

Astra Microwave Products Ltd (ASTM)

Defence | 4QFY25 Result Update

HOLD

CMP: Rs1,089 | Target Price (TP): Rs1,139 | Upside: 4.5%

May 24, 2025

Stable Performance: Outlook Positive

Key Points

- Revenue, EBITDA, and PAT demonstrated YoY growth rates of 15.2%, 48.1%, and 35.1% YoY, culminating in figures of Rs 4.1bn, Rs 1.2bn, and Rs 735mn, respectively. The reported figures did not meet NBIE's expectations: Rs 4.8bn, Rs 1.6mn, and Rs 1.3bn. Enhanced EBITDA and PAT margins are a result of the product mix, supported by effective execution of domestic orders, particularly favouring the defence segment. The revenue contribution from domestic business was approx. 90%, compared to 68% in FY24. The company has strategically positioned itself for both domestic and international markets, offering a diverse product portfolio. The Focus is on the development of anti-drone technology alongside innovations in space-grade components and the processes involved in satellite assembly. The Board has sanctioned the raising of Rs.1.74 billion via a preferential issue to strengthen the financial position. The Board has approved dividend distribution of about INR2.20/ share up from INR2/share of last year.
- **Strong order pipeline:** During the year, the company received orders worth about ~Rs 11 bn on a standalone basis. This encompasses radar and other segments accounting for ~Rs. 5.56 bn, electronic intelligence at Rs. 2.26 bn, telemetry ~Rs. 360 mn, space at about Rs. 600 mn, exports totalling Rs. 790 mn, and roughly Rs. 1.4 bn from the metrology and hydrology sectors. The consolidated order book stands at Rs. 23.04 bn as of March 2025.
- **Company guidance and Outlook:**
 - 20% revenue growth, 18% bottom-line growth, and Rs.14bn worth of new orders.
 - CapEx plan includes Rs.450 mn each for test equipment and additional production space expansion. This CapEx will be met out of internal accruals and term loans from the bankers.
 - Orders such as Triple A-U for LCA Mark 2 and SU-30 expected to generate significant business opportunities.
 - Joint venture Astra Rafael Comsys forecasted to achieve Rs.3.5bn in sales with 12% PBT, despite a Q4 profitability dip.
- **View and Valuation:** Revenue, EBITDA, and PAT Growth CAGR during FY25E-FY27E stand at 19%, 20%, and 18%, respectively. The company is expected to sustain profitability, supported by an improved product mix and a continuous focus on more complex orders. The strategic initiatives and the government's strong emphasis on "Make in India" are anticipated to enhance the company's order book, generate new opportunities, and fortify its market position. The stock has rallied by 35% and is currently trading at a 1-year forward P/E ratio of 48.6x, which is above its 5-year average of 33x. We have adjusted target multiple upward by 75% to maintain a HOLD rating and value ASTM at 50x the projected EPS for March 2027 (+2SD above the mean) implying a potential upside of 4.5%, leading to a target price of Rs1,139.

Est Change	Downward
TP Change	Upward
Rating Change	No Change

Company Data and Valuation Summary

Reuters:	ASTM.BO
Bloomberg:	ASTM IN Equity
Mkt Cap (Rsbn/US\$bn):	103.4 / 1.2
52 Wk H / L (Rs):	1,150 / 584
ADTV-3M (mn) (Rs/US\$):	541.3 / 6.3
Stock performance (%) 1M/6M/1yr:	35.0 / 45.5 / 41.0
Nifty 50 performance (%) 1M/6M/1yr:	3.0 / 8.3 / 8.3

Shareholding	2QFY25	3QFY25	4QFY25
Promoters	6.5	6.5	6.5
DII's	15.0	15.4	15.3
FII's	5.7	5.2	5.3
Others	72.8	72.9	72.9
Pro pledge	0.0	0.0	0.0

Financial and Valuation Summary

Particulars (Rsmn)	FY24	FY25	FY26E	FY27E
Net Sales	9,088	10,512	12,696	14,854
Growth YoY%	11.4	15.7	20.8	17.0
Gross margin %	39.9	45.1	43.4	42.8
EBITDA	1,916	2,690	3,265	3,847
EBITDA margin %	21.1	25.6	25.7	25.9
Adj PAT	1,211	1,535	1,759	2,128
Growth YoY%	73.4	26.8	14.6	21.0
Adj EPS	12.8	16.2	18.5	22.4
RoCE	14.0	15.4	16.6	17.3
RoE	15.1	14.9	15.0	15.9
RoIC	16.3	17.2	20.6	24.4
P/E	85.4	67.4	58.8	48.6
EV/EBITDA	54.5	39.7	31.9	26.9
P/BV	10.7	9.4	8.3	7.2

Source: Bloomberg, Company, Nirmal Bang Institutional Equities Research

Key Links -

[4QFY25 Result](#)

[4QFY25 Investor Presentation](#)

Please refer to the disclaimer towards the end of the document.

4QFY25 performance update: ASTM reported revenue of Rs4.1bn, up by 15% YoY due to higher execution. Defence/Exports/Space/Meteorological segments contributed to 84%/7.2%/5.2%/2.4% of the revenue. Revenue contribution from domestic business was 90% in FY25 as compared to 68% in FY24. EBITDA grew by 48% with margins expanding to 29.3% from 22.8% in 4QFY24. This was due to a better product mix and higher execution of domestic orders which were higher margins. Adj. PAT grew by 35% YoY. PAT margins also expanded to 18% from 15.4% in 4QFY24.

Joint venture firm Astra Rafael has performed well in terms of topline though there is a dip in profitability. This JV is expected to report revenue of Rs3.5bn and a PBT of 12%. There is an order visibility of \$100mIn and the company is confident of reporting revenue of Rs3.5bn in FY26.

Order book position: As of March 2025, the current order book stands at Rs19.5bn, with a composition of Defence at 69%, Exports at 9%, Space at 12%, and Meteorological at 10%. The consolidated order book stands at Rs23bn.

The company received orders worth Rs11bn on a standalone basis comprising of radar orders worth Rs5.6bn, Electronic County Intelligence orders of Rs2.2bn, telemetry orders of Rs360mn, Space orders of Rs600mn, Exports worth Rs790mn and Rs1.4bn worth of orders from metrology and Hydrology.

Orders received in this quarter include orders for LCA Mark-II, critical subsystems for the next generation electronic warfare and technology demonstration version of the Su-30 AAU Virupaksha.

Exhibit 1: 4QFY25 consolidated performance

Particulars (Rsmn)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	FY24	FY25
Net Sales	1,337	1,901	2,310	3,540	1,552	2,296	2,585	4,079	9,088	10,512
YoY Change (%)	(17.5)	8.8	4.9	37.0	16.0	20.8	11.9	15.2	11.4	15.7
Expenditure										
Raw Material Consumed	1,140	1,204	1,171	2,068	1,334	1,529	1,535	1,864	5,584	6,263
Consumption of Stock in trade	(180)	(113)	47	122	(462)	(172)	(191)	336	(124)	(489)
Employee Costs	215	255	307	361	296	310	355	458	1,137	1,418
Other Expenses	132	139	124	182	144	136	124	226	576	630
Total Expenditure	1,306	1,485	1,649	2,733	1,312	1,804	1,823	2,883	7,172	7,822
EBITDA	31	417	661	807	240	492	762	1,196	1,916	2,690
YoY Change (%)	(86.7)	6.0	29.9	135.5	679.4	18.2	15.2	48.1	29.8	40.4
Margin (%)	2.3	21.9	28.6	22.8	15.5	21.4	29.5	29.3	21.1	25.6
Depreciation	57	63	66	64	82	62	95	111	250	350
Interest	74	62	81	95	104	126	149	192	313	571
Other income	20	34	36	27	21	22	23	110	117	175
Extraordinary Items	-	-	-	-	-	-	-	-	-	-
PBT (bei)	(80)	326	550	675	75	326	540	1,003	1,470	1,944
PBT	(80)	326	550	675	75	326	540	1,003	1,470	1,944
Tax	(14)	84	141	169	21	83	141	256	379	502
ETR (%)	18.0	25.8	25.7	25.0	28.7	25.5	26.2	25.6	25.8	25.8
Reported PAT	(67)	300	434	544	72	254	474	735	1,211	1,535
Adj. PAT	(67)	300	434	544	72	254	474	735	1,211	1,535
YoY Change (%)	NA	46.4	56.7	302.3	NA	(15.4)	9.3	35.1	73.4	26.8
Adj. EPS	(0.7)	3.2	4.6	5.7	0.8	2.7	5.0	7.7	12.8	16.2

Source: Company, Nirmal Bang Institutional Equities Research

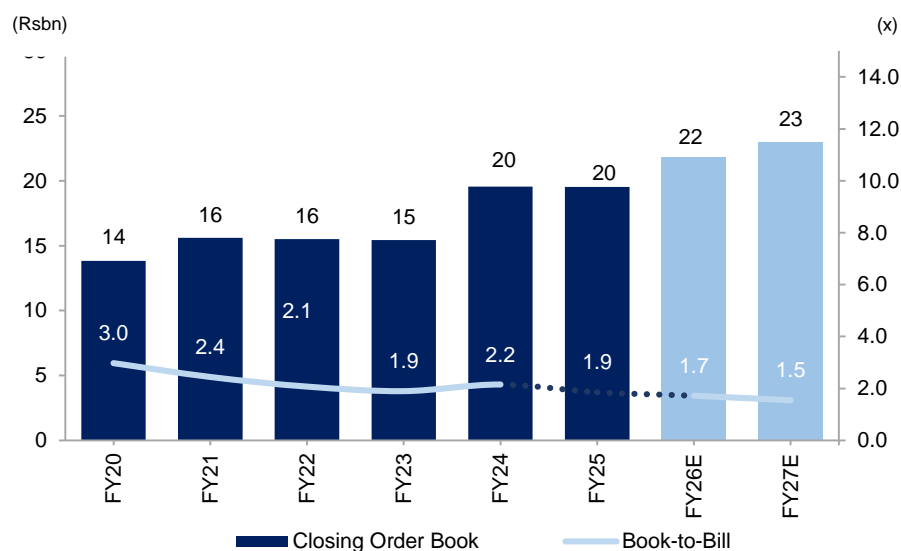
Exhibit 2: Quarterly order book

(Rs mn)	1QFY24	2QFY24	3QFY24	4QFY24	FY24	1QFY25	2QFY25	3QFY25	4QFY25	FY25
Order Inflow	1,697	4,771	1,770	4,970	13,208	2,982	2,276	1,215	3,999	13,000
YoY Growth (%)	(38.1)	31.2	73.0	626.1	63.4	75.7	(52.3)	(31.3)	(19.5)	(1.6)
Defence/Public	10,300	12,820	12,700	15,040	15,040	18,410	16,050	14,400	13,550	13,550
YoY Growth (%)	30.7	28.3	35.0	64.6	64.6	78.7	25.2	13.4	(9.9)	(9.9)
Space	1,940	2,050	1,980	1,400	1,400	1,270	1,160	1,280	2,340	2,340
YoY Growth (%)	(7.6)	(6.0)	(6.2)	(33.6)	(33.6)	(34.5)	(43.4)	(35.4)	67.1	67.1
Meteorological & other products	570	630	710	860	860	810	1,520	1,620	1,910	1,910
YoY Growth (%)	18.8	75.0	77.5	56.4	56.4	42.1	141.3	128.2	122.1	122.1
Exports	2,990	3,170	2,750	2,260	2,260	2,510	2,240	2,310	1,720	1,720
YoY Growth (%)	(51.5)	(47.1)	(49.2)	(37.9)	(37.9)	(16.1)	(29.3)	(16.0)	(23.9)	(23.9)
Closing Order Book	15,800	18,670	18,130	19,560	19,560	20,990	20,970	19,600	19,520	22,048
YoY Growth (%)	(5.0)	0.8	4.6	26.7	26.7	32.8	12.3	8.1	(0.2)	12.7
Revenue	1,337	1,901	2,310	3,540	9,088	1,552	2,296	2,585	4,079	10,512
YoY Growth (%)	(17.5)	8.8	4.9	37.0	11.4	16.0	20.8	11.9	15.2	15.7

Source: Company, Nirmal Bang Institutional Equities Research

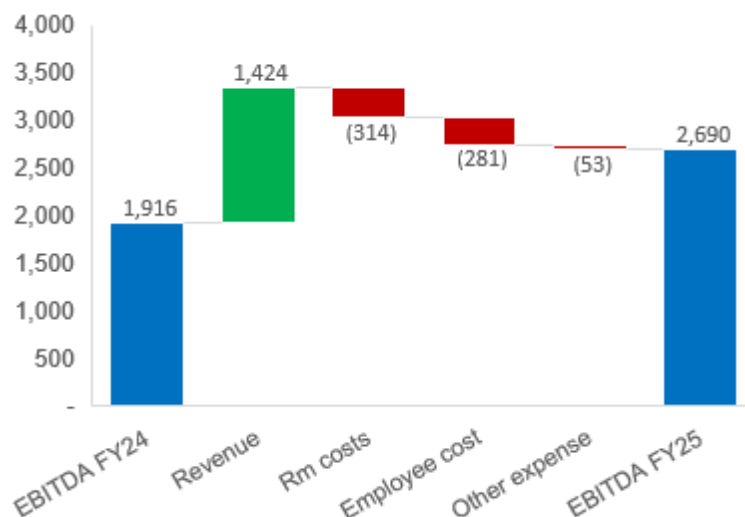
Note: NBIE data

Exhibit 3: Annual closing order book position



Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 4: EBITDA movement



Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 5: Detailed financials

Y/E March (Rsmm)	4QFY24	3QFY25	4QFY25	YoY (%)	QoQ (%)	Estimates	Variance (%)	FY24	FY25	YoY (%)
Net Sales	3,540	2,585	4,079	15.2	57.8	4,778	(14.6)	9,088	10,512	15.7
Expenditure										
Raw Material Consumed	2,068	1,535	1,864	(9.9)	21.4	-	-	5,584	6,263	12.2
Consumption of Stock in trade	122	(191)	336	NA	NA	-	-	(124)	(489)	NA
Employee Costs	361	355	458	27.0	29.1	-	-	1,137	1,418	24.7
Other Expenses	182	124	226	24.4	81.7	-	-	576	630	9.3
Total Expenditure	2,733	1,823	2,883	5.5	58.1	3,151	(8.5)	7,172	7,822	9.1
EBITDA	807	762	1,196	48.1	56.9	1,628	(26.5)	1,916	2,690	40.4
EBITDA Margin (%)	22.8	29.5	29.3	651bps	(16)bps	34.1	(475)bps	21.1	25.6	451bps
Depreciation	64	95	111	72.9	16.4	-	-	250	350	40.3
Interest	95	149	192	102.2	28.5	-	-	313	571	82.4
Other income	27	23	110	307.3	386.7	-	-	117	175	50.0
Exceptional Items	-	-	-	-	-	-	-	-	-	-
PBT	675	540	1,003	48.6	85.7	-	-	1,470	1,944	32.2
Tax	169	141	256	51.9	81.4	-	-	379	502	32.4
Reported PAT	544	474	735	35.1	54.9	-	-	1,211	1,535	26.8
Adjusted PAT	544	474	735	35.1	54.9	1,138	(35.4)	1,211	1,535	26.8
NPM (%)	15.4	18.3	18.0	265bps	(33)bps	23.8	(579)bps	13.3	14.6	128bps
EPS (Rs.)	5.7	5.0	7.7	35.1	54.9	12.0	(35.4)	12.8	16.2	26.7

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 6: Change in estimates

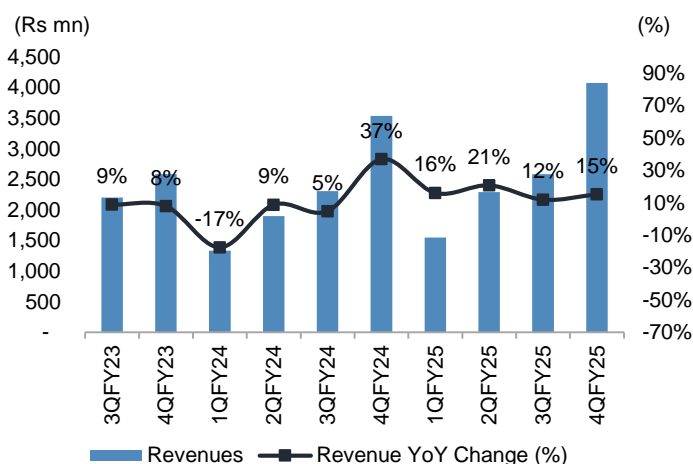
Particulars (Rs mn)	New			Old			% Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Net Sales	10,512	12,696	14,854	11,212	13,550	15,888	(6.2)	(6.3)	(6.5)
EBITDA	2,690	3,265	3,847	3,122	3,716	4,110	(13.8)	(12.1)	(6.4)
Adj. PAT	1,535	1,759	2,128	1,938	2,300	2,415	(20.8)	(23.5)	(11.9)
Adj. EPS	16	19	22	20	24	25	(20.8)	(23.5)	(11.9)

Source: Nirmal Bang Institutional Equities Research

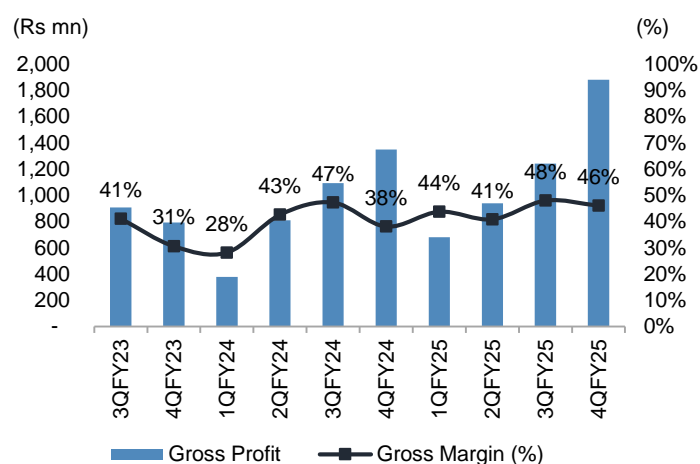
Exhibit 7: Actual performance v/s NBIE & Consensus estimates

Particulars					
4QFY25 (Rs mn)	Actual	Our Estimate	Deviation (%)	Bloomberg Consensus	Deviation (%)
Revenue	4,079	4,778.4	(14.6)	NA	-
EBITDA	1,196	1,627.5	(26.5)	NA	-
PAT	735	1,137.8	(35.4)	NA	-

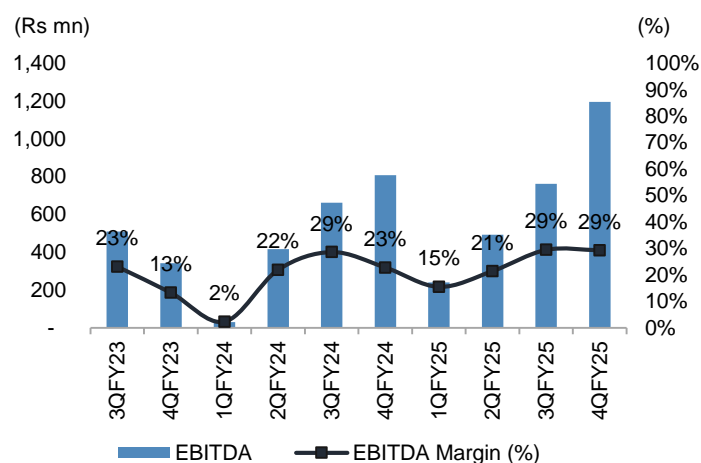
Source: Nirmal Bang Institutional Equities Research

Exhibit 8: Revenue increased by 15% YoY


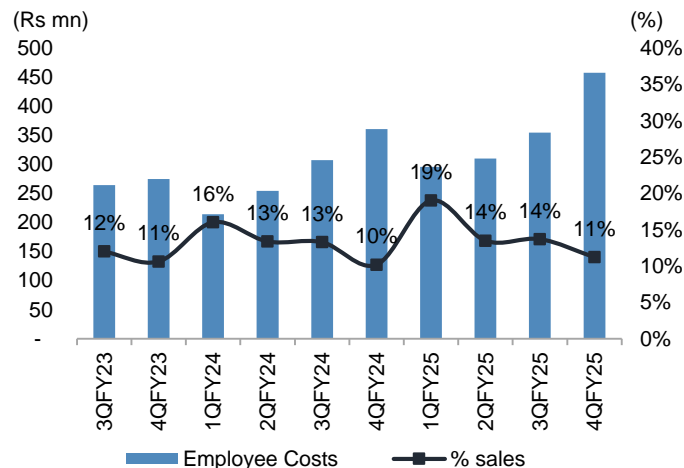
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 9: Gross margin stood at 46%


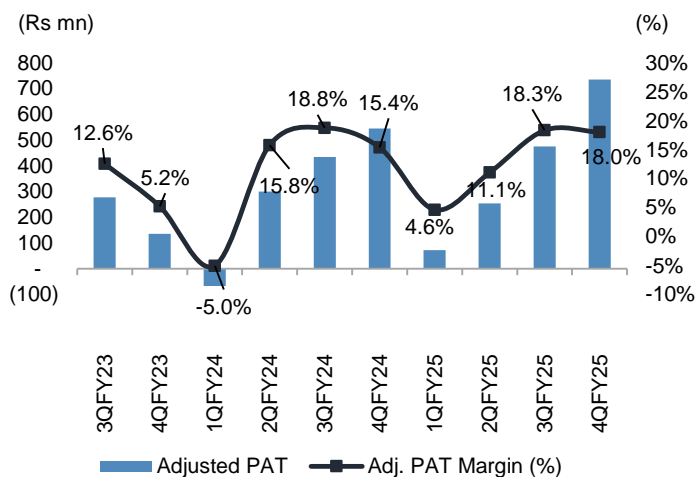
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 10: EBITDA margin stood at 29%


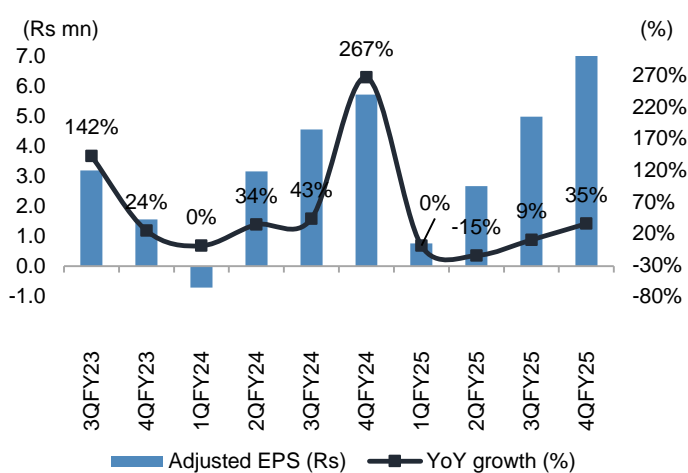
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 11: Employee cost at 11% of sales


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 12: PAT margin stood at 18%


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 13: EPS grew by 35% YoY


Source: Company, Nirmal Bang Institutional Equities Research

4QFY25 earnings call Key Takeaways

Updates:

- The Board has approved to raise Rs1.7bn by way of preferential shares.
- The company delivered Rohini modules, 3D core prime modules and other subsystems for MPR and EW subsystems for Himshakti modules.
- Signed several MoUs with large Defence & aerospace companies including L&T and BDL.
- Astra will play a key role in developing anti-drone solutions across various configurations, alongside surveillance systems acting as border sentries. This complements advancements in radar and deeper enemy territory penetration capabilities. These counter UAVs will be developed in house.
- The management believes the future of warfare will be increasingly electronics-driven, with electronic warfare suites playing a pivotal role. Precision strikes with minimal collateral damage will elevate the importance of command guidance systems, fuses, and AI-enabled data interpretation.
- Astra's solid-state seekers are set to power next-gen missiles, tapping into a growing market for both offensive and defensive capabilities—building on the success of Akash. The company also sees space-based surveillance and spy satellites as the next frontier in modern warfare.
- The company is part of the development program of Kusha and we have been providing subsystems for it.
- The company is taking part in RFPs in the space sector. It will continue to supply subsystems to Satellites while simultaneously planning to develop its own satellite to generate revenue from the data.

Performance:

- EBITDA and PAT margins expanded this quarter due to higher execution of domestic orders, especially from the defence segment. Revenue contribution from domestic business was 90% in FY25 as compared to 68% in FY24.
- Both the wholly owned subsidiaries have performed well.
- Joint venture firm Astra Rafael has performed well in terms of topline though there is a dip in profitability. This JV is expected to report revenue of Rs3.5bn and a PBT of 12%. There is an order visibility of \$100mn and the company is confident of reporting revenue of Rs3.5bn in FY26.
- The Total addressable market according to the management is Rs200-250bn for its entire product range and Rs50-60bn for the Software Defined Ratios in the next 5 years.

Order Book:

- Standalone order book stands at Rs19.5bn of which 91% of the orders are domestic Built to Specialization orders and the rest are exports which include both Built to Print and Built to Specialization. The consolidated order book stands at Rs23bn.
- The company received orders worth Rs11bn on a standalone basis comprising of radar orders worth Rs5.6bn, Electronic County Intelligence orders of Rs2.2bn, telemetry orders of Rs360mn,

Space orders of Rs600mn, Exports worth Rs790mn and Rs1.4bn worth of orders from metrology and Hydrology.

- Orders received in this quarter include orders for LCA Mark-II, critical subsystems for the next generation electronic warfare and technology demonstration version of the Su-30 AAAU Virupaksha.
- Several orders were won this quarter like radar subsystems for Akash Prime VL-SRSAM, weather radars from Metallurgy sector and Agro AWA system, the X-band seeker for a missile program.
- Orders of subsystems in missiles of QRSAM are expected from Bharat Electronics are expected from Bharat Electronics in Mar-26.
- The company has received enquiries for Akash missile systems. DPSUs have seen increasing system enquiries which once materialized, will translate to orders for the company.
- Astra has emerged as an L1 in one of the tenders floated by DRDO for the actual version of Virupaksha for subsystems of radar as well as EW segment.
- Emergency procurement timeline right from RFP to Tenders is ~8-18 months.

Capex:

- The Capex for FY26 is Rs900mn (Rs450mn for purchase of test equipment to augment existing operations and another Rs450mn to build additional space at the production unit. This Capex will be funded with internal accruals and term loans from banks.

Guidance:

- The management is confident that it will maintain PBT margin of 18% going forward.
- Revenue guidance for FY26 stands at 20% and bottom line is expected to grow by 18% with new Orders worth Rs14bn. Revenue is expected to be in the range of Rs13-14bn of which with new orders worth Rs14bn from exports.

Others:

- The company has Rs 55 crore in deferred receivables, including Rs 24 crore worth of materials supplied to a JV under the NCNC program for developing backpack radios for the army. This amount remains deferred until final technical acceptance is completed.
- Receivables were higher as Rs1.4bn worth of materials supplied to a customer is in the final stages of acceptance.

Exhibit 14: Growing defence products opportunity

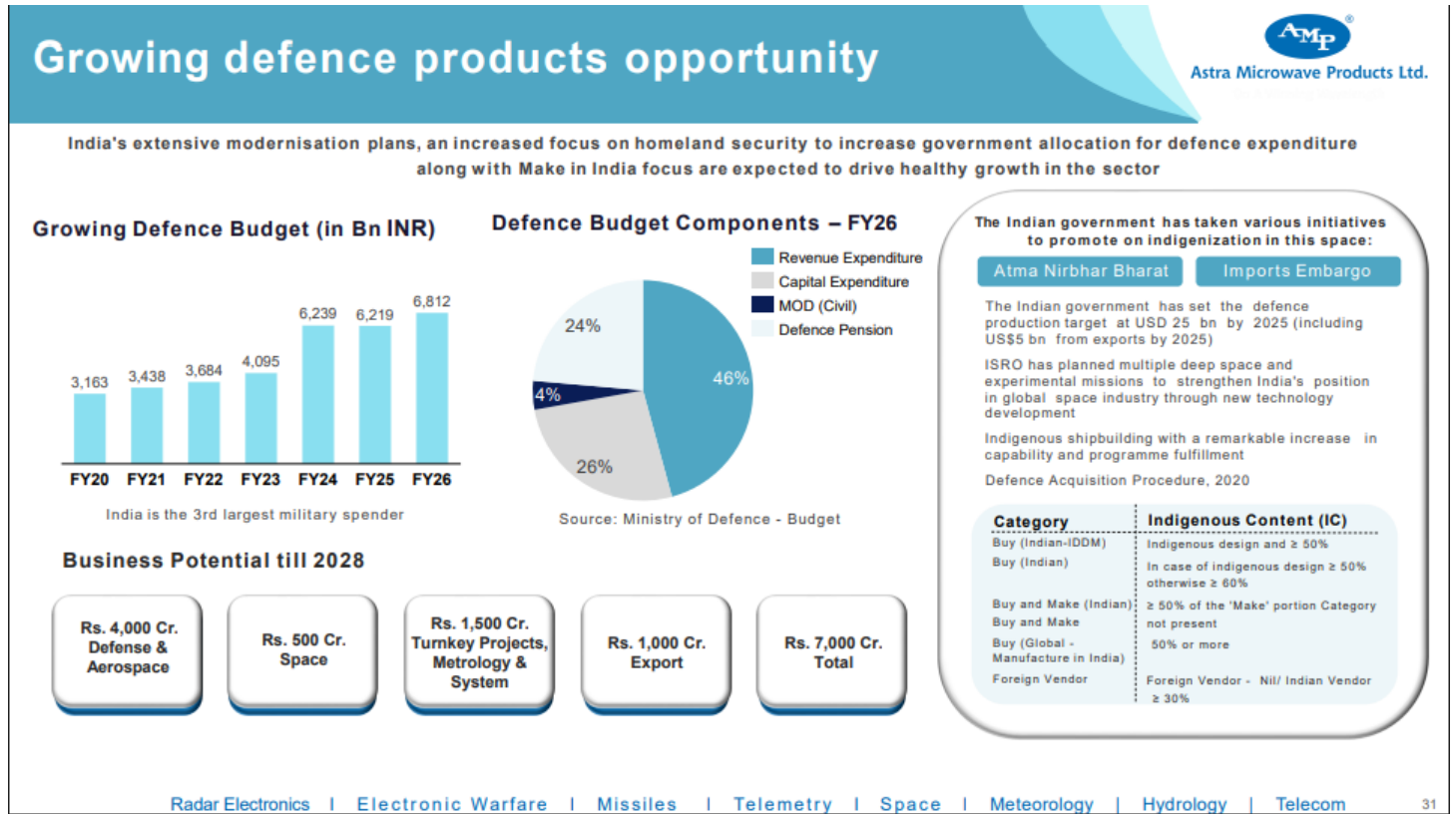


Exhibit 15: Addressable Market



Exhibit 16: Opportunities

Opportunities



Astra Microwave Products Ltd.

Wide Array of Opportunities due to Government Initiatives

Various government initiatives are encouraging the industry to develop the system either through in-house development or through foreign technology tie-up.

Astra in alliance with System Knowledge of its partners aims to deliver the product that meets Government thrust on Atma Nirbhar Bharat.

Getting opportunity from the Services to build for the intersystems.

Indian industries are getting opportunities to develop and supply products which are published as negative import list by GOI.

Astra will utilise its skill on design and production of high-end defense equipment in India and would also cater to the after-sale support.

Indigenous integrated and strategic defence and aerospace electronics solutions provider which is well positioned to benefit from the Atma Nirbhar Bharat initiative.

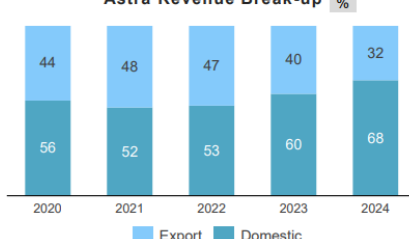
We aim to achieve 70% Domestic 30% Export Revenue distribution over next 2-3 years. Domestic business on an average carries 40 to 45% of gross margin as against 8 to 10% gross margin in exports.

Defence Offset

The defence offset policy mandates a foreign vendor to source at least 30% of the value of an order (when the order is worth Rs.2,000 crore or more) from Indian manufacturers.

Astra has been active in tapping this opportunity and its export business is driven by these offset provisions.

Astra Revenue Break-up %



Ready for Electronic Warfare

- Antennas
- EDLVA and BLI Super Components
- EW Simulators
- DIFM Receivers
- Front End Receivers
- Up/Down converters
- Homodyne Receivers

Strategic Electronic Telemetry Sub-systems

- Command guidance units
- Radio Proximity Fuze
- L, S, C & X-Band Transponders
- Phased Array based Telemetry Tracking System
- Sub-system for gimbal based and AESA Seeker
- Ground and Airborne data link systems
- Data and video Telemetry transmitters, Transponders, Encoders & decoders
- Telemetry Receivers

Radar Electronics | Electronic Warfare | Missiles | Telemetry | Space | Meteorology | Hydrology | Telecom

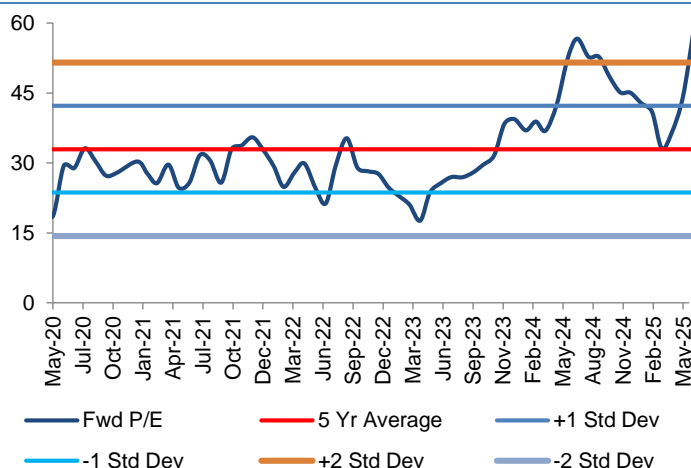
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Exhibit 17: Valuation summary

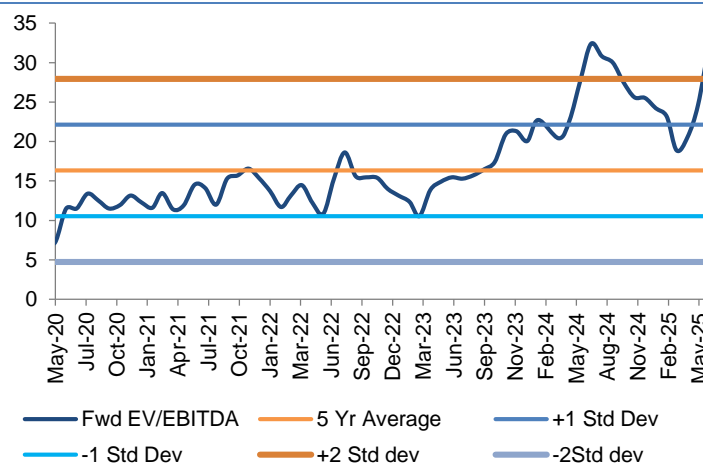
Particulars	(Rs mn)
Mar'27 EPS	22
Target multiple (x)	50.8
Value per share (Rs)	1,139
CMP (Rs)	1,089
Upside / (downside) %	4.5%

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 18: Rolling valuation charts



Source: Company, Nirmal Bang Institutional Equities Research



Source: Company, Nirmal Bang Institutional Equities Research

Financial Statements

Exhibit 19: Income statement

Y/E March (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Net Sales	8,155	9,088	10,512	12,696	14,854
Growth YoY%	8.7	11.4	15.7	20.8	17.0
Gross profit	2,972	3,629	4,738	5,515	6,355
Gross margin %	36.4	39.9	45.1	43.4	42.8
Staff costs	952	1,137	1,418	1,515	1,698
% of sales	11.7	12.5	13.5	11.9	11.4
Other expenses	544	576	630	735	810
% of sales	6.7	6.3	6.0	5.8	5.5
EBITDA	1,476	1,916	2,690	3,265	3,847
Growth YoY%	65.5	29.8	40.4	21.4	17.8
EBITDA margin %	18.1	21.1	25.6	25.7	25.9
Depreciation	237	250	350	396	448
EBIT	1,240	1,666	2,340	2,869	3,399
Interest	305	313	571	702	734
Other income	55	117	175	178	173
PBT (bei)	989	1,470	1,944	2,346	2,838
PBT	989	1,470	1,944	2,346	2,838
ETR	26%	26%	26%	25%	25%
PAT	698	1,211	1,535	1,759	2,128
Adj PAT	698	1,211	1,535	1,759	2,128
Growth YoY%	84.4	73.4	26.8	14.6	21.0

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 21: Balance sheet

Y/E March (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Share capital	173	190	190	190	190
Reserves	6,253	9,472	10,795	12,315	14,153
Net worth	6,426	9,662	10,985	12,504	14,343
Long term debt	33	155	394	594	694
Short term debt	1,821	2,222	3,841	3,941	3,941
Total debt	1,855	2,376	4,235	4,535	4,635
Net debt	746	1,067	3,253	552	(32)
Other non-current liabilities	-	-	-	-	-
Total Equity & Liabilities	10,570	14,741	18,512	20,352	22,482
Gross block	3,406	3,575	4,551	5,351	5,851
Accumulated depreciation	1,696	1,852	2,202	2,598	3,046
Net Block	1,661	1,674	2,229	2,633	2,685
CWIP	22	130	31	31	31
Intangible and others	8	28	61	61	61
Other non-current assets	374	562	619	619	619
Investments	-	-	-	-	-
Trade receivables	2,836	5,052	7,861	6,609	7,529
Inventories	4,191	5,146	6,159	5,115	5,589
Cash & Cash Equivalents	1,109	1,309	982	3,983	4,667
Other current assets	370	840	571	1,302	1,302
Total current assets	8,506	12,347	15,573	17,009	19,087
Trade payables	458	838	767	787	978
Other current liabilities	1,087	1,280	1,837	1,837	1,837
Total current liabilities	3,366	4,340	6,445	6,565	6,756
Total Assets	10,570	14,741	18,512	20,352	22,482

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 20: Cash flow

Y/E March (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
PBT	959	1,590	2,037	2,346	2,838
Depreciation	305	250	350	396	448
Interest	-	313	571	702	734
Other adjustments	263	(189)	(337)	-	-
Change in Working capital	(1,526)	(3,155)	(3,707)	2,317	(1,203)
Tax paid	(256)	(378)	(410)	(586)	(709)
Operating cash flow	(255)	(1,815)	(901)	5,174	2,107
Capex	(333)	(436)	(723)	(800)	(500)
Free cash flow	(588)	(2,252)	(1,624)	4,374	1,607
Other investing activities	127	0	(40)	-	-
Investing cash flow	(207)	(436)	(763)	(800)	(500)
Issuance of share capital	150	177	482	-	-
Movement of Debt	(440)	(495)	(711)	300	100
Dividend paid (incl DDT)	-	-	-	(240)	(290)
Other financing activities	1,038	2,642	1,643	(702)	(734)
Financing cash flow	747	2,324	1,413	(641)	(923)
Net change in cash flow	286	73	(251)	3,733	684
Opening C&CE	275	561	634	250	3,983
Closing C&CE	561	661	250	3,983	4,667

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 22: Key ratios

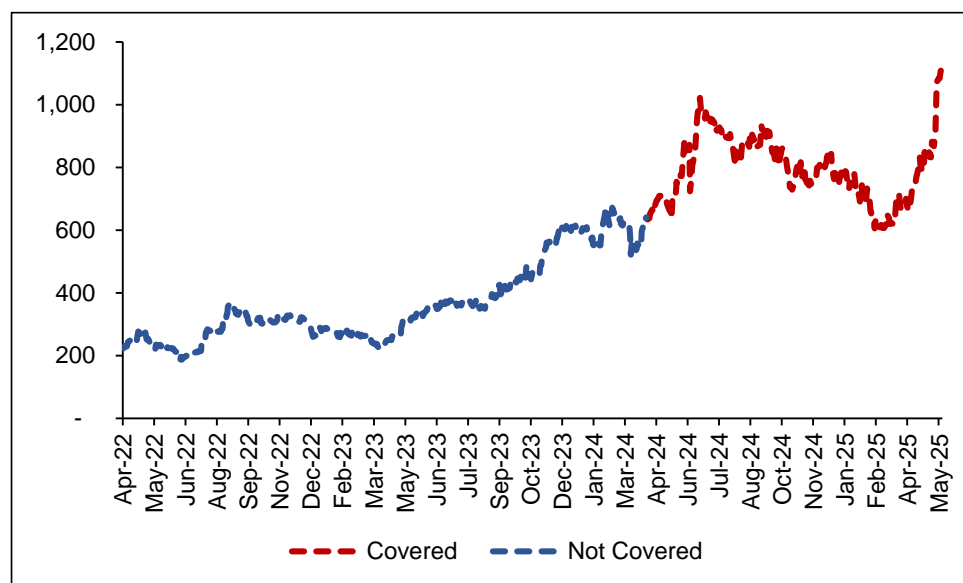
Y/E March	FY23	FY24	FY25E	FY26E	FY27E
Per share (Rs)					
Adj EPS	8.1	12.8	16.2	18.5	22.4
Book value	74.2	101.8	115.6	131.6	151.0
DPS	1.6	2.0	2.2	2.5	3.1
Valuation (x)					
P/Sales	11.6	11.4	9.8	8.2	7.0
EV/EBITDA	64.4	54.5	39.7	31.9	26.9
P/E	135.1	85.4	67.4	58.8	48.6
P/BV	14.7	10.7	9.4	8.3	7.2
Return ratios (%)					
RoCE	13.5	14.0	15.4	16.6	17.3
RoCE (pre-tax)	18.3	18.9	20.8	22.2	23.0
RoE	11.4	15.1	14.9	15.0	15.9
RoIC	15.7	16.3	17.2	20.6	24.4
Profitability ratios (%)					
Gross margin	36.4	39.9	45.1	43.4	42.8
EBITDA margin	18.1	21.1	25.6	25.7	25.9
PAT margin	8.6	13.3	14.6	13.9	14.3
Liquidity ratios (%)					
Current ratio	2.5	2.8	2.4	2.6	2.8
Quick ratio	1.3	1.7	1.5	1.8	2.0
Solvency ratio (%)					
Net Debt to Equity ratio	0.1	0.1	0.3	0.0	(0.0)
Turnover ratios					
Fixed asset turnover ratio (x)	2.5	2.6	2.6	2.6	2.7
Debtor days	109	158	224	190	185
Inventory days	295	270	260	260	240
Creditor days	36	43	51	40	42
Net Working capital days	369	385	433	410	383

Source: Company, Nirmal Bang Institutional Equities Research

Rating track

Date	Rating	Market price (Rs)	Target price (Rs)
05 April 2024	Buy	641	776
25 May 2024	Buy	800	968
18 July 2024	Hold	919	894
14 August 2024	Hold	819	887
11 October 2024	Hold	856	881
13 November 2024	Hold	782	888
10 January 2025	Hold	767	798
08 February 2025	Hold	732	750
11 April 2025	Hold	723	738
24 May 2025	Hold	1,089	1,139

Rating track graph



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BUY > 15%

HOLD -5% to 14%

SELL < -5%

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