216	2,640	10,070	12,650	16,837	14.8%
Housing & Infra	4,883	6,291	11,170	15,482	22,522	13.6%
Exports & Overseas	7,222	10,447	24,570	45,160	64,000	19.9%
Defence	372	1,229	5,170	27,768	63,000	53.4%
Others	207	334	512	650	701	10.7%
Total	**19,161**	**25,156**	**60,695**	**1,11,611**	**1,80,000**	**20.5%**

Source: I-Sec research, Company data

Exhibit 6: Defence as a % of total is expected to be 35% by FY35E

(%)	FY18	FY21	FY24	FY27E	FY30E
CIL	17.0	16.8	15.3	8.9	7.2
Institutional	16.8	10.5	16.6	11.3	9.4
Housing & Infra	25.5	25.0	18.4	13.9	12.5
Exports & Overseas	37.7	41.5	40.5	40.5	35.6
Defence	1.9	4.9	8.5	24.9	35.0
Others	1.1	1.3	0.8	0.6	0.4
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: I-Sec research, Company data

Expect EBITDA margin to increase further

We expect SOIL's EBITDA margin to expand further, as the share of the relatively lower margin India business recedes to ~30% by FY30E compared to >60% in FY18. That said, we expect EBITDA margin at 28%, despite defence revenue going up significantly. Our relatively conservative estimate stems from the fact that the company is entering new uncharted domains; hence, we expect margins to be relatively modest in platforms compared to the existing basic materials.

We expect an ~24% CAGR in EPS through to FY30E (compared to FY18 levels) driven by better traction from defence. The relatively lower EBITDA to PAT conversion is mainly due to higher interest and depreciation, as the company potentially embarks on capex of INR 150bn over the next five years. It is noteworthy that fixed asset turnover by FY30E is likely at 1.1x in FY30E compared to 2x in FY24, as new capacities are put in progressively. We expect the contribution from the new assets to kick in post FY30E resulting in EPS growth in the long run.

Exhibit 7: Financial snapshot through to FY30E

(INR mn)	FY18	FY21	FY24	FY27E	FY30E	CAGR (FY18-FY30E)
Revenue	19,161	25,156	60,695	1,11,611	1,80,000	20.5%
EBITDA	4,116	5,146	13,692	31,116	51,150	23.4%
EBITDA Margin	21.5%	20.5%	22.6%	27.9%	28.4%	
PAT	2,206	2,764	8,356	20,692	29,981	24.3%
PAT Margin	11.5%	11.0%	13.8%	18.5%	16.7%	
EPS	24.5	30.7	92.3	228.7	331.3	24.2%

Source: I-Sec research, Company data

Changing colours: To be seen as a growth company

Over the next five years, we expect SOIL to invest heavily in building capabilities both in defence and non-defence domains. The capex during five-year periods- FY02-FY07 and FY07–12 was at INR 1.4bn and INR 1.8bn respectively. This increased to INR 6.5bn from FY12–17, as the company started investing in defence capabilities. During FY17–22, capex almost doubled to INR 12.5bn, as the company focused on expanding its presence overseas and defence.

From FY22–27E, we expect capex to jump ~5x compared to the prior five-year period, as SOIL presses the capex pedal. From INR 7.5bn in FY24, capex in FY25E is likely at INR 12bn and we expect the spending rate to increase further, driven by defence, export markets and capacity increase.

Exhibit 8: Capex across the periods

(INR mn)	FY02-FY07	FY07-FY12	FY12-FY17	FY17-FY22	FY22-FY27E	FY28E-FY30E
Capex	-1,434	-1,883	-6,524	-12,511	-62,215	-1,10,000

Source: Company data, I-Sec research

We expect the capex to be largely value accretive as both EBITDA and PAT margins are likely to improve from their historical levels.

Exhibit 9: EBITDA and PAT margins across the periods

(%)	FY02-FY07	FY07-FY12	FY12-FY17	FY17-FY22	FY22-FY27E	FY28E-FY30E
EBITDA margin	18.7	16.5	18.2	20.3	24.0	28.1
PAT margin	10.5	10.6	12.2	12.0	15.6	17.4

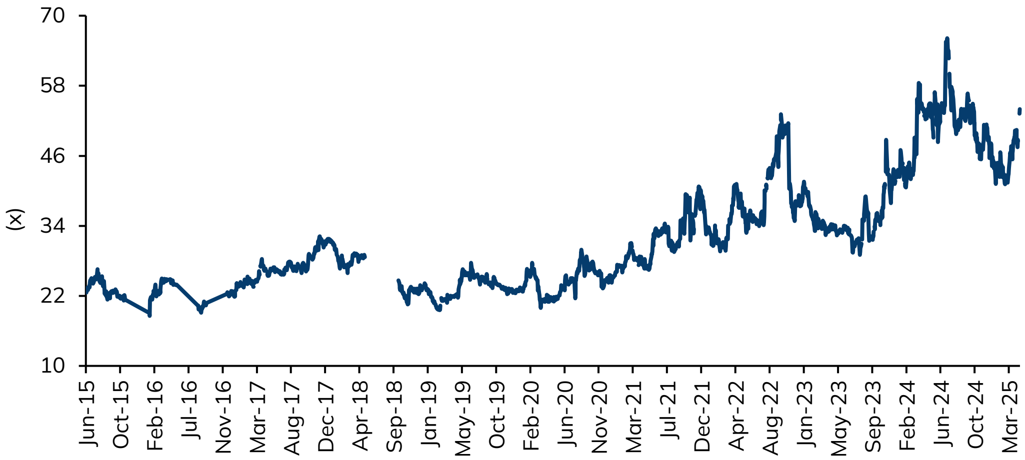
Source: I-Sec research, Company data

Valuation: Trading 19% lower than peak

SOIL's stock is not at a mouth-watering valuation, trading at 54x FY27E EPS (consensus). However, the stock is trading at 19% lower than its highest level (66x) over the past ten-years. Compared to its past 10-year and 5-year trading range, the stock is trading at 2.5 STD and 2.1 STD above the respective means.

Our valuation multiple of 70x, represents a 3.5x STD above the stock's past 10-year mean.

Exhibit 10: P/E (2-year forward) band for SOIL



Source: I-Sec research, Company data

Our estimates are almost comparable to consensus for FY27E; however, our TP of INR 16,000 is 36% ahead of consensus. The implied multiple of consensus works out to 52x. Our valuation multiple of 70x is based on the SOIL's long runway of growth (24% EPS growth until FY30E) and attractive RoE (28–30%).

Exhibit 11: Our estimates are comparable to consensus

(INR mn)	ISEC estimates			Consensus			% diff (ISEC and Consensus)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	73,011	93,945	1,11,611	75,201	94,831	1,16,996	-2.9	-0.9	-4.6
EBITDA	19,398	26,039	31,116	19,582	24,773	30,916	-0.9	5.1	0.6
EBITDA margin (%)	26.6	27.7	27.9	26.0	26.1	26.4			
PAT	12,894	17,791	21,293	12,509	16,138	20,257	3.1	10.2	5.1
PAT margin (%)	17.7	18.9	19.1	16.6	17.0	17.3			
EPS (INR/share)	140.2	192.6	228.7	136.6	176.0	223.8	2.6	9.4	2.2
RoE (%)	32.5	32.6	28.9	31.5	30.2	28.4			

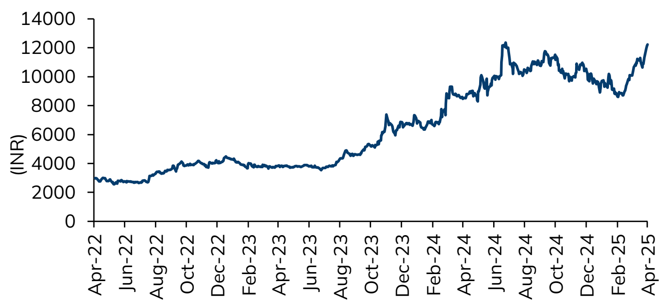
Source: I-Sec research, Company data

Exhibit 12: Shareholding pattern

%	Sep'24	Dec'24	Mar'25
Promoters	73.2	73.2	73.2
Institutional investors	20.2	20.0	19.9
MFs and others	11.7	11.7	12.9
FIs/Banks	0.7	1.0	1.2
FIIs	7.8	7.2	5.8
Others	6.6	6.8	6.9

Source: Bloomberg

Exhibit 13: Price chart



Source: Bloomberg

Financial Summary

Exhibit 14: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Net Sales	**60,695**	**73,011**	**93,945**	**1,11,611**
Operating Expenses	15,041	15,906	16,557	18,263
EBITDA	**13,692**	**19,398**	**26,039**	**31,116**
EBITDA Margin (%)	22.6	26.6	27.7	27.9
Depreciation & Amortization	1,434	1,679	1,823	2,185
EBIT	12,258	17,719	24,216	28,932
Interest expenditure	1,094	1,064	1,012	1,012
Other Non-operating Income	445	758	812	823
Recurring PBT	**11,609**	**17,413**	**24,016**	**28,743**
Profit / (Loss) from Associates	**-**	**-**	**-**	**-**
Less: Taxes	2,861	4,519	6,225	7,450
PAT	8,749	12,894	17,791	21,293
Less: Minority Interest	393	206	364	601
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	**8,749**	**12,894**	**17,791**	**21,293**
Net Income (Adjusted)	**8,356**	**12,688**	**17,426**	**20,692**

Source Company data, I-Sec research

Exhibit 15: Balance sheet

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	24,349	25,269	34,111	46,387
of which cash & cash eqv.	2,873	(1,034)	5,423	12,295
Total Current Liabilities & Provisions	7,546	8,407	10,358	11,952
Net Current Assets	**16,803**	**16,862**	**23,753**	**34,436**
Investments	3,699	3,699	3,699	3,699
Net Fixed Assets	19,607	29,929	40,106	49,921
ROU Assets	-	-	-	-
Capital Work-in-Progress	2,874	2,874	2,874	2,874
Total Intangible Assets	298	298	298	298
Other assets	3,819	3,819	3,819	3,819
Deferred Tax Assets	1,602	1,602	1,602	1,602
Total Assets	**48,702**	**59,083**	**76,151**	**96,649**
Liabilities				
Borrowings	**12,452**	**10,617**	**10,617**	**10,617**
Deferred Tax Liability	**1,978**	**1,978**	**1,978**	**1,978**
provisions	-	-	-	-
other Liabilities	-	-	-	-
Equity Share Capital	181	181	181	181
Reserves & Surplus	32,875	44,884	61,588	81,485
Total Net Worth	**33,056**	**45,065**	**61,769**	**81,666**
Minority Interest	1,217	1,422	1,787	2,387
Total Liabilities	**48,702**	**59,083**	**76,151**	**96,649**

Source Company data, I-Sec research

Exhibit 16: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Operating Cashflow	**14,060**	**10,913**	**19,380**	**19,856**
Working Capital Changes	1,804	(3,966)	(433)	(3,810)
Capital Commitments	(7,468)	(12,000)	(12,000)	(12,000)
Free Cashflow	**6,592**	**(1,087)**	**7,380**	**7,856**
Other investing cashflow	**203**	**758**	**812**	**823**
Cashflow from Investing Activities	(7,265)	(11,242)	(11,188)	(11,177)
Issue of Share Capital	-	-	-	-
Interest Cost	(1,307)	(1,064)	(1,012)	(1,012)
Inc (Dec) in Borrowings	(1,556)	(1,835)	-	-
Dividend paid	-	-	-	-
Others	(840)	(679)	(723)	(795)
Cash flow from Financing Activities	(3,703)	(3,577)	(1,735)	(1,807)
Chg. in Cash & Bank balance	**3,093**	**(3,907)**	**6,457**	**6,872**
Closing cash & balance	5,694	(1,034)	5,423	12,295

Source Company data, I-Sec research

Exhibit 17: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Reported EPS	96.7	142.5	196.6	235.3
Adjusted EPS (Diluted)	92.3	140.2	192.6	228.7
Cash EPS	108.2	158.8	212.7	252.8
Dividend per share (DPS)	7.5	7.5	8.0	8.8
Book Value per share (BV)	365.3	498.0	682.6	902.5
Dividend Payout (%)	7.8	5.3	4.1	3.7
Growth (%)				
Net Sales	(12.3)	20.3	28.7	18.8
EBITDA	6.2	41.7	34.2	19.5
EPS (INR)	7.8	47.4	38.0	19.7
Valuation Ratios (x)				
P/E	129.0	87.6	63.5	53.0
P/CEPS	115.3	78.6	58.6	49.3
P/BV	34.2	25.0	18.3	13.8
EV / EBITDA	82.9	58.6	43.4	36.1
P / Sales	18.6	15.5	12.0	10.1
Dividend Yield (%)	0.0	0.0	0.0	0.0
Operating Ratios				
Gross Profit Margins (%)	47.3	48.4	45.3	44.2
EBITDA Margins (%)	22.6	26.6	27.7	27.9
Effective Tax Rate (%)	24.6	26.0	25.9	25.9
Net Profit Margins (%)	14.4	17.7	18.9	19.1
NWC / Total Assets (%)	-	-	-	-
Net Debt / Equity (x)	0.2	0.2	0.0	(0.1)
Net Debt / EBITDA (x)	0.4	0.4	0.1	(0.2)
Profitability Ratios				
RoCE (%)	23.8	27.3	30.2	28.5
RoE (%)	30.6	35.2	36.2	32.0
RoIC (%)	26.4	30.0	33.7	32.4
Fixed Asset Turnover (x)	2.5	2.4	2.3	2.1
Inventory Turnover Days	55	52	43	41
Receivables Days	55	62	71	68
Payables Days	-	-	-	-

Source Company data, I-Sec research

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