

**CMP: INR 328**

**Rating: Buy**

**Target Price: INR 446**

**Stock Info**

BSE	532163
NSE	SAREGAMA
Bloomberg	SARE:IN
Reuters	SARE.NS
Sector	Media & Entertainment
Face Value (INR)	1
Mkt Cap (INR Mn)	63,238
52 week H/L (INR)	603/317
Avg. Yearly Volume (in ,000)	529

**Shareholding Pattern %**

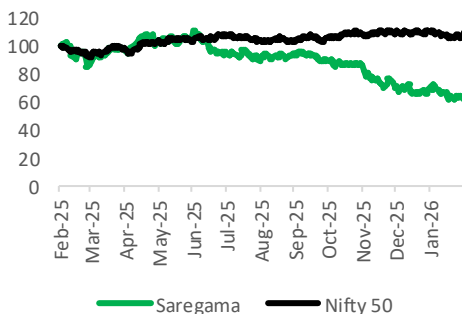
(As on Dec, 2025)

Promoters	60.39
Public & Others	39.61

**Stock Performance (%)**

	1m	6m	12m
Saregama	-8.51	-30.49	-37.46
Nifty 50	-2.28	4.06	8.38

**Saregama Vs Nifty 50**



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Saregama India's Q3FY26 revenue stood at INR 2,604 Mn, down by 46.1% YoY & up by 13.2% QoQ, below our estimate of INR 2,803 Mn. Reported EBITDA for Q3FY26 was INR 917 Mn, up by 33.4% YoY & by 8.74% QoQ, above our estimate of INR 834 Mn. The EBITDA margin expanded by 1,778 bps YoY and 534 bps QoQ to 35.2% in Q3FY26, above our estimate of 29.8%. PAT for Q3FY26 was INR 512 Mn, down by 17.8% YoY & up by 16.9% QoQ, below our estimate of INR 601 Mn due to one off exceptional item of INR 69.8 Mn (labour code impact). The PAT margin increased by 678 bps YoY and 62 bps QoQ to 19.7% in Q3FY26, below our estimate of 21.44%. The Company released 1,100+ films & non-films tracks spanning across Hindi, Bhojpuri, Punjabi, Tamil, Telugu, Malayalam, Kannada, Rajasthani languages, etc. Music releases in Q3 included major Hindi film albums such as Dhurandhar and Tu Meri Main Tera Main Tera Tu Meri, along with Kannada (The Devil), Tamil (Aan Paavam Pollathathu), and non-film hits like Zat Pat Pata Pat and Circle. The company also made a strategic minority investment in Bhansali Productions, securing exclusive access to marquee Hindi film music at a predictable, performance-linked cost structure. The Company added 60 artistes during the period, taking the total roster to 270+ artistes with an aggregate digital reach of over 300 Mn, following the acquisition of Finnet by its subsidiary, Pocket Aces.

**Investment Rationale**

**Music-led structural growth with clear visibility:** The core music business continues to offer strong visibility, supported by a steady release pipeline and resilient catalogue monetisation. Revenue growth is guided at ~18–19% in FY26, moderating from recent highs due to a higher base, before reverting to a healthier 21–23% CAGR from FY27 onwards. The absence of Airtel Wynk base impact from Q4 FY26 further cleans up reported growth. Long asset life of music IPs and multi-platform monetisation provide durability across cycles. Content investments remain disciplined with a cumulative INR 1,000 cr allocation over FY25–27. This supports sustained growth without compromising return thresholds.

**Margin stability despite business mix changes:** Adjusted EBITDA margins are guided at 30–33% over the medium term, reflecting a calibrated mix shift away from films towards music and digital IP. High-margin catalogue revenues and operating leverage in digital distribution continue to offset margin dilution from newer verticals. Near-term margin spikes are not extrapolated, indicating conservative guidance. The wind-down of film production over the next 12–15 months further reduces earnings volatility. Overall, margin guidance suggests downside protection even during investment-heavy phases.

**Disciplined capital allocation with long-term paybacks:** Content investments are governed by a strict ~5-year payback framework, followed by decades of monetisation. FY26 music capex is guided at INR 275–300 cr, with total music investments of INR 1,000 cr planned over FY25–27. Temporary moderation in FY26 spend reflects film release deferrals rather than any structural slowdown. The Bhansali Productions partnership enhances capital efficiency by securing marquee content at pre-agreed costs. Cash deployment into core IPs rather than treasury income reflects confidence in long-term IRRs. This disciplined approach supports value-accretive growth.

**Scaling of other businesses with limited downside:** Other businesses including artist management, events, and Pocket Aces are scaling gradually with controlled risk. Artist management is guided to grow at ~25% CAGR, supported by a growing roster of ~270 artists and a combined reach of 300+ mn followers. Events operate on a capital-light model with high IRRs and limited working capital exposure. Pocket Aces is expected to turn EBITDA break-even in FY26, reducing drag on consolidated profitability. These verticals enhance monetisation depth without materially diluting margins. Contribution is expected to rise steadily rather than drive near-term volatility.

**Outlook and Valuation:** The medium-term outlook remains constructive with improving visibility in the core music business. Music revenue growth is expected to moderate to ~18–19% in FY26 due to a higher base, before reverting to a healthier 21–23% CAGR from FY27 onwards, driven by a strong release pipeline, steady catalogue monetisation, and a clean base post the Airtel Wynk disruption. Margins are likely to normalise rather than expand, with 30–33% adjusted EBITDA seen as a sustainable range despite periodic quarterly spikes. Content investments of INR 275–300 cr in FY26 and INR 1,000 cr over FY25–27 remain central to the growth strategy, supported by strict payback discipline. Other businesses including artist management, events, and Pocket Aces are expected to scale gradually, with Pocket Aces turning EBITDA break-even in FY26, supporting incremental profitability and cash generation. Overall, the outlook implies stable growth with controlled capital deployment, while subscription-led monetisation and improved platform pricing remain key medium-term upside levers. **We expect Saregama's revenue, EBITDA, and PAT to grow at a CAGR of 15.79%, 22.53%, and 24.04%, respectively, over FY26-28E and arrive at a revised TP of INR 446 per share. Accordingly, we maintain a "BUY" rating on the stock.**

Exhibit 1: Financial Performance

Year-end March	(INR Mn)	Net Sales	EBITDA	PAT	EPS (INR)	EBITDA Margin (%)	EV/EBITDA	P/E (x)
FY25		11,714	2,770	2,058	10.7	23.6%	29.5	42.3
FY26E		11,811	3,259	2,258	11.7	27.6%	25.1	38.6
FY27E		13,455	3,849	2,669	13.8	28.6%	20.8	32.7
FY28E		15,727	4,703	3,237	16.8	29.9%	16.6	26.9

## Exhibit 2: Q3FY26 - Quarterly Performance (Consolidated)

Consolidated (INRMn)	Q3FY26	Q2FY26	Q3FY25	QoQ%	YoY%
<b>Net sales</b>	<b>2603.8</b>	<b>2300.3</b>	<b>4834.3</b>	<b>13.2%</b>	<b>-46.1%</b>
COGS	801.3	799.5	3118.4	0.2%	-74.3%
<b>GP</b>	<b>1802.5</b>	<b>1500.8</b>	<b>1715.9</b>	<b>20.1%</b>	<b>5.0%</b>
<b>GP Margin (%)</b>	<b>69.23%</b>	<b>65.24%</b>	<b>35.49%</b>	<b>398bps</b>	<b>3373bps</b>
Employees benefits expense	273.0	295.8	266.8	<b>-7.7%</b>	<b>2.3%</b>
Advertisement and sales promotion	229.4	122.0	210.7	88.0%	8.9%
Royalty expense	179.8	189.4	186.1	-5.1%	-3.4%
Other expenses	202.9	205.9	208.6	-1.5%	-2.7%
<b>EBITDA</b>	<b>917.4</b>	<b>687.7</b>	<b>843.7</b>	<b>33.4%</b>	<b>8.7%</b>
EBITDA Margin (%)	35.23%	29.90%	17.45%	534bps	1778bps
Depreciation and amortisation expense	213.9	190.1	152.4	12.5%	40.4%
<b>EBIT</b>	<b>703.5</b>	<b>497.6</b>	<b>691.3</b>	<b>41.4%</b>	<b>1.8%</b>
<b>EBIT margin (%)</b>	<b>27.0%</b>	<b>21.6%</b>	<b>14.3%</b>	<b>539bps</b>	<b>1272bps</b>
Other Income	74.2	<b>114.7</b>	<b>157.1</b>	-35.3%	-52.8%
Finance Cost	12.7	<b>11.3</b>	<b>3.9</b>	12.4%	225.6%
<b>PBT</b>	<b>695.2</b>	<b>601.0</b>	<b>844.5</b>	<b>15.7%</b>	<b>-17.7%</b>
Tax	182.8	162.7	221.1	12.4%	-17.3%
<b>Reported PAT</b>	<b>512.4</b>	<b>438.3</b>	<b>623.4</b>	<b>16.9%</b>	<b>-17.8%</b>
<b>PAT Margin (%)</b>	<b>19.7%</b>	<b>19.1%</b>	<b>12.9%</b>	<b>62bps</b>	<b>678bps</b>
EPS	2.7	2.3	3.2	<b>17.1%</b>	<b>-17.4%</b>

	Q3FY26	Q2FY26	Q3FY25	QoQ(bps)	YoY(bps)
RMC/Sales	30.77%	34.76%	64.51%	-398bps	-3373bps
Employee exp/Sales	10.48%	12.86%	5.52%	-237bps	497bps
Advertisement and sales/Sales	8.81%	5.30%	4.36%	351bps	445bps
Royalty expenses/Sales	6.91%	8.23%	3.85%	-133bps	306bps
Other exp/Sales	7.79%	8.95%	4.31%	-116bps	348bps

Music	Q3FY26	Q2FY26	Q3FY25	QoQ(bps)	YoY(bps)
Music - Licensing + Artist Mgmt	2,038	1653	1,577	23.3%	29.2%
Music - Retail	157	207	225	-24.2%	-30.2%
Total Music	2195	1860	1,802	18.0%	21.8%

**Saregama India- Q3FY26 Concall KTAs**

Music revenues grew 29% YoY in Q3 FY26 and ~18% YoY over 9M FY26. Management expects FY26 music growth of ~18–19%, with a return to 21–23% CAGR from FY27 onwards.

**Pipeline:** The company released ~1,100 original and premium recreations across Hindi and multiple regional languages. FY26 music content investment guidance was revised down to INR 275–300 cr due to film release deferrals, while the cumulative INR 1,000 cr investment plan over FY25–27 remains unchanged.

**Strategy:** Saregama acquired a minority stake in Bhansali Productions with valuation linked to average financial performance over the next 3 years. The deal provides exclusive access to all Bhansali Productions music at pre-agreed pricing, reducing bidding risk and improving cost visibility.

**Margins:** Adjusted EBITDA guidance was reiterated at 30–33% on a medium-to-long-term basis. Management highlighted that quarterly EBITDA margins including 46% in Q3 are not sustainable indicators due to content timing and business mix volatility.

**Monetisation:** YouTube revenues grew in line with internal expectations. Management reiterated that the 21–23% music growth guidance excludes any benefit from paid subscription acceleration, implying upside optionality.

**Artists:** The artist management vertical added 60 artists in Q3, taking the total to 270 artists, with a combined digital reach of 300+ mn followers/subscribers across platforms. The segment is expected to grow at 25% CAGR.

**PocketAces:** Pocket Aces is expected to turn EBITDA break-even in FY26 compared to a INR 10 cr loss earlier and is guided to grow at 25% CAGR over the medium term. Strong marketing synergies supporting music discovery and hit rates.

**Events:** Live events profitability in Q3 was supported by Diljit Dosanjh and Himesh Reshammiya shows, along with stand-up comedy events. Management targets high single-digit steady-state EBITDA margins, with capital typically deployed for 15–30 days, resulting in high IRR.

**Films:** The in-house film production business will be wound down over 12–15 months. Existing projects will be released, while focus shifts to short- and medium-format video content for digital and TV platforms.

**Discipline:** New music content continues to be evaluated on a 5-year payback period, followed by 55–75 years of monetisation, reinforcing long-term IP economics.

**Technology:** Use of GenAI tools has reduced music video creation timelines from 10–15 days earlier to <3 days currently, with management targeting 1–1.5 days over the next year, materially reducing cost and time-to-market.

**Headwinds:** Q3 FY26 marked the final quarter of residual Airtel Wynk impact from Q4 onwards, growth will fully reflect organic demand without base distortion.

**Pricing:** Recent blockbuster albums with 11 songs from one film entering Spotify India charts and #1 positions on Spotify India and YouTube Global have strengthened Saregama's negotiating leverage, particularly on fixed-fee platform contracts.

**Subscriptions:** Management estimates long-term potential of 100 mn paid music subscribers in India at INR 90–100 monthly ARPU though this is not factored into current guidance.

**Cashflow:** The events business currently has only INR 15 cr capital employed, with several events executed on advance collections, resulting in low or positive working capital cycles.

**Brands:** A newly formed brand partnerships vertical signed brands including Hero, OpenAI, Gujarat Tourism, KaratLane, Fogg among others, adding incremental monetisation channels beyond licensing.

**Video:** While films are being exited, short-form digital content and TV web series remain stable and profitable improving consolidated margin visibility.

**Carvaan:** Carvaan strategy has shifted from topline growth to profitability and cash generation, reducing earnings volatility and margin drag.

**Capital:** Lower other income reflects deployment of surplus cash into content investments rather than treasury instruments, signalling confidence in long-term IRRs.

**DCF Valuation**

Valuation Assumptions		WACC	
g (World Economic Growth)	5%	We	100.0%
Rf	7%	Wd	0.0%
Rm	12%	Ke	11.16%
Beta	0.8	Kd	7.88%
CMP (INR)	328	<b>WACC</b>	<b>11.16%</b>

**Valuation Data**

Total Debt (long term borrowings) (2025)	27
Cash & Cash Equivalents (2025)	5,437
Number of Diluted Shares (2025)	193
Tax Rate (2025)	25%
Interest Expense Rate (FY25)	11%
MV of Equity	63,238
Total Debt	27
<b>Total Capital</b>	<b>63,265</b>

FCFF & Target Price												
FCFF & Target Price	Explicit Forecast Period						Linear Decline Phase					Terminal Yr
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
EBIT * (1-Tax Rate)	1,730	2,051	2,505	3,006	3,543	4,100	4,656	5,188	5,669	6,074	6,378	6,697
Dep	803	1,113	1,327	1,540	1,871	2,146	2,427	2,720	2,965	3,176	3,338	3,503
Purchase of Assets	804	808	875	962	1,063	1,107	1,257	1,297	1,191	1,215	1,212	1,239
Changes in Working Capital	-940	-340	-443	-515	-607	-710	-800	-893	-977	-1,046	-1,098	-1,154
FCFF	2,669	2,697	3,400	4,099	4,959	5,848	6,626	7,504	8,421	9,081	9,603	10,114
% Growth in Post Tax EBIT		18.58%	22.14%	19.99%	17.85%	15.71%	13.57%	11.43%	9.28%	7.14%	5.00%	5.00%
As % of Post Tax EBIT												
Dep	46.39%	54.28%	52.97%	51.22%	52.82%	52.34%	52.12%	52.43%	52.30%	52.28%	52.34%	52.31%
Purchase of Assets	46.45%	39.38%	34.94%	32.00%	30.00%	27.00%	27.00%	25.00%	21.00%	20.00%	19.00%	18.50%
Changes in Working Capital	-54.36%	-16.58%	-17.68%	-17.13%	-17.13%	-17.31%	-17.19%	-17.21%	-17.24%	-17.21%	-17.22%	-17.22%
FCFF	2,669	2,697	3,400	4,099	4,959	5,848	6,626	7,504	8,421	9,081	9,603	10,114
Terminal Value												1,64,233
<b>Total Cash Flow</b>	<b>2,669</b>	<b>2,697</b>	<b>3,400</b>	<b>4,099</b>	<b>4,959</b>	<b>5,848</b>	<b>6,626</b>	<b>7,504</b>	<b>8,421</b>	<b>9,081</b>	<b>9,603</b>	<b>1,74,347</b>

Enterprise Value (EV)	80,536
Less: Debt	27
Add: Cash	5,437
<b>Equity Value</b>	<b>85,946</b>

**Equity Value per share (INR)** **446**

**% Returns** **35.9%**

**Rating** **BUY**

WACC (%)	446	Terminal Growth (%)							
		4.25%	4.50%	4.75%	5.00%	5.25%	5.50%	5.75%	6.00%
10.41%	462	477	493	510	529	550	574	599	
10.66%	443	457	471	487	504	523	543	566	
10.91%	426	438	<b>451</b>	465	481	498	516	537	
11.16%	410	421	433	<b>446</b>	460	475	492	510	
11.41%	395	405	416	428	<b>440</b>	454	469	486	
11.66%	381	390	400	411	422	<b>435</b>	449	463	
11.91%	367	376	385	395	406	417	430	443	
12.16%	355	363	372	381	391	401	412	425	

Key Financials

Income statement (INR mn)						
Year End-March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Gross Sales	7,366	8,030	11,714	10,045	11,541	13,467
<b>Net Sales</b>	<b>7,366</b>	<b>8,030</b>	<b>11,714</b>	<b>10,045</b>	<b>11,541</b>	<b>13,467</b>
YoY (%)	26.86%	9.01%	45.87%	-14.25%	14.89%	16.69%
<b>Adjusted COGS</b>	<b>2,250</b>	<b>2,320</b>	<b>5,431</b>	<b>3,351</b>	<b>3,783</b>	<b>4,412</b>
YoY (%)	57.25%	3.11%	134.05%	-38.29%	12.87%	16.64%
<b>Personnel/ Employee benefit expenses</b>	<b>750</b>	<b>932</b>	<b>1,075</b>	<b>1,125</b>	<b>1,241</b>	<b>1,408</b>
Advertisement and sales promotion	775	760	904	766	826	910
Royalty expense	643	613	683	749	825	909
<i>Manufacturing &amp; Other Expenses</i>	<i>737</i>	<i>940</i>	<i>851</i>	<i>945</i>	<i>1,017</i>	<i>1,160</i>
<b>Total Expenditure</b>	<b>5,156</b>	<b>5,565</b>	<b>8,944</b>	<b>6,936</b>	<b>7,692</b>	<b>8,799</b>
YoY (%)	18.09%	11.58%	12.35%	12.25%	23.78%	21.29%
<b>EBITDA</b>	<b>2,210</b>	<b>2,466</b>	<b>2,770</b>	<b>3,109</b>	<b>3,848</b>	<b>4,668</b>
YoY (%)	18.09%	11.58%	12.35%	12.25%	23.78%	21.29%
<b>EBITDA Margin (%)</b>	<b>30.00%</b>	<b>30.70%</b>	<b>23.65%</b>	<b>30.95%</b>	<b>33.35%</b>	<b>34.66%</b>
Depreciation	208	362	582	803	1,113	1,327
% of Gross Block	5.38%	4.39%	5.89%	6.72%	7.86%	7.91%
<b>EBIT</b>	<b>2,002</b>	<b>2,104</b>	<b>2,188</b>	<b>2,307</b>	<b>2,735</b>	<b>3,340</b>
<b>EBIT Margin (%)</b>	<b>27.17%</b>	<b>26.20%</b>	<b>18.68%</b>	<b>22.96%</b>	<b>23.70%</b>	<b>24.81%</b>
Interest Expenses	57	32	57	55	52	49
Non-operating/ Other income	536	637	581	472	519	571
<b>PBT</b>	<b>2,481</b>	<b>2,708</b>	<b>2,711</b>	<b>2,654</b>	<b>3,202</b>	<b>3,862</b>
Tax-Total	630	732	653	720	818	886
<b>Profit After Tax</b>	<b>1,850</b>	<b>1,976</b>	<b>2,058</b>	<b>1,934</b>	<b>2,385</b>	<b>2,976</b>
PAT Margin	25.12%	24.60%	17.57%	19.26%	20.66%	22.10%
Shares o/s/ paid up equity sh capital	193	193	193	193	193	193
Adj EPS	10	10	11	10	12	15
Dividend per share	3	4	5	5	6	6
Dividend payout (%)	31.26%	39.04%	42.15%	49.84%	44.47%	35.63%
<b>Retained earnings</b>	<b>1,272</b>	<b>1,204</b>	<b>1,191</b>	<b>970</b>	<b>1,324</b>	<b>1,916</b>

Balance sheet						
Year-end March	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Sources of Funds</b>						
Equity Share Capital	193	193	193	193	193	193
Reserves & Surplus/ Other Equity	13,262	14,533	15,675	17,609	19,994	22,970
<b>Networth</b>	<b>13,455</b>	<b>14,726</b>	<b>15,868</b>	<b>17,802</b>	<b>20,186</b>	<b>23,162</b>
Unsecured Loans/ Borrowings/ Lease Liabilities	15	38	27	38	39	40
Other Liabilities	1,947	1,797	2,708	3,005	3,546	4,250
<b>Total Liabilities</b>	<b>3,586</b>	<b>5,612</b>	<b>5,084</b>	<b>5,543</b>	<b>6,189</b>	<b>7,125</b>
<b>Total Funds Employed</b>	<b>17,041</b>	<b>20,338</b>	<b>20,952</b>	<b>23,345</b>	<b>26,375</b>	<b>30,287</b>
<b>Application of Funds</b>						
<b>Net Fixed Assets</b>	<b>3,418</b>	<b>7,478</b>	<b>8,346</b>	<b>9,740</b>	<b>11,059</b>	<b>12,643</b>
Investments/ Notes/ Fair value measurement	3,491	1,817	1,691	2,082	2,580	3,214
<b>Current assets</b>	<b>12,520</b>	<b>12,221</b>	<b>12,027</b>	<b>12,968</b>	<b>14,616</b>	<b>16,873</b>
Inventory	1,643	2,393	2,402	1,596	1,645	1,801
Days	219	317	159	174	159	149
Debtors	1,480	1,587	1,432	1,732	1,956	2,244
Days	63	70	65	63	62	61
Other Current Assets	1,928	1,642	1,644	1,723	1,809	1,902
Cash and Cash equivalent	5,083	5,421	5,437	6,472	7,327	8,483
<b>Current Liabilities/Provisions</b>	<b>3,080</b>	<b>2,969</b>	<b>4,184</b>	<b>4,679</b>	<b>5,355</b>	<b>6,309</b>
Creditors / Trade Payables	703	934	1,276	1,358	1,390	1,543
Days	54	62	59	64	66	65
Liabilities	922	738	765	801	840	880
<b>Net Current Assets</b>	<b>9,441</b>	<b>9,252</b>	<b>7,843</b>	<b>8,290</b>	<b>9,261</b>	<b>10,565</b>
<b>Total Asset</b>	<b>17,041</b>	<b>20,338</b>	<b>20,952</b>	<b>23,345</b>	<b>26,375</b>	<b>30,287</b>
<b>Total Capital Employed</b>	<b>7,600</b>	<b>11,086</b>	<b>13,109</b>	<b>15,055</b>	<b>17,114</b>	<b>19,722</b>

Key Financials

Cash Flow Statement						
Year End-March	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Profit After tax</b>	<b>2,481</b>	<b>2,708</b>	<b>2,711</b>	<b>2,654</b>	<b>3,202</b>	<b>3,862</b>
<b>Adjustments: Add</b>						
Depreciation and amortisation	208	362	582	803	1,113	1,327
Interest adjustment	-479	-604	-523	-417	-467	-522
<b>Change in assets and liabilities</b>	<b>2,158</b>	<b>2,504</b>	<b>2,985</b>	<b>3,284</b>	<b>4,091</b>	<b>4,842</b>
Inventories	-588	-750	-10	806	-49	-156
Trade receivables	-402	-108	155	-300	-224	-288
Trade payables	57	231	342	83	32	154
Other Liabilities and provisions	545	-184	865	375	607	760
Other Assets	-207	218	54	-24	-25	-26
Taxes	-135	116	-94	-114	-106	-100
<b>Net cash from operating activities</b>	<b>1,429</b>	<b>2,044</b>	<b>4,281</b>	<b>4,110</b>	<b>4,326</b>	<b>5,185</b>
Net Sale/(Purchase) of tangible and in tangible assets, Capital work in progress	-831	-4,422	-1,450	-2,197	-2,432	-2,912
Net Sale/(Purchase) of investments	4,373	1,211	65	-334	-434	-564
Others	-255	1,100	641	414	455	501
<b>Net cash (used) in investing activities</b>	<b>3,286</b>	<b>-2,111</b>	<b>-744</b>	<b>-2,116</b>	<b>-2,410</b>	<b>-2,975</b>
Interest expense	-39	88	19	-8	-20	-22
Dividend paid	-578	-771	-868	-964	-1,060	-1,060
Other financing activities	-2,253	-1,001	-892	-18	-13	-9
<b>Net cash (used) in financing activities</b>	<b>-2,870</b>	<b>406</b>	<b>-3,521</b>	<b>-959</b>	<b>-1,060</b>	<b>-1,054</b>
<b>Closing Balance</b>	<b>5,083</b>	<b>5,421</b>	<b>5,437</b>	<b>6,472</b>	<b>7,327</b>	<b>8,483</b>
<b>FCF</b>	<b>1,155</b>	<b>1,650</b>	<b>3,715</b>	<b>2,985</b>	<b>2,897</b>	<b>3,519</b>
Capex (% of sales)	14.11%	12.00%	8.00%	8.00%	7.00%	6.50%

Key Ratios						
Year-end March	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Solvency Ratios</b>						
Debt / Equity	-	-	-	-	-	-
Net Debt / Equity	-0.38	-0.36	-0.34	-0.36	-0.36	-0.36
Debt / EBITDA	0.00	0.02	0.01	0.01	0.01	0.01
Current Ratio	-2.30	-2.18	-1.95	-2.07	-1.89	-1.81
<b>DuPont Analysis</b>						
Sales/Assets	0.43	0.39	0.56	0.43	0.44	0.44
Assets/Equity	1.27	1.38	1.32	1.31	1.31	1.31
RoE	13.75%	13.42%	12.87%	10.87%	11.81%	12.85%
<b>Per share ratios</b>						
Reported EPS	9.60	10.25	10.59	10.03	12.37	15.44
Dividend per share	3.00	4.00	4.50	5.00	5.50	5.50
BV per share	69.78	76.37	82.30	92.33	104.70	120.14
Cash per Share	8.54	11.19	11.03	13.27	15.00	17.26
Revenue per Share	38.20	41.65	60.76	52.10	59.86	69.85
<b>Profitability ratios</b>						
Net Profit Margin (PAT/Net sales)	25.12%	24.60%	17.44%	19.26%	20.66%	22.10%
Gross Profit / Net Sales	69.45%	71.10%	53.64%	66.64%	67.23%	67.24%
EBITDA / Net Sales	30.00%	30.70%	23.65%	30.95%	33.35%	34.66%
EBIT / Net Sales	27.17%	26.20%	18.68%	22.96%	23.70%	24.81%
ROCE (%)	14.34%	12.11%	13.05%	12.36%	13.01%	13.93%
<b>Activity ratios</b>						
Inventory Days	218.71	317.37	158.70	173.81	158.70	148.98
Debtor Days	63.37	69.71	65.18	62.93	61.86	60.83
Creditor Days	53.85	62.03	58.87	64.04	66.36	65.18
<b>Leverage ratios</b>						
Interest coverage	35.02	64.93	38.11	42.30	52.80	67.88
Debt / Asset	0.0	0.0	0.0	0.0	0.0	0.0
<b>Valuation ratios</b>						
EV / EBITDA	26.32	23.47	20.88	18.27	14.54	11.74
PE (x)	34.18	32.01	30.96	32.69	26.52	21.25
OCF/EBITDA (%)	64.67	82.89	154.00	132.20	112.40	111.09

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

### Absolute Return

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