29 July 2025

1QFY26 Results Update | Sector: Logistics

# Transport Corporation of India

| | |
|---|---|
| Estimate change | ⟷ |
| TP change | ⟷ |
| Rating change | ⟷ |

| | |
|---|---|
| Bloomberg | TRPC IN |
| Equity Shares (m) | 77 |
| M.Cap.(INRb)/(USDb) | 92 / 1.1 |
| 52-Week Range (INR) | 1309 / 842 |
| 1, 6, 12 Rel. Per (%) | 9/9/20 |
| 12M Avg Val (INR M) | 57 |

**Financial Snapshot (INR b)**

| Y/E MARCH | 2025 | 2026E | 2027E |
|---|---|---|---|
| Sales | 44.9 | 51.2 | 59.2 |
| EBITDA | 4.6 | 5.6 | 6.6 |
| Adj. PAT | 4.1 | 4.7 | 5.2 |
| EBITDA Margin (%) | 10.3 | 11.0 | 11.2 |
| Adj. EPS (INR) | 53.5 | 61.5 | 66.9 |
| EPS Gr. (%) | 16.8 | 14.9 | 8.8 |
| BV/Sh. (INR) | 279.5 | 332.9 | 391.8 |
| **Ratios** | | | |
| Net D:E | 0.0 | 0.0 | 0.0 |
| RoE (%) | 19.5 | 19.8 | 18.2 |
| RoCE (%) | 18.7 | 18.9 | 17.5 |
| Payout (%) | 13.1 | 13.0 | 12.0 |
| **Valuations** | | | |
| P/E (x) | 22.3 | 19.4 | 17.9 |
| P/BV (x) | 4.3 | 3.6 | 3.1 |
| EV/EBITDA(x) | 19.2 | 15.7 | 13.3 |
| Div. Yield (%) | 0.6 | 0.7 | 0.7 |
| FCF Yield (%) | 0.1 | 0.3 | -0.5 |

**Shareholding pattern (%)**

| As On | Jun-25 | Mar-25 | Jun-24 |
|---|---|---|---|
| Promoter | 68.7 | 68.8 | 68.9 |
| DII | 12.4 | 12.4 | 12.2 |
| FII | 3.2 | 3.2 | 2.9 |
| Others | 15.7 | 15.6 | 16.0 |

FII Includes depository receipts

**CMP: INR1,200 TP: INR1,420 (+18%) Buy**

## In-line performance; outlook remains bright

- Transport Corporation of India's (TRPC) revenue grew 9% YoY to ~INR11.4b in 1QFY26 (in line). The growth was driven by the supply chain business, which grew ~23% YoY in 1QFY26. The manufacturing sector's revival, particularly in chemicals, engineering, and consumer goods, has positively impacted demand for reliable, scalable, and sustainable logistics solutions.
- EBITDA margin came in at 10.6% in 1QFY26 (+70bp YoY and +30 QoQ) against our estimate of 10.7%. EBITDA grew ~17% YoY at INR1.2b, while APAT grew 17% YoY to ~INR1.1b (in line).
- Supply chain revenue grew ~23% YoY, while the freight division and seaways division reported ~5%/11% YoY growth, respectively.
- EBIT margin for the freight division/supply chain/seaways division stood at 2.4%/5.6%/36.9%, respectively, in 1QFY26. EBIT margin for the freight and supply chain business contracted marginally YoY, while for the seaways business, it expanded ~1050bp on a YoY basis.
- TRPC delivered a stable operational performance in 1QFY26, driven by strong growth in its supply chain business and continued traction in warehousing, multimodal logistics, and the auto sector. The company expanded its network, added new contracts, and strengthened its green logistics initiatives with additional rail rake orders. The seaways division benefited from favorable market conditions, while the freight segment maintained steady volumes despite sectoral weakness. **As most of the ships have already been depreciated now, we lower the depreciation expense for the remaining part of FY26. We, therefore, marginally increase EPS estimates for FY26 by ~7%, while retaining our EPS estimates for FY27. We reiterate our BUY rating with a TP of INR1,420 (based on 21x FY27E EPS).**

### Supply chain continues to drive growth, while seaways margin remains high; muted growth expected in freight business

- **Supply Chain Solutions (SCS):** Revenue rose ~23% YoY, supported by strong traction in the chemicals, engineering, and consumer goods sectors. EBIT margin stood at 5.6%, contracting marginally YoY due to increased capital employed and capacity additions. SCS has emerged as the largest business segment and is expected to remain the key growth driver for the company.
- **Freight Division:** The company reported ~5% YoY revenue growth, despite weakness in the infra and capital goods sectors. EBIT margin came in at 2.4%, down marginally YoY. TRPC expects 12-15% revenue growth in FY26.
- **Seaways Division:** Revenue grew ~11% YoY, aided by favorable freight rates and lower fuel costs. EBIT margin expanded significantly ~1050bp YoY to 36.9%, driven by operational leverage and lower depreciation as most vessels are written off. While volume growth is expected to remain flat, higher realizations are likely to drive revenue in FY26.

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## Highlights from the management commentary

- For FY26, TRPC targets consolidated revenue and profit growth of 10-12%, driven by factors like the China+1 strategy, the Production-Linked Incentive scheme, and government infrastructure investments.
- Management expects the freight business to bottom out in terms of margins and RoCE profile, and sees some volume pick-up from SME customers.
- FY26 capex guidance remains unchanged at INR4.5b, with higher deployment expected in 2HFY26. TRPC remains open to acquiring second-hand vessels and has set a budget of INR1.5b if market conditions turn favorable.

## Valuation and view

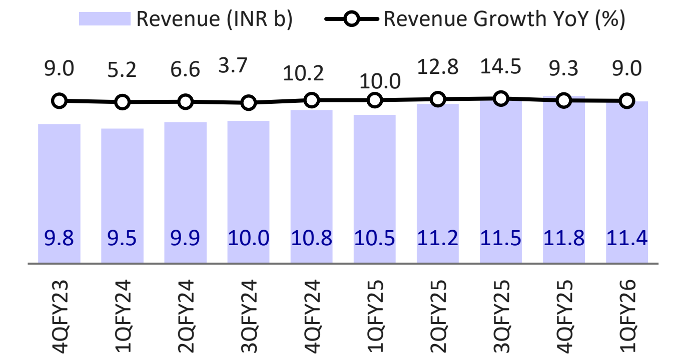
- TRPC stands out as the only domestic logistics player offering road, rail, and sea services. Its revenue is set to grow steadily, driven by increasing LTL share in freight, customized solutions, expansion in new-age sectors, and fleet addition in the seaway segment.
- We expect TRPC to post a revenue/EBITDA/PAT CAGR of 15%/20%/12% over FY25-27. **We reiterate our BUY rating on the stock with a TP of INR1,420, premised on 21x FY27E EPS.**

**Quarterly snapshot** — INR m

| Y/E March (INR m) | FY25 | | | | FY26E | | | | FY25 | FY26E | FY26 | Var. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2QE | 3QE | 4QE | | | 1QE | vs Est |
| **Net Sales** | **10,451** | **11,208** | **11,471** | **11,788** | **11,393** | **12,450** | **13,408** | **13,923** | **44,918** | **51,173** | **11,955** | **(5)** |
| YoY Change (%) | 10.0 | 12.8 | 14.5 | 9.3 | 9.0 | 11.1 | 16.9 | 18.1 | 11.6 | 13.9 | 14.4 | |
| **EBITDA** | **1,038** | **1,171** | **1,185** | **1,217** | **1,210** | **1,357** | **1,502** | **1,552** | **4,611** | **5,620** | **1,279** | **(5)** |
| Margins (%) | 9.9 | 10.4 | 10.3 | 10.3 | 10.6 | 10.9 | 11.2 | 11.1 | 10.3 | 11.0 | 10.7 | |
| YoY Change (%) | 3.0 | 16.6 | 18.6 | 11.2 | 16.6 | 15.9 | 26.7 | 27.5 | 12.3 | 21.9 | 23.2 | |
| Depreciation | 290 | 291 | 305 | 292 | 288 | 340 | 365 | 373 | 1,178 | 1,366 | 380 | |
| Interest | 42 | 46 | 59 | 55 | 54 | 42 | 44 | 43 | 202 | 183 | 30 | |
| Other Income | 109 | 106 | 68 | 184 | 113 | 120 | 130 | 151 | 467 | 514 | 130 | |
| **PBT before EO expense** | **815** | **940** | **889** | **1,054** | **981** | **1,095** | **1,223** | **1,286** | **3,698** | **4,584** | **999** | |
| Extra-Ord expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| **PBT** | **815** | **940** | **889** | **1,054** | **981** | **1,095** | **1,223** | **1,286** | **3,698** | **4,584** | **999** | |
| Tax | 110 | 109 | 93 | 121 | 106 | 153 | 171 | 180 | 433 | 611 | 140 | |
| Rate (%) | 13.5 | 11.6 | 10.5 | 11.5 | 10.8 | 14.0 | 14.0 | 14.0 | 11.7 | 13.3 | 14.0 | |
| Minority Interest | -6.0 | -9.0 | -12.0 | -9.0 | -7.0 | -7.0 | -7.6 | -8.4 | -36.0 | -30.0 | -8.0 | |
| Profit/Loss of Asso. Cos | 211 | 242 | 225 | 218 | 197 | 205 | 190 | 203 | 896 | 795 | 190 | |
| **Reported PAT** | **910** | **1,064** | **1,009** | **1,142** | **1,065** | **1,140** | **1,234** | **1,300** | **4,125** | **4,738** | **1,041** | |
| **Adj PAT** | **910** | **1,064** | **1,009** | **1,142** | **1,065** | **1,140** | **1,234** | **1,300** | **4,125** | **4,738** | **1,041** | **2** |
| YoY Change (%) | 10.6 | 22.3 | 27.1 | 9.3 | 17.0 | 7.1 | 22.3 | 13.8 | 16.8 | 14.9 | 14.4 | |
| Margins (%) | 8.7 | 9.5 | 8.8 | 9.7 | 9.3 | 9.2 | 9.2 | 9.3 | 9.2 | 9.3 | 8.7 | |

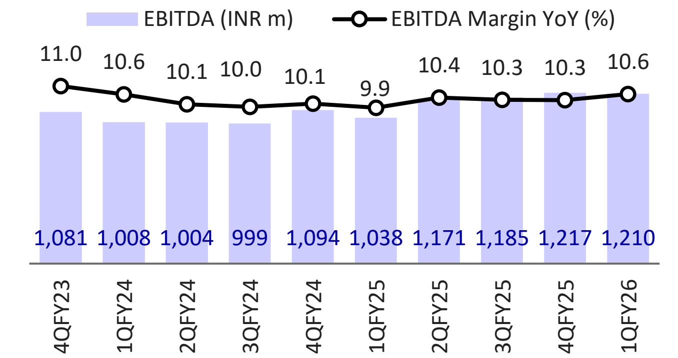
## Story in charts – 1QFY26

### Exhibit 1: Revenue up 9% YoY



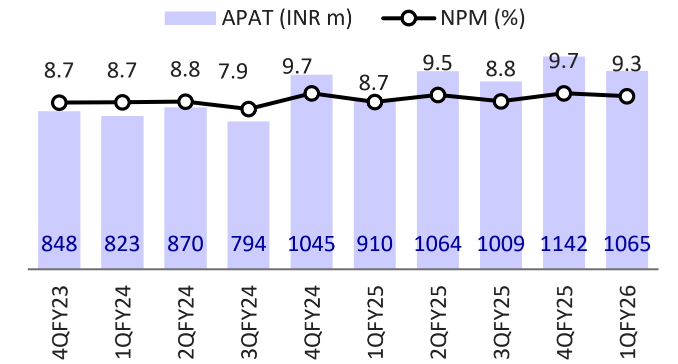

Source: Company, MOFSL

### Exhibit 2: EBITDA and margin trends



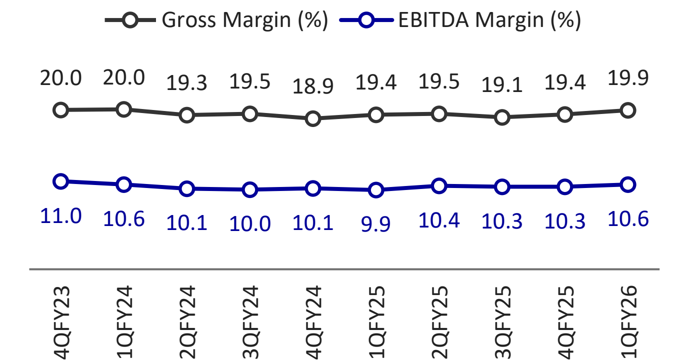

Source: Company, MOFSL

### Exhibit 3: APAT increased 17% YoY




Source: Company, MOFSL

### Exhibit 4: Margin driven by the seaways segment




Source: Company, MOFSL

| | 1QFY24 | 2QFY24 | 3QFY24 | 4QFY24 | 1QFY25 | 2QFY25 | 3QFY25 | 4QFY25 | 1QFY26 |
|---|---|---|---|---|---|---|---|---|---|
| **Segment Revenue (INR m)** | | | | | | | | | |
| Freight | 4,754 | 4,818 | 4,856 | 5,553 | 5,136 | 5,442 | 5,799 | 5,736 | 5,388 |
| Supply chain | 3,630 | 3,907 | 3,882 | 3,928 | 4,097 | 4,418 | 4,455 | 4,801 | 5,020 |
| Seaways | 1,254 | 1,354 | 1,426 | 1,492 | 1,415 | 1,633 | 1,554 | 1,597 | 1,575 |
| Energy | 16 | 21 | 7 | 11 | 13 | 20 | 4 | 8 | 14 |
| **Net segment Revenue** | **9,654** | **10,100** | **10,171** | **10,984** | **10,661** | **11,513** | **11,812** | **12,142** | **11,997** |
| **Growth YoY(%)** | | | | | | | | | |
| Freight | 2.6 | 2.7 | 0.6 | 10.1 | 8.0 | 13.0 | 19.4 | 3.3 | 4.9 |
| Supply chain | 20.1 | 9.0 | 16.4 | 13.4 | 12.9 | 13.1 | 14.8 | 22.2 | 22.5 |
| Seaways | -17.7 | 9.0 | -16.2 | -1.9 | 12.8 | 20.6 | 9.0 | 7.0 | 11.3 |
| Energy | 1.3 | 11.7 | -53.9 | 3.8 | -18.8 | -4.8 | -42.9 | -27.3 | 7.7 |
| **Net segment Revenue** | **5.0** | **5.9** | **3.0** | **9.4** | **10.4** | **14.0** | **16.1** | **10.5** | **12.5** |
| **Revenue Share** | | | | | | | | | |
| Freight | 49 | 48 | 48 | 51 | 48 | 47 | 49 | 47 | 45 |
| Supply chain | 38 | 39 | 38 | 36 | 38 | 38 | 38 | 40 | 42 |
| Seaways | 13 | 13 | 14 | 14 | 13 | 14 | 13 | 13 | 13 |
| Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue Share** | **100** | **100** | **100** | **100** | **100** | **100** | **100** | **100** | **100** |
| **Segmental EBIT Margin(%)** | | | | | | | | | |
| Freight | 3.3 | 3.4 | 3.1 | 3.2 | 3.0 | 2.7 | 2.4 | 2.3 | 2.4 |
| Supply chain | 6.3 | 6.7 | 6.5 | 6.4 | 6.0 | 5.9 | 6.1 | 6.0 | 5.6 |
| Seaways | 29.2 | 22.9 | 22.1 | 26.4 | 28.6 | 31.2 | 32.7 | 36.4 | 36.9 |
| Energy | 50.0 | 57.1 | 0.0 | 36.4 | 46.2 | 70.0 | -75.0 | 12.5 | 35.7 |
| **Total** | **7.9** | **7.4** | **7.0** | **7.5** | **7.6** | **8.1** | **7.8** | **8.3** | **8.3** |

CONFERENCE CALL

## Highlights from the management commentary

### Industry Trend

- The logistics industry saw moderate trends, with TRPC's multimodal capabilities providing a hedge against downturns in any single segment.
- Key growth catalysts include the favorable impact of the China+1 strategy, the Production-Linked Incentive (PLI) scheme, and government-driven investments in infrastructure and manufacturing.
- TRPC posted YoY growth for the 20th consecutive quarter, despite a moderately challenging economic environment.

### Freight Segment

- Revenues in the freight segment remained largely flat during the quarter, as the business continued to face headwinds from weakness in the infrastructure and capital goods sectors.
- Broader economic activity was moderate, further impacting volumes. The company maintained its strategic focus on expanding its LTL network to capture growth in the fragmented freight market.
- In FY25, TCI added 40 new branches under this initiative and has set a target of opening 50 additional branches in FY26 to improve geographic coverage and service depth
- Management believes that the freight segment is at the bottom of the cycle and anticipates a recovery soon.
- Management expects freight business revenue to grow 8-10% in FY26.

### Supply Chain Segment

- The supply chain segment sustained its growth momentum with ~23% YoY revenue growth in 1QFY26, supported by the onboarding of new contracts and expansion in scope with existing customers.
- The company witnessed strong traction in warehousing and multimodal services, particularly within the automotive sector, where it continued to strengthen its hub-and-spoke distribution model. Despite facing cost pressures, the business was able to maintain stable margins, reflecting operational resilience.
- Capital employed in the segment rose due to the acquisition of 15 new trucks and warehousing equipment. While these additions are expected to support future growth, they resulted in short-term margin contraction during 1QFY26.
- TRPC already operates three rail rakes, and in line with its green logistics strategy, the company has ordered two additional rail rakes, which are expected to be commissioned in the next 12-15 months. The newly ordered ones are specially designed to carry two levels of SUVs. With the Indian passenger vehicle market increasingly shifting towards SUVs, the new rakes are expected to enhance efficiency and competitiveness in automobile logistics.

### Seaways Segment

- The seaways business continued to benefit from favorable freight rates and relatively lower average fuel prices, which supported healthy profitability.
- One vessel underwent dry-docking during the quarter, and two more are scheduled for similar maintenance later in the year.

- Depreciation costs declined this quarter, as most of the vessels in the fleet have already been written off.
- Management expects the current margin profile to continue into the next quarter, with sustainable EBIT margins in the 35-40% range over the next two quarters.
- While prices of second-hand vessels remain high, the company has earmarked a budget of INR1.5b for potential acquisitions, should a viable opportunity emerge.
- When new ships are inducted in FY27, there may be a short-term dip in EBIT margins during the initial 2-3 months of capacity ramp-up.
- The government's ambition to double the share of waterways in India's modal mix from 6% to 12% by 2030, supported by over USD 120b in planned investments, bodes well for long-term demand. Policy initiatives such as the Sagarmala program and the Coastal Shipping Bill, 2024 are further expected to improve infrastructure and cost efficiencies for domestic coastal shipping.

### Joint Ventures

- The company's joint ventures posted strong revenue growth during the quarter, though profit growth remained flat YoY due to potential margin pressures.
- The Transystem JV with Mitsui continued to perform well, particularly in the automotive supply chain, and remains strategically important.
- Dividends received from JVs contributed to consolidated PAT, while also enhancing TRPC's service offerings and geographic reach.

### Guidance

- TRPC expects to achieve consolidated revenue and profit growth in the range of 10-12% in FY26. Key growth catalysts include the favorable impact of the China+1 strategy, the Production-Linked Incentive scheme, and government-driven investments in infrastructure and manufacturing.
- The company expects the effective tax rate to remain largely stable in the near term. However, given the higher profitability in the shipping segment, there could be a 2-3% variation in the tax rate depending on the segmental mix.
- The company has retained its FY26 capex guidance at INR4.5b. While capex execution tends to be slower in 1QFY26, it is expected to pick up meaningfully in 2HFY26. The investments will primarily be funded through internal accruals.
- The supply chain division has now emerged as the largest contributor to consolidated revenues and is expected to continue its strong growth trajectory in the coming quarters.

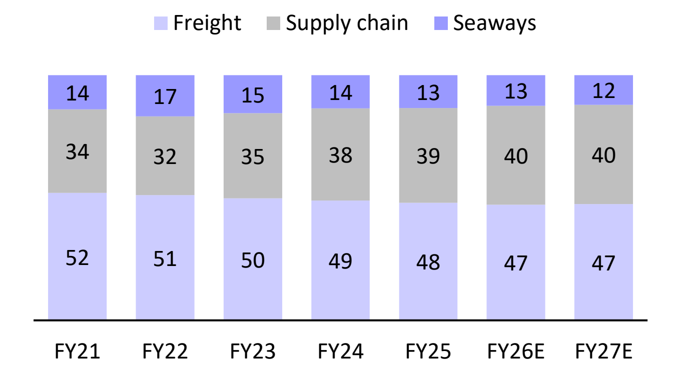
**Exhibit 5: Our revised estimates**

| (INR m) | FY26E | | | FY27E | | |
|---|---|---|---|---|---|---|
| | Rev | Old | Chg (%) | Rev | Old | Chg (%) |
| Net Sales | 51,173 | 51,173 | 0.0 | 59,152 | 59,152 | 0.0 |
| EBITDA | 5,620 | 5,620 | 0.0 | 6,600 | 6,600 | 0.0 |
| **EBITDA Margin (%)** | **11.0** | **11.0** | **0** | **11.2** | **11.2** | **0** |
| PAT | 4,738 | 4,451 | 6.5 | 5,156 | 5,156 | 0.0 |
| **EPS (INR)** | **61.5** | **57.7** | **6.5** | **66.9** | **66.9** | **0.0** |

Source: Company, MOFSL

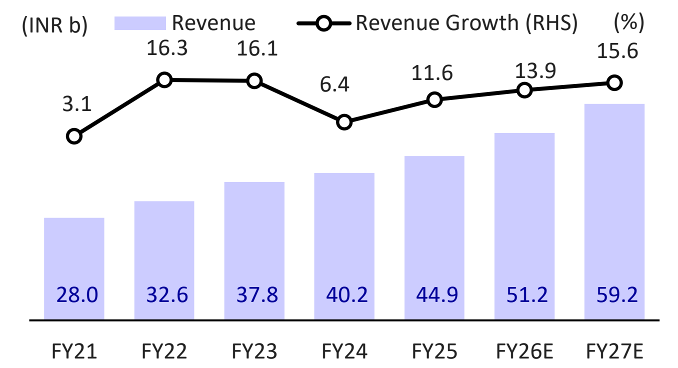
## Story in charts

**Exhibit 6: Freight and 3PL to dominate**



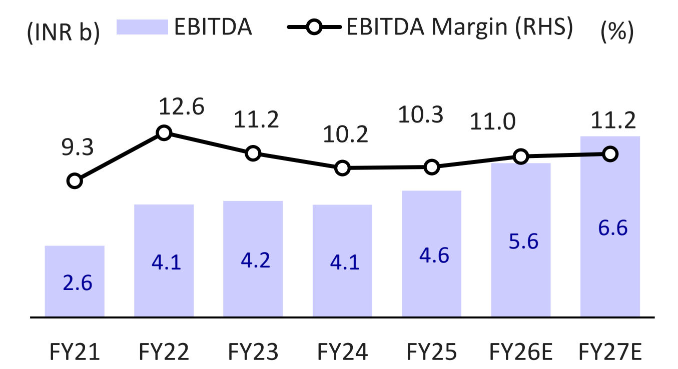

Source: Company, MOFSL

**Exhibit 7: Revenue growth to remain strong**



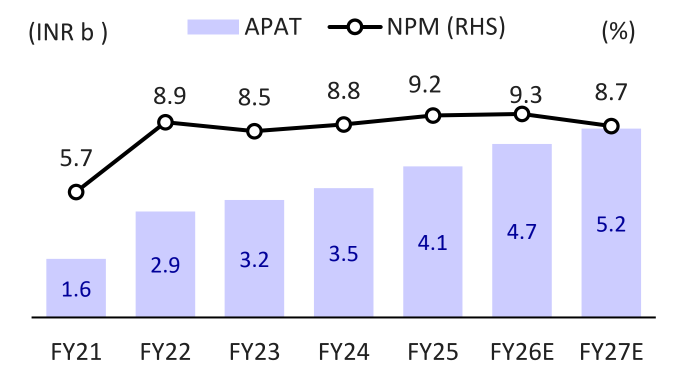

Source: Company, MOFSL

**Exhibit 8: Margin to expand gradually**



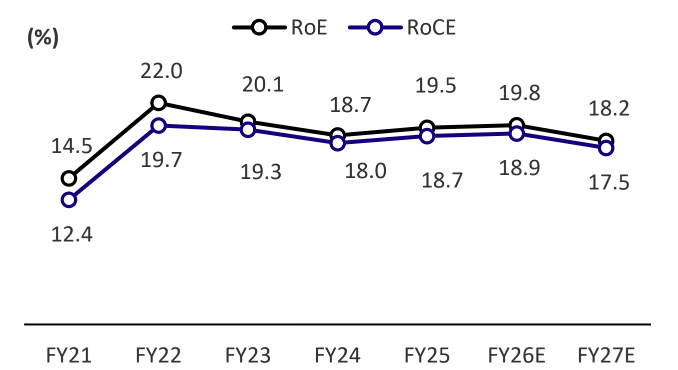

Source: Company, MOFSL

**Exhibit 9: Strong operating performance to drive PAT**



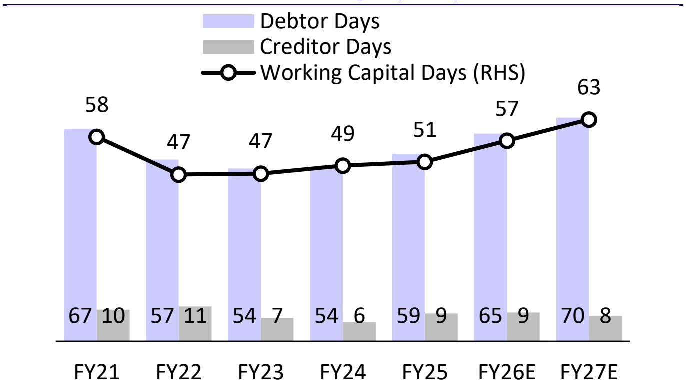

Source: Company, MOFSL

**Exhibit 10: Return ratios remained elevated**




Source: Company, MOFSL

**Exhibit 11: Comfortable working capital position**




Source: Company, MOFSL

# Financials and valuations

## Consolidated Income Statement

| Y/E March (INR m) | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|---|---|---|---|---|---|---|---|
| **Net Sales** | **28,024** | **32,567** | **37,826** | **40,242** | **44,918** | **51,173** | **59,152** |
| Change (%) | 3.1 | 16.2 | 16.1 | 6.4 | 11.6 | 13.9 | 15.6 |
| Gross Margin (%) | 18.0 | 20.9 | 19.9 | 19.4 | 19.3 | 20.5 | 20.5 |
| **EBITDA** | **2,612** | **4,087** | **4,240** | **4,105** | **4,611** | **5,620** | **6,600** |
| Margin (%) | 9.3 | 12.6 | 11.2 | 10.2 | 10.3 | 11.0 | 11.2 |
| Depreciation | 928 | 1,130 | 1,214 | 1,284 | 1,178 | 1,366 | 2,000 |
| **EBIT** | **1,684** | **2,957** | **3,026** | **2,821** | **3,433** | **4,254** | **4,600** |
| Int. and Finance Charges | 267 | 128 | 98 | 133 | 202 | 183 | 140 |
| Other Income | 255 | 199 | 303 | 458 | 467 | 514 | 565 |
| **PBT** | **1,672** | **3,028** | **3,231** | **3,146** | **3,698** | **4,584** | **5,025** |
| Tax | 238 | 377 | 434 | 336 | 433 | 611 | 703 |
| Effective Tax Rate (%) | 14.3 | 12.4 | 13.4 | 10.7 | 11.7 | 13.3 | 14.0 |
| **PAT before MI, Associates, and EO Items** | **1,434** | **2,652** | **2,796** | **2,810** | **3,265** | **3,974** | **4,321** |
| Share of profit/(loss) of Associates and JVs | 201 | 277 | 444 | 759 | 896 | 795 | 864 |
| Minority Interest | -33 | -32 | -33 | -37 | -36 | -30 | -30 |
| Extraordinary Items | 131 | 0 | 34 | 24 | 0 | 0 | 0 |
| **Reported PAT** | **1,471** | **2,896** | **3,173** | **3,508** | **4,125** | **4,738** | **5,156** |
| **Adjusted PAT** | **1,602** | **2,896** | **3,207** | **3,532** | **4,125** | **4,738** | **5,156** |
| Change (%) | 5.2 | 80.8 | 10.7 | 10.1 | 16.8 | 14.9 | 8.8 |
| Margin (%) | 5.7 | 8.9 | 8.5 | 8.8 | 9.2 | 9.3 | 8.7 |

## Consolidated Balance Sheet

| Y/E March (INR m) | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|---|---|---|---|---|---|---|---|
| Equity Share Capital | 154 | 155 | 155 | 155 | 153 | 153 | 153 |
| Total Reserves | 11,543 | 14,148 | 16,863 | 19,883 | 21,394 | 25,516 | 30,055 |
| **Net Worth** | **11,697** | **14,303** | **17,018** | **20,038** | **21,547** | **25,669** | **30,208** |
| Minority Interest | 86 | 274 | 301 | 333 | 363 | 363 | 363 |
| Deferred Tax Liabilities | 273 | 276 | 300 | 328 | 364 | 364 | 364 |
| Total Loans | 2,767 | 1,039 | 795 | 1,503 | 1,552 | 1,502 | 1,452 |
| **Capital Employed** | **14,823** | **15,892** | **18,414** | **22,202** | **23,826** | **27,898** | **32,387** |
| Gross Block | 10,684 | 11,646 | 12,676 | 14,266 | 17,449 | 20,242 | 24,242 |
| Less: Accum. Deprn. | 3,275 | 4,405 | 5,471 | 6,634 | 7,812 | 8,971 | 10,971 |
| **Net Fixed Assets** | **7,409** | **7,241** | **7,205** | **7,632** | **9,637** | **11,271** | **13,271** |
| Capital WIP | 690 | 846 | 967 | 2,075 | 2,550 | 2,550 | 2,550 |
| **Total Investments** | **1,500** | **1,927** | **2,859** | **5,427** | **4,111** | **4,111** | **4,111** |
| **Curr. Assets, Loans, and Adv.** | **7,790** | **8,257** | **9,978** | **9,880** | **11,499** | **14,538** | **17,578** |
| Inventory | 71 | 85 | 50 | 106 | 66 | 70 | 81 |
| Account Receivables | 5,110 | 5,083 | 5,609 | 6,006 | 7,219 | 9,113 | 11,344 |
| Cash and Bank Balances | 395 | 745 | 1,846 | 956 | 849 | 1,544 | 1,747 |
| Cash | 341 | 679 | 1,699 | 831 | 510 | 1,205 | 1,408 |
| Bank Balance | 55 | 66 | 66 | 147 | 147 | 147 | 147 |
| Loans and Advances | 124 | 12 | 12 | 12 | 17 | 19 | 22 |
| Others | 2,089 | 2,333 | 2,461 | 2,800 | 3,348 | 3,792 | 4,384 |
| **Current Liab. and Prov.** | **2,565** | **2,379** | **2,595** | **2,812** | **3,971** | **4,573** | **5,123** |
| Account Payables | 759 | 851 | 760 | 657 | 1,065 | 1,262 | 1,296 |
| Other Current Liabilities | 1,719 | 1,276 | 1,552 | 1,838 | 2,521 | 2,872 | 3,320 |
| Provisions | 86 | 251 | 283 | 317 | 385 | 439 | 507 |
| **Net Current Assets** | **5,225** | **5,878** | **7,383** | **7,068** | **7,528** | **9,966** | **12,454** |
| **Application of Funds** | **14,823** | **15,891** | **18,414** | **22,202** | **23,826** | **27,898** | **32,387** |

# Financials and valuations

### Ratios

| Y/E March | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|---|---|---|---|---|---|---|---|
| **Basic (INR)** | | | | | | | |
| EPS | 20.8 | 37.6 | 41.6 | 45.8 | 53.5 | 61.5 | 66.9 |
| EPS growth (%) | 5.2 | 80.8 | 10.7 | 10.1 | 16.8 | 14.9 | 8.8 |
| Cash EPS | 32.8 | 52.2 | 57.3 | 62.5 | 68.8 | 79.2 | 92.8 |
| BV/Share | 151.7 | 185.5 | 220.7 | 259.9 | 279.5 | 332.9 | 391.8 |
| DPS | 2.5 | 2.5 | 7.0 | 7.0 | 7.0 | 8.0 | 8.0 |
| Payout (Incl. Div. Tax, %) | 13.1 | 6.7 | 17.0 | 15.4 | 13.1 | 13.0 | 12.0 |
| **Valuation (x)** | | | | | | | |
| P/E | 57.5 | 31.8 | 28.7 | 26.1 | 22.3 | 19.4 | 17.9 |
| Cash P/E | 36.4 | 22.9 | 20.8 | 19.1 | 17.4 | 15.1 | 12.9 |
| EV/EBITDA | 35.6 | 22.0 | 20.8 | 21.3 | 19.2 | 15.7 | 13.3 |
| EV/Sales | 3.3 | 2.8 | 2.3 | 2.2 | 2.0 | 1.7 | 1.5 |
| P/BV | 7.9 | 6.4 | 5.4 | 4.6 | 4.3 | 3.6 | 3.1 |
| Dividend Yield (%) | 0.2 | 0.2 | 0.6 | 0.6 | 0.6 | 0.7 | 0.7 |
| **Return Ratios (%)** | | | | | | | |
| RoE | 14.5 | 22.0 | 20.1 | 18.7 | 19.5 | 19.8 | 18.2 |
| RoCE | 12.4 | 19.6 | 19.3 | 18.0 | 18.7 | 18.9 | 17.5 |
| RoIC | 11.6 | 21.0 | 21.0 | 19.0 | 20.2 | 20.5 | 18.1 |
| **Working Capital Ratios** | | | | | | | |
| Fixed Asset Turnover (x) | 2.6 | 2.9 | 3.0 | 3.0 | 2.8 | 2.7 | 2.7 |
| Asset Turnover (x) | 1.9 | 2.0 | 2.1 | 1.8 | 1.9 | 1.8 | 1.8 |
| Inventory (Days) | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| Debtors (Days) | 67 | 57 | 54 | 54 | 59 | 65 | 70 |
| Creditors (Days) | 10 | 10 | 7 | 6 | 9 | 9 | 8 |
| **Leverage Ratio (x)** | | | | | | | |
| Net Debt/Equity ratio | 0.2 | 0.0 | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 |

### Consolidated Cash Flow Statement

| Y/E March (INR m) | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|---|---|---|---|---|---|---|---|
| OP/(Loss) before Tax | 1,743 | 3,305 | 3,640 | 3,881 | 4,594 | 4,584 | 5,025 |
| Depreciation | 928 | 1,130 | 1,214 | 1,285 | 1,178 | 1,366 | 2,000 |
| Direct Taxes Paid | 52 | -494 | -186 | -389 | -375 | -611 | -703 |
| (Inc.)/Dec. in WC | 232 | -163 | -729 | -985 | -919 | -1,776 | -2,314 |
| Other Items | 93 | -98 | -332 | -798 | -886 | -330 | -425 |
| **CF from Operations** | **3,047** | **3,680** | **3,607** | **2,994** | **3,592** | **3,234** | **3,582** |
| (Inc.)/Dec. in FA | -1,241 | -707 | -1,530 | -2,417 | -3,545 | -3,000 | -4,000 |
| **Free Cash Flow** | **1,807** | **2,973** | **2,077** | **577** | **47** | **234** | **-418** |
| Change in Investments | -17 | -28 | -69 | -2,293 | 1,655 | 0 | 0 |
| Others | 196 | -27 | -333 | 672 | 897 | 438 | 456 |
| **CF from Investments** | **-1,062** | **-762** | **-1,931** | **-4,038** | **-993** | **-2,562** | **-3,544** |
| Change in Equity | 40 | 34 | 35 | 35 | -1,926 | 0 | 0 |
| Inc./(Dec.) in Debt | -1,419 | -2,148 | 6 | 848 | 49 | -50 | -50 |
| Dividends Paid | -96 | -410 | -543 | -549 | -774 | -617 | -617 |
| Others | -302 | -56 | -153 | -158 | -269 | 690 | 832 |
| **CF from Fin. Activity** | **-1,776** | **-2,580** | **-655** | **176** | **-2,920** | **23** | **165** |
| **Inc./(Dec.) in Cash** | **209** | **338** | **1,021** | **-868** | **-321** | **695** | **203** |
| Opening Balance | 132 | 341 | 679 | 1,699 | 831 | 510 | 1,205 |
| **Closing Balance** | **341** | **679** | **1,699** | **831** | **510** | **1,205** | **1,408** |

| Explanation of Investment Rating | |
|---|---|
| **Investment Rating** | **Expected return (over 12-month)** |
| BUY | >=15% |
| SELL | < - 10% |
| NEUTRAL | < - 10 % to 15% |
| UNDER REVIEW | Rating may undergo a change |
| NOT RATED | We have forward looking estimates for the stock but we refrain from assigning recommendation |

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