

# K.P.R. Mill (KPR IN)

**Q2FY27 Result Update**

October 29, 2026

☒ Estimate Change | ☒ Target | ☒ Reco.

## Change in Estimates

|                 | Current |        | Previous   |        |
|-----------------|---------|--------|------------|--------|
|                 | FY28E   | FY29E  | FY28E      | FY29E  |
| Rating          | BUY     |        | Accumulate |        |
| Target Price    | 1,289   |        | 1,259      |        |
| Sales (INR mn)  | 84,311  | 92,295 | 83,772     | 91,781 |
| % Chng.         | 0.6     | 0.6    |            |        |
| EBITDA (INR mn) | 16,444  | 19,198 | 16,309     | 19,077 |
| % Chng.         | 0.8     | 0.6    |            |        |
| EPS (INR)       | 32.3    | 37.9   | 31.2       | 36.8   |
| % Chng.         | 3.5     | 3.0    |            |        |

## Key Data

KPRM.BO | KPR IN

|                     |                          |
|---------------------|--------------------------|
| BSE Code            | 532889                   |
| NSE Code            | INE930H01031             |
| 52-W High / Low     | INR 1,334 / INR 796      |
| Face Value          | 1                        |
| Sensex / Nifty      | 74,151 / 22,937          |
| Market Cap          | INR 370 bn / \$ 3,885 mn |
| Shares Outstanding  | 341.81 mn                |
| 3M Avg. Daily Value | INR 298.22 mn            |

## Shareholding Pattern (%)

|                            |       |
|----------------------------|-------|
| Promoters                  | 67.52 |
| FII's                      | 7.01  |
| Mutual Funds               | 17.68 |
| Domestic Institutions      | 1.47  |
| Public & Others            | 6.32  |
| Promoter's Pledge (INR bn) | -     |

## Stock Performance (%)

|          | 1M    | 3M  | 6M   | 12M  |
|----------|-------|-----|------|------|
| Absolute | 0.1   | 2.1 | 16.7 | 0.2  |
| Relative | (2.1) | 6.9 | 22.0 | 14.9 |

## Key Financials - Consolidated

| Y/e Mar             | FY26    | FY27E   | FY28E   | FY29E   |
|---------------------|---------|---------|---------|---------|
| Sales (INR mn)      | 66,504  | 76,354  | 84,311  | 92,295  |
| EBITDA (INR mn)     | 12,673  | 16,271  | 16,444  | 19,198  |
| Margin (%)          | 19.1    | 21.3    | 19.5    | 20.8    |
| PAT (INR mn)        | 8,665   | 11,078  | 11,056  | 12,970  |
| EV (INR mn)         | 361,719 | 360,721 | 356,859 | 348,701 |
| Total Debt (INR mn) | 5,961   | 5,961   | 5,961   | 5,961   |
| C&C Eq. (INR mn)    | 13,683  | 14,681  | 18,543  | 26,701  |
| EPS (INR)           | 25.4    | 32.4    | 32.3    | 37.9    |
| Gr. (%)             | 6.3     | 27.9    | (0.2)   | 17.3    |
| DPS (INR)           | 5.0     | 5.0     | 5.0     | 5.0     |
| Yield (%)           | 0.5     | 0.5     | 0.5     | 0.5     |
| RoE (%)             | 16.2    | 18.0    | 15.6    | 15.9    |
| RoCE (%)            | 17.9    | 20.7    | 17.9    | 18.7    |
| EV/Sales (x)        | 5.4     | 4.7     | 4.2     | 3.8     |
| EV/EBITDA (x)       | 28.5    | 22.2    | 21.7    | 18.2    |
| PE (x)              | 42.7    | 33.4    | 33.5    | 28.5    |
| P/BV (x)            | 6.5     | 5.6     | 4.9     | 4.3     |

## Realization driven revenue and EBITDA growth

### Quick Pointers

- All round revenue growth despite limited volume growth in textiles
- Strong beat on EBITDA margins, as realisations soar

KPR reported a strong set of numbers, with revenue growing 18.9% YoY to INR19,397mn, led by robust performance across segments. The company reported EBITDA margin of 25.7%, beating our estimate of 20.0%, and a remarkable 6.4% improvement over Q2FY26. The EBITDA margin improvement primarily reflects improved realizations with gross margin improving by ~500bps. For the first half of FY27, the revenue grew by 14% YoY, and the EBITDA margin stood at 23.0%. The garments volumes during the H127 reached ~90mn pieces (Q2FY27 40.8mn), compared to ~89mn pieces (Q2FY26 39.2mn) in the similar period last year.

Textiles revenue grew 16.6% YoY with 20.7% growth in Yarn and Fabric, and 11% growth in garment revenue. The growth was largely realization driven as Yarn and Fabric volume growth was limited to ~2.4%, and garments volumes grew by ~4.0%. Textiles EBIT margin expanded 606bps YoY to 24.9%. Sugar and Ethanol revenue grew 26.9% and 20.5% YoY, respectively, driven by volume growth of 10.2% in Sugar and 24.9% in Ethanol. Sugar realizations increased 15.2% YoY and 18.0% QoQ to INR45.1/kg.

Given the better-than-expected performance during the quarter, we revise our FY27E revenue/EBITDA/PAT by 2.3%/10.0%/13.4%. However, this performance was primarily led by realization gain, which may cool down over the next few quarters and we await more clarity on the sustainability of margins. Additionally, given the expected ramp up costs for planned expansion, we expect the margins to moderate in FY28E. Accordingly, while we have marginally revised our revenue estimates for FY28E/29E, our margin expectations remain broadly unchanged. We expect KPR's revenue/EBITDA/PAT to grow 11.5%/14.8%/14.4% over FY26-FY29E. Following a recent correction in the share price, we upgrade our rating to 'BUY' from 'Accumulate', with an SoTP-based target price of INR1,289.

**Textiles recorded a strong growth of 16.6% YoY:** Textiles revenue stood at INR14,787mn growing 16.6% YoY led by 20.7% YoY revenue growth in Yarn and Fabric to INR5,840mn. Despite volumes growing modest 2.4% and reaching 19,035MT, Yarn and Fabric delivered a strong performance likely supported by elevated yarn spreads. Garment revenue grew 11.1% YoY to INR8,120bn, driven by 4.0% volume growth to 40.8mn pieces and improved realizations of INR199/pc (vs. INR186/pc in Q1FY26). Textiles EBIT margin expanded 606bps YoY to 24.9%, driven by higher realizations across businesses.

### Quarter Summary

| Y/e Mar            | Q2'27E | Q2'27A | % Var.  | Q2'26A | YoY gr. (%) |
|--------------------|--------|--------|---------|--------|-------------|
| Net Sales (INR mn) | 18,279 | 19,397 | 6.1     | 16,320 | 18.9        |
| EBITDA (INR mn)    | 3,656  | 4,977  | 36.1    | 3,142  | 58.4        |
| Margin (%)         | 20.0   | 25.7   | 566 bps | 19.3   | 640 bps     |
| PAT (INR mn)       | 2,421  | 3,450  | 42.5    | 2,180  | 58.2        |

Source: Company, PL

**Sugar and Ethanol revenue grew 24.0% YoY:** Sugar revenue grew 26.9% YoY to INR2,310mn, driven by 10.2% volume growth and a 15.2% increase in realizations. Volumes stood at 51,181MT, with realizations of INR45.1/kg. Ethanol revenue increased 20.5% YoY to INR1,880mn, supported by 24.9% volume growth to 320 lakh litres, with realizations at INR58.7/litre. Sugar EBIT margin expanded to 16.8% from 5.9% in Q1FY26, driven by higher realizations and strong volume growth.

**Strong EBITDA growth of 58.4%; Margins hit a 16 quarter high:** EBITDA stood at INR4,977mn, with margins expanding 640bps YoY to 25.7%. The improvement was driven by strong volume growth across the textiles and sugar businesses, coupled with higher realizations. Gross margin expansion of 490bps further supported EBITDA margin expansion.

**Focus on capacity expansion and sustainability of margins going ahead:** The EBITDA performance during the quarter was a strong beat on our and street estimates. While the improvement appears to be driven by realizations prima facie, sustainability of these margins will be a key monitorable going ahead. Also, the company's garment volume growth is constrained by the capacity. KPR has already announced a INR12.3bn capex plan (revenue potential of INR20bn) which will increase the current garmenting capacity to ~250mn pieces per annum (from ~204mn pieces), along with improvement in upstream capacities. Execution of these capex projects will be a key growth lever in the medium term.

#### Exhibit 1: Quarterly Estimates

| (INR mn)   | Q1FY27 | YoY gr. (%) | Q2FY27 | YoY gr. (%) | Q3FY27E | YoY gr. (%) | Q4FY27E | YoY gr. (%) |
|------------|--------|-------------|--------|-------------|---------|-------------|---------|-------------|
| Sales      | 19,355 | 9.6%        | 19,397 | 18.9%       | 17,462  | 19.0%       | 20,140  | 12.8%       |
| EBITDA     | 3,748  | 58.4%       | 4,977  | 58.4%       | 3,562   | 21.0%       | 3,983   | 14.4%       |
| Margin (%) | 19.4%  |             | 25.7%  |             | 20.4%   |             | 19.8%   |             |
| Adj. PAT   | 2,585  | 21.6%       | 3,450  | 58.2%       | 2,362   | 13.2%       | 2,682   | 18.0%       |

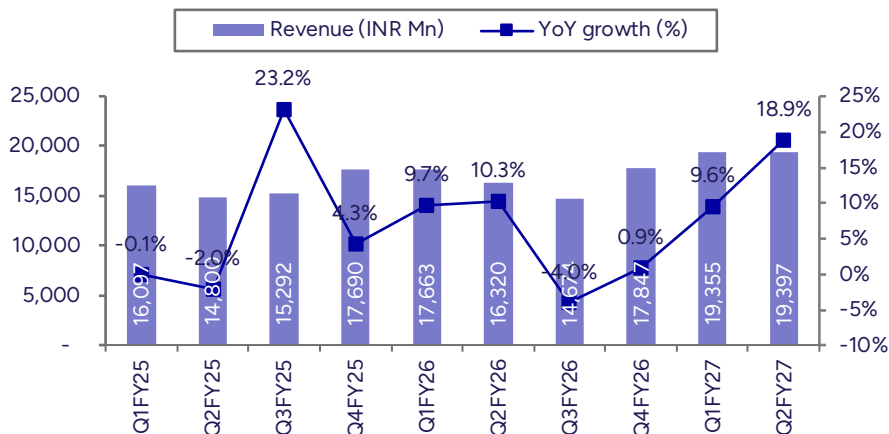
Source: Company, PL

#### Exhibit 2: Q2FY27 Result overview

| Y/e March (INR Mn)        | Q2FY27       | Q2FY26       | YoY gr (%)  | Q2FY27E      | % Var       | Q1FY27       | QoQ gr (%)  | H1FY27       | H1FY26       | YoY gr (%)  |
|---------------------------|--------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|--------------|-------------|
| Revenue from Operations   | 19,397       | 16,320       | 18.9        | 18,279       | 6.1         | 19,355       | 0.2         | 38,753       | 33,983       | 14.0        |
| COGS                      | 10,777       | 9,867        | 9.2         | 10,967       | (1.7)       | 11,479       | (6.1)       | 22,256       | 21,182       | 5.1         |
| % of Net sales            | 55.6         | 60.5         | (4.9)       | 60.0         | (4.4)       | 59.3         | (3.7)       | 57.4         | 62.3         | (4.9)       |
| Employee Benefit Expenses | 2,153        | 1,963        | 9.7         | 2,193        | (1.8)       | 2,437        | (11.6)      | 4,591        | 3,848        | 19.3        |
| % of Net sales            | 11.1         | 12.0         | (0.9)       | 12.0         | (0.9)       | 12.6         | (1.5)       | 11.8         | 11.3         | 0.5         |
| Other Expenses            | 1,490        | 1,349        | 10.5        | 1,462        | 1.9         | 1,691        | (11.9)      | 3,181        | 2,708        | 17.5        |
| % of Net sales            | 7.7          | 8.3          | (0.6)       | 8.0          | (0.3)       | 8.7          | (1.1)       | 8.2          | 8.0          | 0.2         |
| Total Expenditure         | 14,421       | 13,178       | 9.4         | 14,623       | (1.4)       | 15,607       | (7.6)       | 30,027       | 27,738       | 8.3         |
| <b>EBITDA</b>             | <b>4,977</b> | <b>3,142</b> | <b>58.4</b> | <b>3,656</b> | <b>36.1</b> | <b>3,748</b> | <b>32.8</b> | <b>8,725</b> | <b>6,245</b> | <b>39.7</b> |
| Margin (%)                | 25.7         | 19.3         | -           | 20.0         | -           | 19.4         | -           | 22.5         | 18.4         | -           |
| Depreciation              | 557          | 538          | 3.4         | 560          | (0.7)       | 565          | (1.5)       | 1,121        | 1,071        | 4.8         |
| <b>EBIT</b>               | <b>4,420</b> | <b>2,604</b> | <b>69.7</b> | <b>3,096</b> | <b>42.8</b> | <b>3,184</b> | <b>38.9</b> | <b>7,604</b> | <b>5,174</b> | <b>47.0</b> |
| Finance cost              | 118          | 122          | (3.8)       | 151          | (22.2)      | 145          | (19.0)      | 263          | 261          | 0.6         |
| Other Income              | 491          | 239          | 105.3       | 284          | 73.1        | 347          | 41.4        | 839          | 599          | 40.0        |
| <b>PBT</b>                | <b>4,794</b> | <b>2,721</b> | <b>76.2</b> | <b>3,228</b> | <b>48.5</b> | <b>3,386</b> | <b>41.6</b> | <b>8,180</b> | <b>5,512</b> | <b>48.4</b> |
| Exception Items           | -            | -            | -           | -            | -           | -            | -           | -            | -            | -           |
| <b>PBT (After EO)</b>     | <b>4,794</b> | <b>2,721</b> | <b>76.2</b> | <b>3,228</b> | <b>48.5</b> | <b>3,386</b> | <b>41.6</b> | <b>8,180</b> | <b>5,512</b> | <b>48.4</b> |
| Tax                       | 1,344        | 541          | 148.5       | 807          | 66.5        | 800          | 67.9        | 2,144        | 1,205        | 78.0        |
| Tax rate (%)              | 28.0         | 19.9         | -           | 25.0         | -           | 23.6         | -           | 26.2         | 21.9         | -           |
| <b>Reported PAT</b>       | <b>3,450</b> | <b>2,180</b> | <b>58.2</b> | <b>2,421</b> | <b>42.5</b> | <b>2,585</b> | <b>33.4</b> | <b>6,035</b> | <b>4,307</b> | <b>40.1</b> |

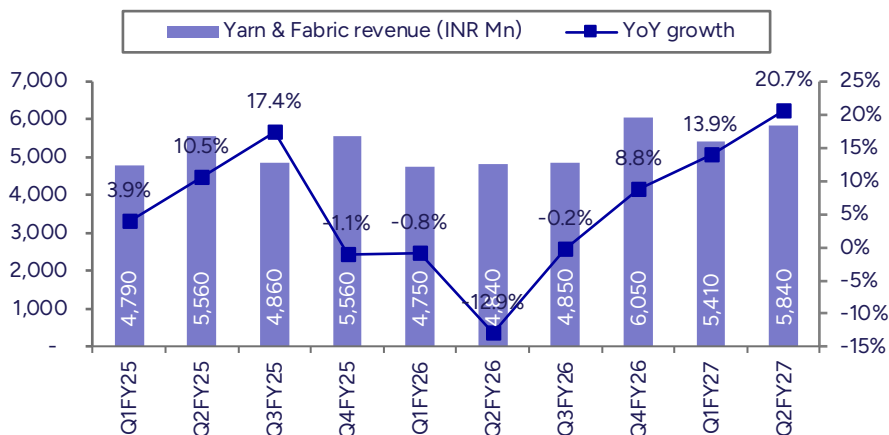
Source: Company, PL

Exhibit 3: All round growth leading to strong revenue growth



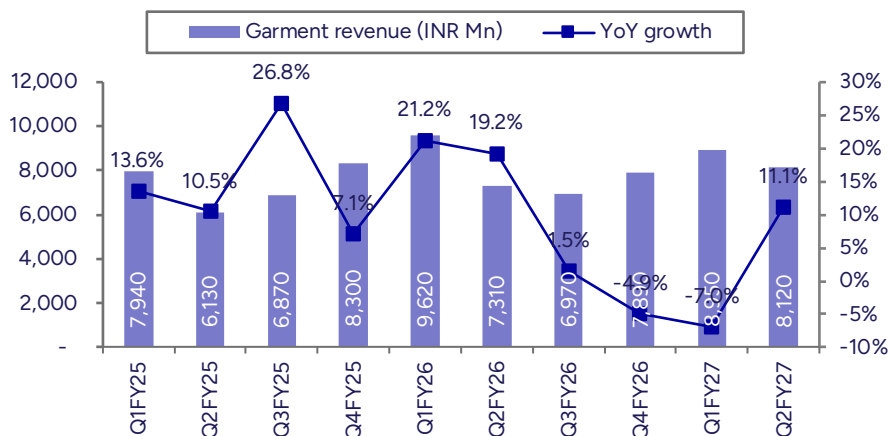
Source: Company, PL

Exhibit 4: Yarn and Fabric revenue increased by 20.7% despite limited volume growth



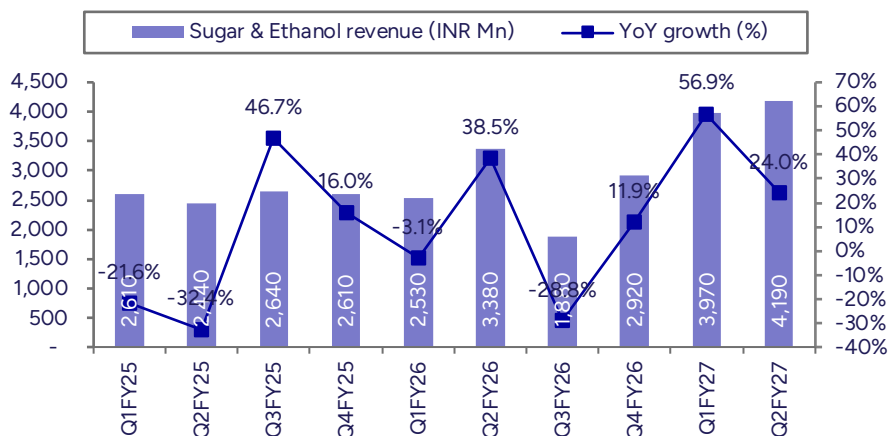
Source: Company, PL

Exhibit 5: Garment revenue grew YoY, but declined sequentially due to seasonality



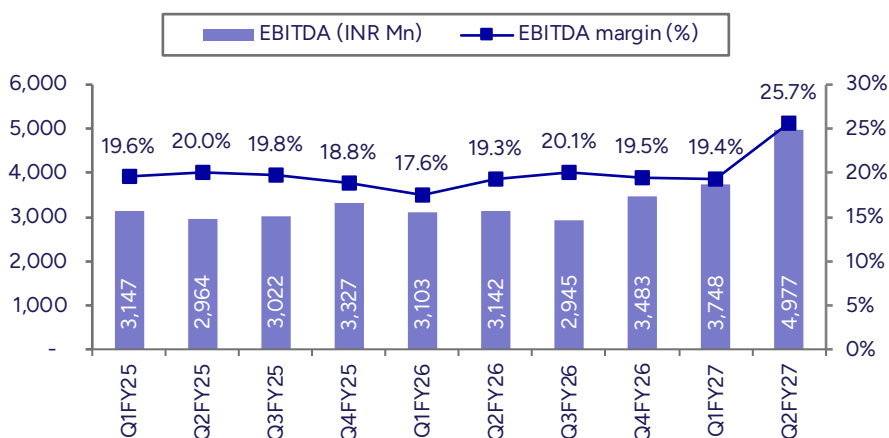
Source: Company, PL

Exhibit 6: Sugar continues to see strong momentum



Source: Company, PL

Exhibit 7: EBITDA margins as 16 quarters high



Source: Company, PL

**Exhibit 8: Segmental details**

| Particulars              | Q1FY25  | Q2FY25  | Q3FY25  | Q4FY25 | Q1FY26  | Q2FY26 | Q3FY26  | Q4FY26  | Q1FY27 | Q2FY27 |
|--------------------------|---------|---------|---------|--------|---------|--------|---------|---------|--------|--------|
| <b>Yarn &amp; Fabric</b> |         |         |         |        |         |        |         |         |        |        |
| Volume (MT)              | 17,646  | 20,545  | 18,243  | 21,440 | 18,142  | 18,587 | 19,304  | 23,047  | 17,539 | 19,035 |
| YoY growth (%)           | 4.2%    | 6.7%    | 15.3%   | (0.1%) | 2.8%    | (9.5%) | 5.8%    | 7.5%    | (3.3%) | 2.4%   |
| <b>Garments</b>          |         |         |         |        |         |        |         |         |        |        |
| Volume (mn pcs)          | 44      | 36      | 41      | 53     | 50      | 39     | 44      | 48      | 50     | 41     |
| YoY growth (%)           | 16.1%   | 12.8%   | 22.4%   | 8.2%   | 14.4%   | 9.3%   | 8.3%    | (9.8%)  | (1.1%) | 4.0%   |
| Realization (INR/pc)     | 181     | 171     | 168     | 157    | 192     | 186    | 157     | 165     | 181    | 199    |
| YoY growth (%)           | (2.2%)  | (2.0%)  | 3.5%    | (1.0%) | 5.9%    | 9.1%   | (6.3%)  | 5.4%    | (5.9%) | 6.8%   |
| <b>Sugar</b>             |         |         |         |        |         |        |         |         |        |        |
| Volume (MT)              | 53,028  | 50,484  | 47,112  | 23,890 | 42,050  | 46,446 | 21,896  | 44,357  | 48,347 | 51,181 |
| YoY growth (%)           | 16.7%   | (16.4%) | 295.8%  | 11.1%  | (20.7%) | (8.0%) | (53.5%) | 85.7%   | 15.0%  | 10.2%  |
| Realization (INR/kg)     | 36.0    | 36.4    | 35.9    | 37.7   | 38.3    | 39.2   | 38.4    | 37.4    | 38.3   | 45.1   |
| YoY growth (%)           | 6.9%    | 8.4%    | (0.7%)  | 9.5%   | 6.3%    | 7.5%   | 6.9%    | (0.7%)  | (0.1%) | 15.2%  |
| <b>Ethanol</b>           |         |         |         |        |         |        |         |         |        |        |
| Volume (lakh litres)     | 115     | 102     | 144     | 261    | 146     | 256    | 166     | 192     | 323    | 320    |
| YoY growth (%)           | (60.2%) | (60.4%) | (33.7%) | 5.4%   | 27.2%   | 150.6% | 15.5%   | (26.7%) | 120.8% | 24.9%  |
| Realization (INR/litre)  | 60.8    | 58.6    | 66.1    | 65.4   | 62.8    | 60.8   | 62.7    | 65.7    | 65.5   | 58.7   |
| YoY growth (%)           | (2.2%)  | (4.1%)  | 4.7%    | 7.5%   | 3.4%    | 3.8%   | (5.2%)  | 0.5%    | 4.4%   | (3.5%) |

Source: Company, PL

**Exhibit 9: SoTP valuation**

| Sep'28              | EBITDA (INR mn) | Target EV/EBITDA (x) | EV (INR mn) |
|---------------------|-----------------|----------------------|-------------|
| Textile             | 17,772          | 23                   | 4,08,761    |
| Sugar               | 2,177           | 10                   | 21,768      |
| Others              | 174             | 10                   | 1,736       |
| EV                  |                 |                      | 4,32,264    |
| Gross Debt          |                 |                      | 5,961       |
| Cash & bank balance |                 |                      | 14,309      |
| Less: Net debt      |                 |                      | (8,348)     |
| Equity value        |                 |                      | 4,40,612    |
| No of o/s shares    |                 |                      | 342         |
| TP (INR)            |                 |                      | 1,289       |

Source: Company, PL

## Financials

### Income Statement (INR mn)

| Y/e Mar                       | FY26          | FY27E         | FY28E         | FY29E         |
|-------------------------------|---------------|---------------|---------------|---------------|
| <b>Net Revenues</b>           | <b>66,504</b> | <b>76,354</b> | <b>84,311</b> | <b>92,295</b> |
| YoY gr. (%)                   | 4.1           | 14.8          | 10.4          | 9.5           |
| Cost of Goods Sold            | 40,400        | 44,584        | 50,583        | 54,915        |
| Gross Profit                  | 26,104        | 31,771        | 33,728        | 37,380        |
| Margin (%)                    | 39.3          | 41.6          | 40.0          | 40.5          |
| Employee Cost                 | 7,830         | 9,010         | 9,949         | 10,153        |
| Other Expenses                | 5,601         | 6,490         | 7,335         | 8,030         |
| <b>EBITDA</b>                 | <b>12,673</b> | <b>16,271</b> | <b>16,444</b> | <b>19,198</b> |
| YoY gr. (%)                   | 1.7           | 28.4          | 1.1           | 16.7          |
| Margin (%)                    | 19.1          | 21.3          | 19.5          | 20.8          |
| Depreciation and Amortization | 2,156         | 2,245         | 2,673         | 2,894         |
| <b>EBIT</b>                   | <b>10,517</b> | <b>14,025</b> | <b>13,771</b> | <b>16,304</b> |
| Margin (%)                    | 15.8          | 18.4          | 16.3          | 17.7          |
| Net Interest                  | 516           | 562           | 576           | 589           |
| Other Income                  | 1,339         | 1,352         | 1,352         | 1,352         |
| <b>Profit Before Tax</b>      | <b>11,340</b> | <b>14,815</b> | <b>14,547</b> | <b>17,066</b> |
| Margin (%)                    | 17.1          | 19.4          | 17.3          | 18.5          |
| Total Tax                     | 2,675         | 3,737         | 3,491         | 4,096         |
| Effective Tax Rate (%)        | 23.6          | 25.2          | 24.0          | 24.0          |
| <b>Profit After Tax</b>       | <b>8,665</b>  | <b>11,078</b> | <b>11,056</b> | <b>12,970</b> |
| Minority Interest             | -             | -             | -             | -             |
| Share Profit from Associate   | -             | -             | -             | -             |
| <b>Adjusted PAT</b>           | <b>8,665</b>  | <b>11,078</b> | <b>11,056</b> | <b>12,970</b> |
| YoY gr. (%)                   | 6.3           | 27.9          | -             | 17.3          |
| Margin (%)                    | 13.0          | 14.5          | 13.1          | 14.1          |
| Extra Ord. Income / (Exp)     | -             | -             | -             | -             |
| <b>Reported PAT</b>           | <b>8,665</b>  | <b>11,078</b> | <b>11,056</b> | <b>12,970</b> |
| YoY gr. (%)                   | 6.3           | 27.9          | -             | 17.3          |
| Margin (%)                    | 13.0          | 14.5          | 13.1          | 14.1          |
| Other Comprehensive Income    | -             | -             | -             | -             |
| Total Comprehensive Income    | 8,665         | 11,078        | 11,056        | 12,970        |
| <b>Equity Shares O/s (mn)</b> | <b>342</b>    | <b>342</b>    | <b>342</b>    | <b>342</b>    |
| <b>EPS (INR)</b>              | <b>25.4</b>   | <b>32.4</b>   | <b>32.3</b>   | <b>37.9</b>   |

Source: Company, PL

### Balance Sheet (INR mn)

| Y/e Mar                               | FY26          | FY27E         | FY28E         | FY29E         |
|---------------------------------------|---------------|---------------|---------------|---------------|
| <b>Non-Current Assets</b>             |               |               |               |               |
| <b>Gross Block</b>                    | <b>40,976</b> | <b>48,976</b> | <b>53,976</b> | <b>57,476</b> |
| Tangibles                             | 40,967        | 48,967        | 53,967        | 57,467        |
| Intangibles                           | 10            | 10            | 10            | 10            |
| <b>Acc: Dep / Amortization</b>        | <b>16,956</b> | <b>19,202</b> | <b>21,875</b> | <b>24,769</b> |
| Tangibles                             | 16,956        | 19,202        | 21,875        | 24,769        |
| Intangibles                           | -             | -             | -             | -             |
| <b>Net Fixed Assets</b>               | <b>24,020</b> | <b>29,775</b> | <b>32,101</b> | <b>32,707</b> |
| Tangibles                             | 24,010        | 29,765        | 32,092        | 32,698        |
| Intangibles                           | 10            | 10            | 10            | 10            |
| Capital Work In Progress              | 631           | 631           | 631           | 631           |
| Goodwill                              | 7             | 7             | 7             | 7             |
| Non-Current Investments               | 465           | 465           | 465           | 465           |
| Net Deferred Tax Assets               | (1,450)       | (1,450)       | (1,450)       | (1,450)       |
| Other Non-Current Assets              | 1,360         | 1,360         | 1,360         | 1,360         |
| <b>Current Assets</b>                 |               |               |               |               |
| Investments                           | 626           | 626           | 626           | 626           |
| Inventories                           | 18,440        | 20,350        | 23,088        | 25,066        |
| Trade Receivables                     | 6,399         | 7,347         | 8,113         | 8,881         |
| Cash & Bank Balance                   | 13,683        | 14,681        | 18,543        | 26,701        |
| Other Current Assets                  | 2,607         | 2,607         | 2,607         | 2,607         |
| <b>Total Assets</b>                   | <b>68,329</b> | <b>77,939</b> | <b>87,631</b> | <b>99,141</b> |
| <b>Equity</b>                         |               |               |               |               |
| Equity Share Capital                  | 342           | 342           | 342           | 342           |
| Other Equity                          | 56,634        | 66,004        | 75,350        | 86,611        |
| <b>Total Networth</b>                 | <b>56,976</b> | <b>66,345</b> | <b>75,692</b> | <b>86,953</b> |
| <b>Non-Current Liabilities</b>        |               |               |               |               |
| Long Term Borrowings                  | 258           | 258           | 258           | 258           |
| Provisions                            | 47            | 47            | 47            | 47            |
| Other Non Current Liabilities         | 24            | 24            | 24            | 24            |
| <b>Current Liabilities</b>            |               |               |               |               |
| ST Debt / Current of LT Debt          | 5,703         | 5,703         | 5,703         | 5,703         |
| Trade Payables                        | 2,326         | 2,567         | 2,912         | 3,162         |
| Other Current Liabilities             | 1,541         | 1,541         | 1,541         | 1,541         |
| <b>Total Equity &amp; Liabilities</b> | <b>68,328</b> | <b>77,939</b> | <b>87,631</b> | <b>99,141</b> |

Source: Company, PL

**Cash Flow (INR mn)**

| Y/e Mar                                | FY26            | FY27E          | FY28E          | FY29E          |
|----------------------------------------|-----------------|----------------|----------------|----------------|
| PBT                                    | 11,340          | 14,815         | 14,547         | 17,066         |
| Add. Depreciation                      | 2,156           | 2,245          | 2,673          | 2,894          |
| Add. Interest                          | 516             | 562            | 576            | 589            |
| Less Financial Other Income            | 1,339           | 1,352          | 1,352          | 1,352          |
| Add. Other                             | (933)           | (644)          | (644)          | (644)          |
| Op. Profit before WC Changes           | 13,079          | 16,978         | 17,152         | 19,905         |
| Net Changes-WC                         | 532             | (2,617)        | (3,158)        | (2,496)        |
| Direct Tax                             | 2,532           | 3,737          | 3,491          | 4,096          |
| <b>Net Cash from Op. Activities</b>    | <b>11,078</b>   | <b>10,625</b>  | <b>10,502</b>  | <b>13,313</b>  |
| Capital Expenditures                   | (2,522)         | (8,000)        | (5,000)        | (3,500)        |
| Interest / Dividend Income             | 640             | 639            | 639            | 639            |
| Others                                 | (8,801)         | 5              | 5              | 5              |
| <b>Net Cash from Invst. Activities</b> | <b>(10,683)</b> | <b>(7,356)</b> | <b>(4,356)</b> | <b>(2,856)</b> |
| Issue of Share Cap. / Premium          | -               | -              | -              | -              |
| Debt Changes                           | 1,300           | -              | -              | -              |
| Dividend Paid                          | (1,709)         | (1,709)        | (1,709)        | (1,709)        |
| Interest Paid                          | (493)           | (562)          | (576)          | (589)          |
| Others                                 | -               | -              | -              | -              |
| <b>Net Cash from Fin. Activities</b>   | <b>(902)</b>    | <b>(2,271)</b> | <b>(2,285)</b> | <b>(2,298)</b> |
| <b>Net Change in Cash</b>              | <b>(507)</b>    | <b>998</b>     | <b>3,861</b>   | <b>8,159</b>   |
| Free Cash Flow                         | 7,930           | 2,625          | 5,502          | 9,813          |

Source: Company, PL

**Quarterly Financials (INR mn)**

| Y/e Mar                           | Q3FY26        | Q4FY26        | Q1FY27        | Q2FY27        |
|-----------------------------------|---------------|---------------|---------------|---------------|
| <b>Net Revenues</b>               | <b>14,674</b> | <b>17,847</b> | <b>19,355</b> | <b>19,397</b> |
| YoY gr. (%)                       | (4.0)         | 0.9           | 9.6           | 18.9          |
| Raw Material Expenses             | 8,183         | 10,897        | 11,479        | 10,777        |
| Gross Profit                      | 6,491         | 6,950         | 7,876         | 8,620         |
| Margin (%)                        | 44.2          | 38.9          | 40.7          | 44.4          |
| <b>EBITDA</b>                     | <b>2,945</b>  | <b>3,483</b>  | <b>3,748</b>  | <b>4,977</b>  |
| YoY gr. (%)                       | (2.6)         | 4.7           | 20.8          | 58.4          |
| Margin (%)                        | 20.1          | 19.5          | 19.4          | 25.7          |
| Depreciation / Depletion          | 542           | 543           | 565           | 557           |
| <b>EBIT</b>                       | <b>2,403</b>  | <b>2,940</b>  | <b>3,184</b>  | <b>4,420</b>  |
| Margin (%)                        | 16.4          | 16.5          | 16.4          | 22.8          |
| Net Interest                      | 108           | 147           | 145           | 118           |
| Other Income                      | 335           | 405           | 347           | 491           |
| <b>Profit before Tax</b>          | <b>2,630</b>  | <b>3,198</b>  | <b>3,386</b>  | <b>4,794</b>  |
| Margin (%)                        | 17.9          | 17.9          | 17.5          | 24.7          |
| Total Tax                         | 544           | 926           | 800           | 1,344         |
| Effective Tax Rate (%)            | 20.7          | 29.0          | 23.6          | 28.0          |
| <b>Profit After Tax</b>           | <b>2,086</b>  | <b>2,272</b>  | <b>2,585</b>  | <b>3,450</b>  |
| Minority Interest                 | -             | -             | -             | -             |
| Share Profit from Associate       | -             | -             | -             | -             |
| <b>Adjusted PAT</b>               | <b>2,086</b>  | <b>2,272</b>  | <b>2,585</b>  | <b>3,450</b>  |
| YoY gr. (%)                       | 3.1           | 11.1          | 21.6          | 58.2          |
| Margin (%)                        | 14.2          | 12.7          | 13.4          | 17.8          |
| Extra Ord. Income / (Exp)         | -             | -             | -             | -             |
| <b>Reported PAT</b>               | <b>2,086</b>  | <b>2,272</b>  | <b>2,585</b>  | <b>3,450</b>  |
| YoY gr. (%)                       | 3.1           | 11.1          | 21.6          | 58.2          |
| Margin (%)                        | 14.2          | 12.7          | 13.4          | 17.8          |
| Other Comprehensive Income        | -             | -             | -             | -             |
| <b>Total Comprehensive Income</b> | <b>2,086</b>  | <b>2,272</b>  | <b>2,585</b>  | <b>3,450</b>  |
| Avg. Shares O/s (mn)              | 342           | 342           | 342           | 342           |
| <b>EPS (INR)</b>                  | <b>6.1</b>    | <b>6.6</b>    | <b>7.6</b>    | <b>10.1</b>   |

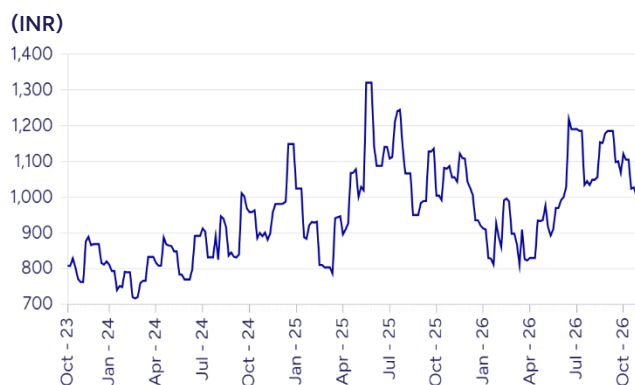
Source: Company, PL

**Key Financial Metrics**

| Y/e Mar                    | FY26  | FY27E | FY28E   | FY29E |
|----------------------------|-------|-------|---------|-------|
| <b>Per Share (INR)</b>     |       |       |         |       |
| EPS                        | 25.4  | 32.4  | 32.3    | 37.9  |
| CEPS                       | 31.7  | 39.0  | 40.2    | 46.4  |
| BVPS                       | 166.7 | 194.1 | 221.5   | 254.4 |
| FCF                        | 23.2  | 7.7   | 16.1    | 28.7  |
| DPS                        | 5.0   | 5.0   | 5.0     | 5.0   |
| <b>Return Ratio (%)</b>    |       |       |         |       |
| RoCE                       | 17.9  | 20.7  | 17.9    | 18.7  |
| ROIC                       | 18.1  | 20.0  | 18.1    | 20.7  |
| RoE                        | 16.2  | 18.0  | 15.6    | 15.9  |
| <b>Balance Sheet</b>       |       |       |         |       |
| Net Debt : Equity (x)      | -     | -     | -       | -     |
| Net Working Capital (Days) | 124   | 120   | 122     | 122   |
| <b>Valuation (x)</b>       |       |       |         |       |
| PER                        | 42.7  | 33.4  | 33.5    | 28.5  |
| P/B                        | 6.5   | 5.6   | 4.9     | 4.3   |
| P/CEPS                     | 34.2  | 27.8  | 27.0    | 23.3  |
| EV/EBITDA                  | 28.5  | 22.2  | 21.7    | 18.2  |
| EV/Sales                   | 5.4   | 4.7   | 4.2     | 3.8   |
| Dividend Yield (%)         | 0.5   | 0.5   | 0.5     | 0.5   |
| FCFF Yield (%)             | 2.1   | 0.7   | 1.5     | 2.7   |
| PEG Ratio                  | 6.8   | 1.2   | (162.0) | 1.6   |

Source: Company, PL

## Price Chart



## Recommendation History

| No. | Date      | Rating     | TP (INR) | Share Price (INR) |
|-----|-----------|------------|----------|-------------------|
| 1   | 06-Oct-26 | Accumulate | 1259     | 1074              |
| 2   | 21-Sep-26 | Accumulate | 1259     | 1115              |

## Analyst Coverage Universe

| Sr. No. | Company Name            | Rating     | TP (INR) | Share Price (INR) |
|---------|-------------------------|------------|----------|-------------------|
| 1       | Gokaldas Exports        | Buy        | 953      | 672               |
| 2       | K.P.R. Mill             | Accumulate | 1259     | 1074              |
| 3       | Pearl Global Industries | Buy        | 1500     | 1267              |

## PL's Recommendation Nomenclature (Absolute Performance)

|                          |                                   |
|--------------------------|-----------------------------------|
| <b>BUY</b>               | : > 15%                           |
| <b>Accumulate</b>        | : 5% to 15%                       |
| <b>Hold</b>              | : +5% to -5%                      |
| <b>Reduce</b>            | : -5% to -15%                     |
| <b>Sell</b>              | : < -15%                          |
| <b>Not Rated (NR)</b>    | : No specific call on the stock   |
| <b>Under Review (UR)</b> | : Rating likely to change shortly |

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