

April 8, 2026

Strategic Partnerships and Diversification to Fuel Growth...

About the stock: EPACK Durable Limited (Epack) is a prominent Indian Original Design Manufacturer (ODM) and Original Equipment Manufacturer (OEM) specializing in room air conditioners (RACs), small domestic appliances (SDA) i.e. induction cooktops, mixer-grinders, water dispensers, large domestic appliances (LDA) i.e. washing machines & coolers and components like heat exchangers and cross-flow fans.

Investment Rationale

- Diversification beyond RAC to drive sustainable growth:** Epack, started as an OEM manufacturer for RAC brands, has gradually evolved into a leading ODM player in the RAC segment. While RAC (72% in FY25, 58% in FY26E owing to weak summer) continues to remain the key revenue driver, the company is actively diversifying its portfolio into SDA, LDA and component manufacturing with an aim to reduce the same to ~55% by FY28/29. This strategic shift is aimed at reducing the inherent seasonality of the RAC business while building a more balanced and stable revenue mix. Over the medium term, increasing contribution from SDA, LDA and component businesses is expected to enhance margin profile.
- Partnership with Hisense alongside expanding clientele base:** Epack is witnessing strong momentum in client additions alongside a strategic manufacturing partnership with Hisense, which is expected to act as a key growth catalyst. The company's customer base has expanded significantly from 18 customers in FY23 to over 67 customers currently, with several products under approval and ramp-up phase. At the same time, Epack has entered into a strategic manufacturing alliance with Hisense India, under which the company will manufacture air conditioners, washing machines and televisions. The first phase of this partnership has commenced with RAC manufacturing capacity of ~0.75 million units annually at the Sri City facility, with further expansions planned for washing machines and LED televisions in the upcoming phases. With increasing customer diversification and incremental volumes from the Hisense partnership, Epack is well positioned to capture the structural growth opportunity in India's consumer durable manufacturing ecosystem.

Rating and Target Price:

- Epack is diversifying from cooling products to LDA & SDA along-side component manufacturing while client additions shall aid healthy business growth. Current geopolitical situation in middle east is easing while it posed risk over LPG imports (manageable with PNG & alternatives), rising commodity prices and freight rate that shall be passed on. Significant part of these near-term jitters seems to be priced in. Overall, Epack is well-positioned to capture structural multi-year growth in RAC & appliances industry. We assign BUY rating with target price at ₹ 300 i.e. 30x P/E on FY28E EPS.

Key Financial Summary

(₹ crore)	FY23	FY24	FY25E	2 Year CAGR (FY23-25)	FY26E	FY27E	FY28E	3 Year CAGR (FY25-28E)
Net Sales	1,532	1,419	2,171	19.0	1,970	2,700	3,342	15.5
EBITDA	96	116	158	28.0	154	212	266	19.1
EBITDA margin (%)	6.3	8.1	7.3		7.8	7.8	8.0	
Net Profit	26	35	55	47.0	38	68	97	20.7
Diluted/Adjusted EPS (₹)	2.7	3.6	5.7		3.9	7.0	10.1	
P/E(x)	81.5	60.8	38.3		55.9	31.3	21.8	
EV/EBITDA (x)	29.7	20.7	15.8		17.0	12.7	10.1	
RoCE (%)	9.8	8.9	9.9		7.1	8.2	9.7	
RoE (%)	8.1	3.9	5.8		3.8	6.4	8.5	

Source: Company, ICICI Direct Research



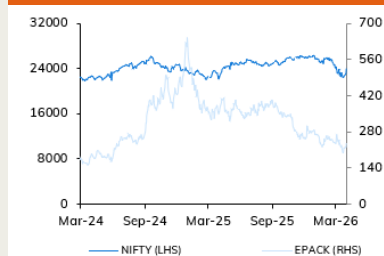
Particulars

Particular	Amount
Market Cap (₹ Crore)	2,251
H1FY25 Debt (₹ Crore)	689
H1FY25 Cash (₹ Crore)	12
EV (Rs Crore)	2,928
52 Week H/L (₹)	421/ 196
Equity Capital (₹ Crore)	96.0
Face Value	10

Shareholding pattern

	Mar-25	Jun-25	Sep-25	Dec-25
Promoter	48.0	48.0	47.9	47.2
FII	1.6	0.4	1.5	0.3
DII	6.6	5.6	5.9	7.1
Public	43.8	46.0	44.7	45.5

Price Chart



Key risks

- High dependence on seasonal products
- Execution risk esp. over new products & recently added clients

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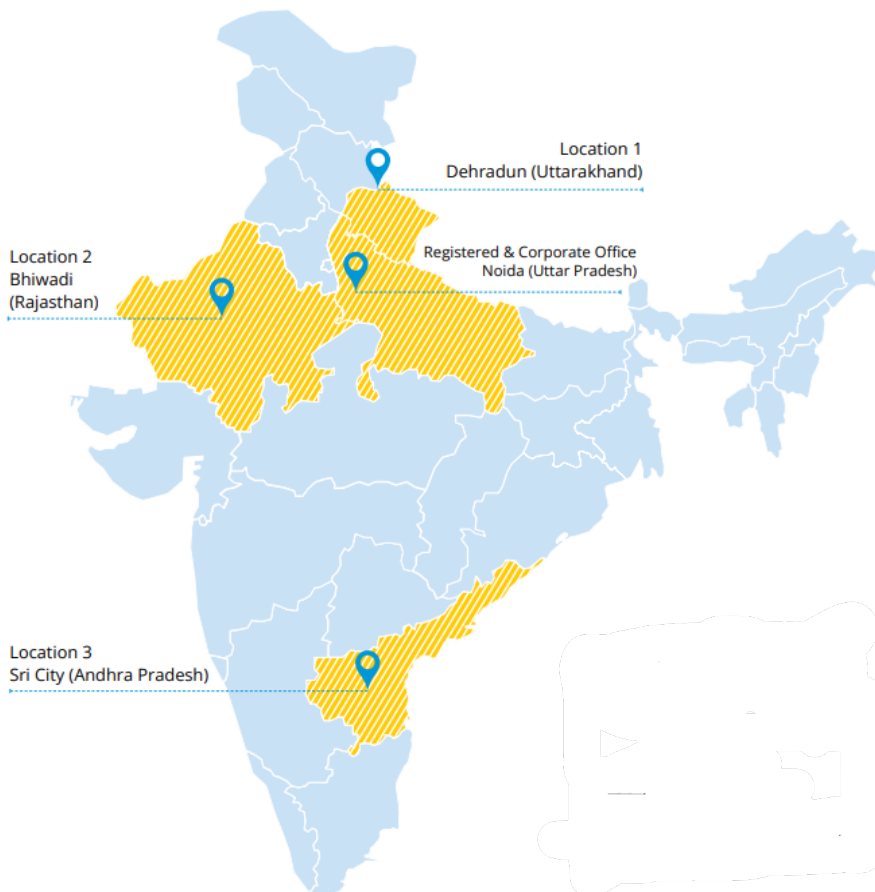
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Company Background

Epac Durable Ltd., established in 2003, is one of India's leading Original Design Manufacturers (ODM) of room air conditioners and a growing contract manufacturer for a wide range of consumer durable products. The company initially began operations as an Original Equipment Manufacturer (OEM) for RAC brands, undertaking packaging and plastic moulding for global brands such as LG. Over time, it has strategically transitioned with higher focus on ODM model since 2012, enabling the company to design, engineer, and manufacture products for leading consumer durable brands. Further, Epac is evolving into a diversified electronics and consumer durable manufacturing platform, producing room air conditioners, washing machines, air coolers, and several small domestic appliances including induction cooktops, mixer grinders, air fryers and water dispensers.

Epac operates an integrated manufacturing ecosystem supported by multiple facilities strategically located across India i.e. Dehradun (Uttarakhand), Bhiwadi (Rajasthan), and Sri City (Andhra Pradesh), enabling it to cater efficiently to both northern and southern markets. The facilities are supported by four R&D centres that drive product innovation, engineering capabilities, and design customisation for its clients. Epac has emerged as a key supplier to several leading consumer durable brands like Voltas, Havells, Blue star, Godrej, etc. and is currently among the largest RAC ODMs in India with ~24% domestic ODM market share.

Exhibit 1: Strategic Manufacturing Locations



Source: Epac annual report, ICICI Direct Research

Recently, Epac commissioned two additional manufacturing plants in Sri City and Bhiwadi, increasing the total operational plant count from four to six. These expansions aim to support growth across RACs, washing machines, small appliances, and component manufacturing. Strategically, the Sri City facility plays an important role as a southern manufacturing hub, allowing the company to service southern markets and also develop export opportunities to Middle East and African markets.

Exhibit 2: Product categorisation across different plants

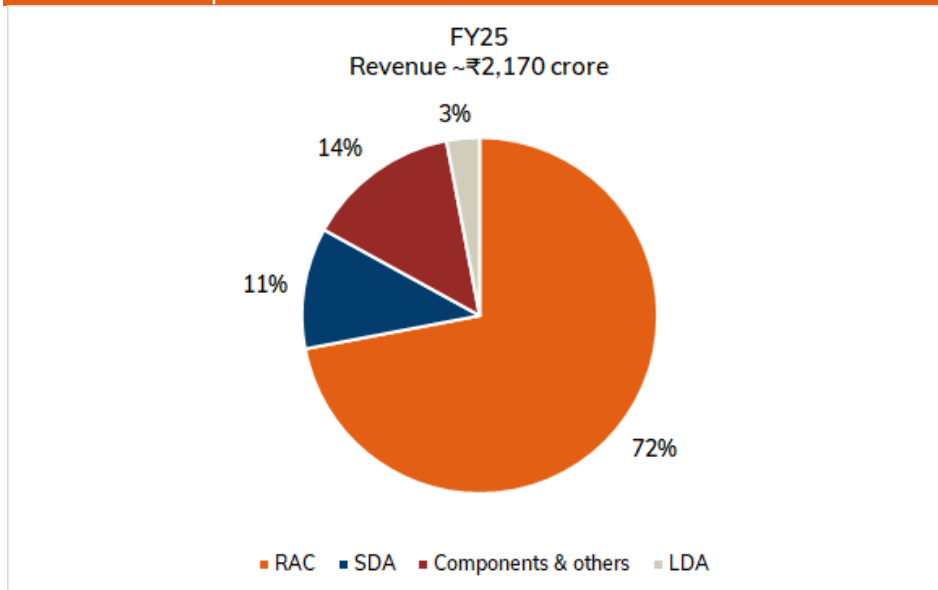
Plant Site	State	Segments
Dehradun	Uttarakhand	ODUs, Window ACs, Mixer grinders, Water dispensers, Plastic moulding, Sheet metal, powder coating, Copper tubing, Heat exchanger
Bhiwadi	Rajasthan	IDUs, Air coolers, Mixer grinders, Induction cooktops, Plastic moulding, Copper tubing, Heat exchanger, PCBs, Motor, Cross flow fans
Sri City	Andhra Pradesh	IDUs/ODUs, Mixer grinders, Water dispensers, Induction cooktops, Plastic moulding, Sheet metal, Powder coating, Copper tubing, Heat exchanger, Cross flow fans

Source: Epack annual report, ICICI Direct Research

Epack’s product portfolio spans four key segments:

1. Room Air Conditioners (RAC)
2. Small Domestic Appliances (SDA)
3. Large Domestic Appliances (LDA)
4. Components and other products

Exhibit 3: Product portfolio



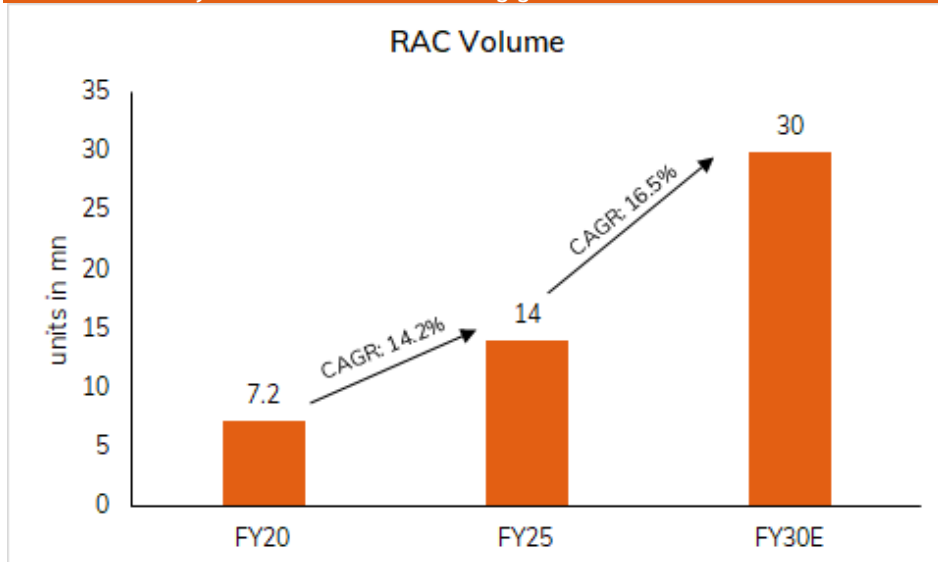
Source: Company, ICICI Direct Research

i) Room Air conditioner Segment(RAC):

The RAC segment remains Epack’s largest revenue contributor, accounting for over 70% of total revenues wherein the company manufactures a comprehensive range of RAC products including Indoor units, Outdoor units and Window air conditioners. These products are manufactured across all three manufacturing clusters. Epack operates under the ODM model where it undertakes product design, engineering, and manufacturing for major RAC brands.

India’s RAC market remains structurally underpenetrated with penetration levels of only ~13% of households, providing strong long-term growth opportunities. The domestic RAC market is expected to grow from ~14 million units in FY25 to nearly 30 million units by FY30, supported by increasing urbanisation, rising disposable incomes, and improving living standards. Government initiatives such as localisation programs and GST rationalisation on air conditioners are expected to support demand growth over the medium to long term. However, the RAC business remains highly seasonal, with demand concentrated during the summer months. Additionally, industry volumes can be impacted by weather-related factors such as early monsoon or weak summer seasons.

Exhibit 4: Industry volumes to witness strong growth...



Source: Amber annual report FY25, PG placement document, ICICI Direct Research

Recent GST cut from 28% to 18% shall benefit the sector over medium to long term to deepen its penetration. However, change in BEE norms, rise in input cost and rupee depreciation has offset this benefit. Meanwhile, FY26 has been a washout year due to prolonged and early onset of monsoon last season.

Exhibit 5: Product portfolio



Source: Epack annual report, ICICI Direct Research

ii) Small Domestic Appliances (SDA):

Epack entered the SDA segment in 2013 with the manufacturing of induction cooktops. Over the years, the company expanded its SDA portfolio to include mixer grinders, air fryers, water dispensers, vacuum cleaners, coffee makers, etc. Currently, the SDA segment contributes approximately ~11% of overall revenues.

Exhibit 6: Product portfolio



Source: Epack annual report, ICICI Direct Research

Within the SDA portfolio, induction cooktop is the largest contributor, followed by mixer grinders and water dispensers. The company has been expanding this segment through new product additions and onboarding of new clients, which is expected to drive growth over the coming years. Compared with RAC products, SDA products typically offer better margins and lower seasonality, making them an important diversification avenue.

iii) Large domestic appliances (LDA):

LDA segment includes washing machines and air coolers wherein it entered washing machine segment recently producing both fully automatic top-load and front-load washing machines. Notably, the company is currently the only contract manufacturer in India producing front-load washing machines. The current installed capacity for washing machines stands at approximately 0.6 million units

annually. Although LDA currently contributes a relatively small share of overall revenues, this segment is expected to grow meaningfully with capacity expansions and new product launches. Further capacity expansion is expected through the Hisense partnership, which will add additional washing machine manufacturing lines in the upcoming phases of the Sri City expansion. Over time, growth in LDA products is expected to reduce dependence on RAC revenues and smoothen the company's revenue seasonality.

Exhibit 7: Product portfolio



Source: Epack annual report, ICICI Direct Research

iv) Component and others

The company currently manufactures several key components including; Injection moulded plastic components, sheet-metal components, cross-flow fans, printed circuit boards, heat exchangers, copper tubing, etc. Through these capabilities, Epack produces ~75% of its RAC components in-house, improving supply chain control and reducing reliance on imported components. This backward integration provides Epack with a competitive advantage, particularly when clients prefer sourcing individual components instead of fully assembled products.

Further strengthening this ecosystem, Epack has entered into a 50:50 joint venture with Ram Ratna Wires, named Epavo, to manufacture BLDC motors for air conditioners and ceiling fans. The JV involves an investment of ~₹85-90 crore and will add capacity for:

- 3 million BLDC motors for ACs
- 1 million motors for ceiling fans

Exhibit 8: Product portfolio



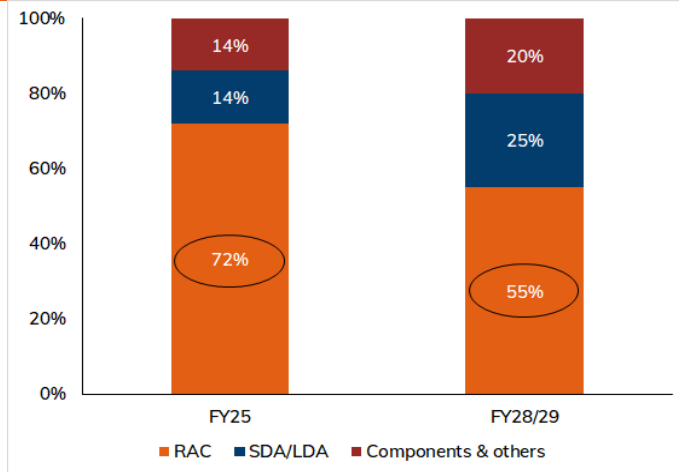
Source: Epack annual report, ICICI Direct Research

Investment Rationale

- Reducing dependence from RAC segment to other verticals;**

Historically, Epack's revenue mix has been heavily concentrated in the RAC segment wherein RAC used to contribute 72%+ of revenues in FY25, making the business highly seasonal and dependent on summer demand. This proportion is steadily reducing and is estimated at ~65% by FY28E.

Exhibit 9: Reducing overall dependence on RAC...



Source: Company, ICICI Direct Research

In recent years to tackle this seasonality and to reduce the overall mix of RAC in company's overall portfolio, the company has added new products under its SDA portfolio and expanded into LDA and components. Under LDA it started manufacturing air coolers and recently added washing machines to its portfolio. Also, component manufacturing has helped Epack into backward integration for RACs with ~75% of components being produced in-house across its manufacturing facilities.

Exhibit 10: Portfolio expansion over year...

Year	Product launched
2008	Sheet metal
2010	Injection moulded products
2011	Copper Tubing
2012	ODUs as ODM
2013	Induction Cooktops
2017	Water Dispensers
2018	Mixer Grinders
2024	Air Coolers
2025	Air Fryers

Source: Epack's quarterly presentation, ICICI Direct Research

Exhibit 11: Products in pipeline

Year	Products to be launched
2026	Washing Machine
2026	Infrared cooktops
2026	Nutri-blender
2026	Dry Vacuum Cleaner
2026	Coffee Maker
2027	Tower fan
2027	Hair Dryer
2027	Air Purifier

Currently Epack's revenue is largely driven (~72% in FY25) from its RAC capabilities however, management aims to reduce the same by adding new products as mentioned in exhibit 10 & 11.

As a result of these initiatives, the contribution of RAC to overall revenue has already declined to ~72% in FY25, with the management guiding towards reducing this share further to around ~55% by FY29. About 25% shall be constituted by LDA & SDA while balance 20%-25% shall be component & others. This diversification is being driven through new product introductions such as washing machines, air fryers, mixer grinders and air coolers, alongside component manufacturing.

We believe that the gradual shift towards a more diversified product mix will not only mitigate seasonality risks but also enhance revenue stability and provide a more balanced growth profile for the company over the medium to long term.

Diversification & better capacity utilisation to be margin accretive

Epack's expansion into SDA, LDA and component manufacturing is expected to structurally improve its profitability profile. The RAC business typically operates at relatively lower gross margins of around 14–15%, primarily due to its high-ticket size and competitive pricing dynamics among leading RAC brands. In contrast, products within the SDA and LDA categories, as well as component manufacturing, typically generate higher gross margins in the range of 16–20%.

As the contribution from these segments increases in the company's overall revenue mix, it is expected to positively influence the company's margin trajectory. Additionally, the increasing share of component manufacturing further strengthens the company's backward integration capabilities, allowing it to capture additional value within the supply chain. This transition towards a more favourable product mix, combined with operating leverage from higher capacity utilisation, should support a gradual improvement in EBITDA margins over the coming years.

Additionally, the Sri City facility, which currently operates at around 40–50% utilisation, provides further scope for volume ramp-up without requiring immediate incremental capex. As production volumes increase and fixed costs are absorbed across larger output levels, the company is likely to benefit from operating leverage, which should support margin expansion and improve overall return ratios over the coming years

- **Expanding customer base reducing concentration risk;**

Epack Durable has developed long-standing relationships with several leading domestic and global consumer durable brands. The company's RAC client portfolio includes marquee brands such as Voltas, Havells, Godrej, Blue Star, Carrier and Hisense, while the SDA and LDA segments include clients such as Philips, Haier and Usha.

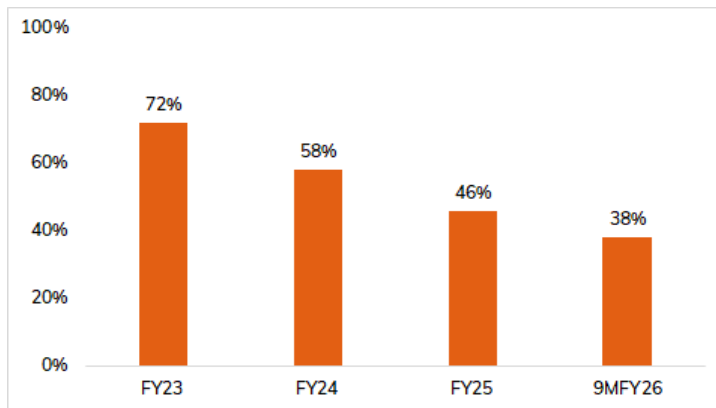
Exhibit 12: Strong Clientele across product portfolio...



Source: Epack's quarterly presentation, ICICI Direct Research

Historically, the company had relatively high customer concentration, with nearly 72% of revenues in FY23 being derived from its top two customers. However, as part of its growth strategy, Epack has significantly expanded its customer base by onboarding new clients across product categories. As a result, the contribution from the top two customers has declined to approximately ~38% as of FY26.

Exhibit 13: Reducing overall dependence on RAC...



Source: Epack's quarterly presentation, ICICI Direct Research

Furthermore, the company has expanded its total customer base from around 18 clients in FY23 to over 67 customers currently. Many of these new customers are currently in the product approval and ramp-up phase, which implies that meaningful revenue contributions are likely to materialize in the coming years.

We believe that the broadening of the customer base, combined with expansion into new product categories, will reduce concentration risks and create multiple growth levers for the company.

- **Strategic manufacturing alliance with Hisense to drive incremental growth;**

Epack's strategic manufacturing partnership with Hisense India represents a key long-term growth catalyst for the company. Hisense, a global consumer electronics and appliance brand, has entered into a manufacturing alliance with Epack to produce air conditioners, washing machines and televisions for the Indian market. To support this collaboration, Epack is developing a greenfield manufacturing facility in Sri City, Andhra Pradesh, with a planned investment of ~₹225 crore. In the first phase, the company has commenced manufacturing of air conditioners with an installed capacity of around 0.75 million units annually starting February 2026. Subsequent phases will involve the addition of washing machine manufacturing lines and later LED television manufacturing. Epack aims to generate cumulative revenue of ~\$1 bn over 5 years from the Hisense deal.

Apart from catering to domestic demand, the facility is also expected to serve as an export hub specifically targeting Middle Eastern and African markets as the plant has excellent port connectivity wherein the nearest major port is Chennai port located at 70-85 km away along-side two other ports nearby i.e. Ennore & Kattupalli ports. Hisense partnership not only strengthens Epack's order visibility but also enables the company to expand its manufacturing capabilities into new product categories. Over the medium term, we believe the Hisense alliance could significantly scale up Epack's manufacturing volumes and diversify its product portfolio further.

- **Capacity expansion and improving utilisation to drive operating leverage;**

Epack Durable is currently undergoing a phase of significant capacity expansion to support its next leg of growth. The company plans to increase its gross block from ~₹834 crore in FY25 to over ₹1,050 crore by FY26, supported by investments in RAC manufacturing lines, washing machine production and component manufacturing. Management expects asset turnover to improve to ~4x+ in forthcoming years as newly added capacities are ramped up and utilisation levels increase with following developments;

- Commencement of Air Conditioners facility with Hisense from April FY27
- Phase-2 for Hisense will include washing machine targeted from Q1FY27 and later on it will be expanded to televisions
- Epavo JV (BLDC motors) commenced operations from Q2FY26
- Ramping up business from new products under SDA/LDA categories supported by new client additions.

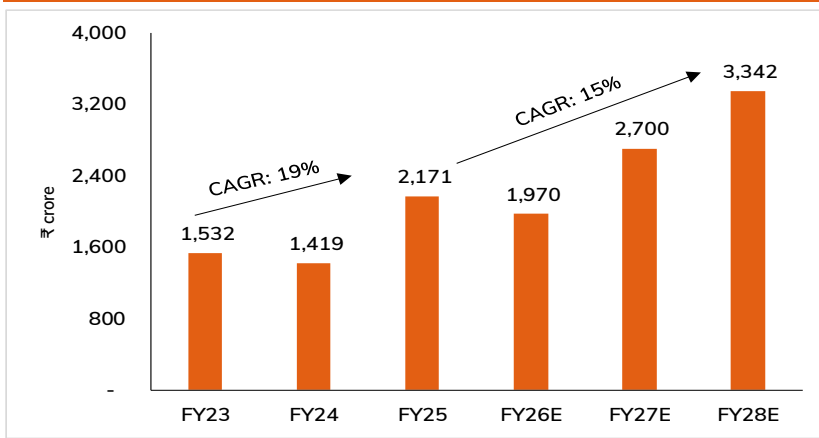
Key Financial Summary

Strong revenue growth to pick up post weak FY26

Epack has witnessed healthy growth over years with about ~19% CAGR over FY23-25 driven by AC segment. FY26 witnessed erratic weather in initial months with an early monsoon and comparatively shorter summer with uneven rains across countries. Overall, RAC industry is likely to decline ~10-15% during FY26E, and similarly Epack also witnessed these headwinds which dragged its revenue.

However, we believe that this was a seasonal factor while overall industry is expected to grow significantly over long term, supported by lower industry penetration and increasing urbanization and improving standard of living. Alongside, Epack is diversifying portfolio to reduce seasonality risk wherein it has recently added various products under SDA & LDA segments mentioned in Exhibit 10 & 11. In addition, strategic collaboration with Hisense and client additions across other product categories will support the revenue growth over the coming years.

Exhibit 14: Revenue trend

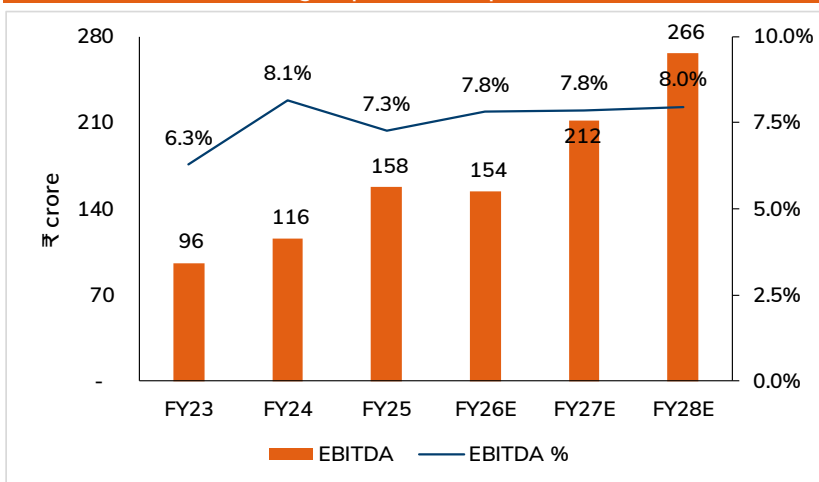


Source: Company, ICICI Direct Research

EBITDA to grow at ~ 19% CAGR over FY25-28E with margins set to improve

Epack has reported EBITDA growth of ~28% over FY23-25, while FY26 witnessed headwinds resulting into subdued performance owing to operating deleverage. However, with revenue growth expected to pick pace and operating leverage kicking in, EBITDA margins are expected to expand from current level of ~7.3% in FY25 to ~8% by FY28 supported by improving capacity utilisation, product mix and higher backward integration.

Exhibit 15: EBITDA margins poised to improve...

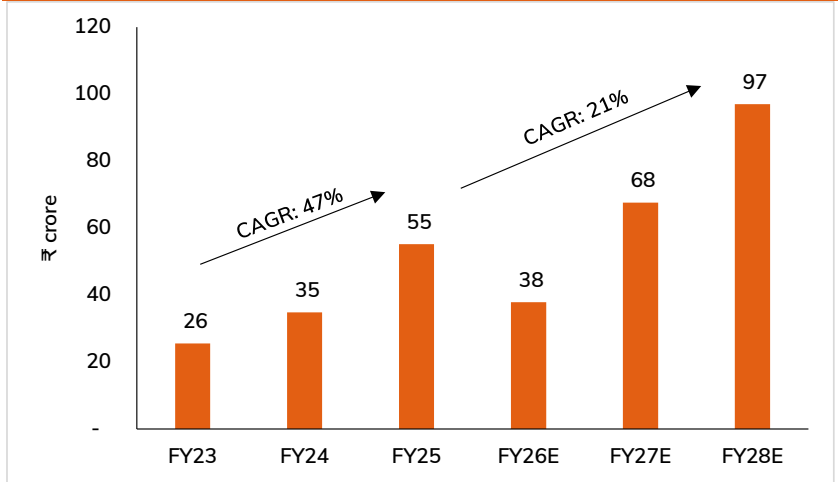


Source: Company, ICICI Direct Research

PAT expected to grow 21% CAGR over FY25-28E

Epack reported PAT at ₹55 crore for FY25, which grew ~ 47% over FY23 to FY25, on the back of strong revenue growth. Going ahead, PAT is expected to grow at CAGR 21% over from FY25 to FY28E.

Exhibit 16: PAT Trend

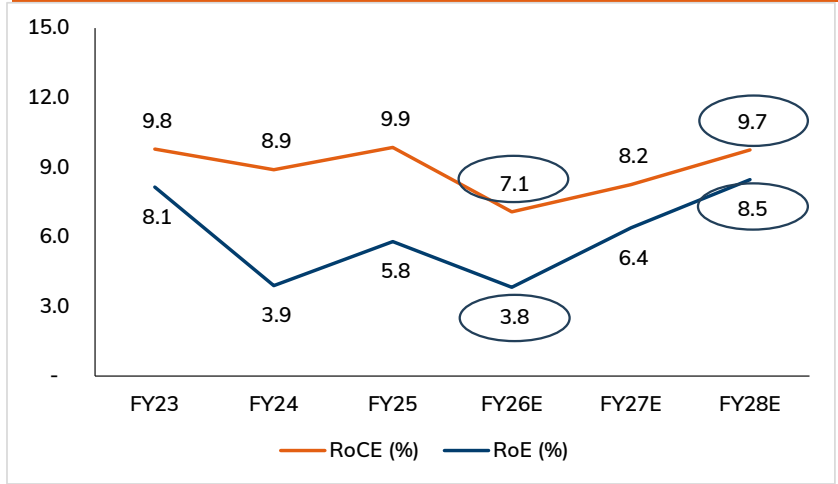


Source: Company, ICICI Direct Research

Return ratios to witness improvement

Return ratios are expected to improve as the company improves its asset utilisation, operating leverage and resultant profitability.

Exhibit 17: Trend in Return Ratios



Source: Company, ICICI Direct Research

Risk and Concerns

Execution risk on new capacity and product expansion

Epack has undertaken significant expansion across its manufacturing capacities and product portfolio over the past few years. The company has added new manufacturing lines across RACs, washing machines, small domestic appliances and components, alongside onboarding a large number of new clients. However, a meaningful portion of the expected revenue growth is contingent upon successful ramp-up of these capacities and conversion of newly onboarded customers into commercial production volumes. While several products are currently under approval and trial phases with customers, the pace of order ramp-up remains a key monitorable. Any delay in capacity utilisation, slower-than-expected client ramp-up, or operational challenges in scaling up new product lines could impact the company's revenue growth trajectory and return on invested capital.

Dependence on performance of partner brands, particularly Hisense

Epack operates under an ODM/contract manufacturing model, wherein its growth is closely linked to the success and market performance of the brands it manufactures for. A significant near-term growth driver for the company is its strategic manufacturing partnership with Hisense India, under which Epack will manufacture air conditioners, washing machines and televisions. While this partnership provides strong growth visibility, the scale of business generated from this arrangement will significantly depend on Hisense's ability to successfully establish and expand its presence in the highly competitive Indian consumer durable market. The Indian RAC and appliance markets are dominated by established brands with strong distribution networks and brand recall. If Hisense products fail to gain meaningful market share, the expected capacity ramp-up and revenue contribution from this partnership could be lower than anticipated.

Exposure to seasonality and weather dependency

Despite ongoing diversification efforts, the RAC segment continues to account for a significant portion of Epack's overall revenue mix. The RAC industry in India remains highly seasonal, with peak demand concentrated during the summer months. As a result, industry volumes are closely linked to weather patterns, particularly summer intensity and duration. Factors such as unseasonal rainfall, early onset of monsoons, or relatively milder summers can adversely impact RAC demand, leading to lower order volumes for contract manufacturers like Epack. Although the company is actively expanding its product portfolio to reduce dependence on RAC products, the segment is expected to remain a major contributor to revenues in the near term, making the company partially exposed to weather-related demand volatility.

Geopolitical risks and supply chain disruptions

Geopolitical tensions, trade restrictions, or conflicts in key regions can impact raw material prices used in appliance manufacturing. In addition, fluctuations in fuel costs and freight rates may increase logistics expenses and affect supply chain efficiency. Any significant volatility in global supply chains or input costs may affect operating margins and production schedules.

Financial Summary

Exhibit 18: Profit and loss statement				
	₹ crore			
(Year-end March)	FY25	FY26E	FY27E	FY28E
Revenue	2,171	1,970	2,700	3,342
% Growth	53.0	-9.2	37.0	23.8
Other income	21	20	16	12
Total Revenue	2,192	1,990	2,716	3,354
Employee Expenses	69	72	92	117
Other expenses	1,944	1,745	2,397	2,959
Total Operating Expenditure	2,013	1,816	2,488	3,076
Operating Profit (EBITDA)	158	154	212	266
% Growth	36.3	-2.3	37.6	25.6
Interest	54	62	66	66
PBDT	104	92	146	200
Depreciation	47	54	73	87
PBT before Exceptional Items	56	38	73	113
Total Tax	19	15	23	30
PAT before MI	55	38	68	97
Adjusted PAT	55	38	68	97
% Growth	58.7	-31.4	78.6	43.5
EPS	5.7	3.9	7.0	10.1

Source: Company, ICICI Direct Research

Exhibit 19: Cash flow statement				
	₹ crore			
(Year-end March)	FY25	FY26E	FY27E	FY28E
Profit after Tax	55	38	68	89
Depreciation	47	54	73	87
Interest	54	62	66	66
Cash Flow before WC changes	156	154	206	242
(Inc)/dec in Current Assets	-70	-9	-238	-271
Changes in creditors	123	-68	166	141
Other current liabilities	32	8	26	29
Inc/(dec) in CL and Provisions	155	-60	192	170
Net CF from Operating activities	242	84	160	140
(Purchase)/Sale of Fixed Assets	-92	-295	-162	-70
Others	-11	6	-4	-5
Net CF from Investing activities	-103	-289	-166	-75
Dividend	-	-	-	-
Others	-24	193	49	-82
Net CF from Financing Activities	-24	193	49	-82
Net Cash flow	115	-11	43	-16
Opening Cash/Cash Equivalent	107	44	172	213
Closing Cash/ Cash Equivalent	44	172	213	208

Source: Company, ICICI Direct Research

Exhibit 20: Balance sheet				
	₹ crore			
(Year-end March)	FY25	FY26E	FY27E	FY28E
Equity Capital	96	96	96	96
Reserve and Surplus	856	894	961	1,050
Total Shareholders funds	952	990	1,058	1,146
Total Debt	416	671	785	770
Other liabilities	5	7	8	11
Total Liabilities	1,373	1,668	1,851	1,927
Gross Block	779	1,039	1,279	1,379
Acc: Depreciation	144	198	271	358
Net Block	635	841	1,008	1,021
Capital WIP	58	148	70	40
Total Fixed Assets	694	989	1,078	1,061
Non Current Assets	252	108	112	104
Inventory	581	588	708	870
Debtors	298	276	373	455
Other Current Assets	85	108	130	157
Cash	44	172	213	208
Total Current Assets	1,008	1,144	1,423	1,689
Current Liabilities	634	573	763	928
Net Current Assets (Ex Cash)	417	743	873	969
Total Assets	1,318	1,668	1,851	1,927

Source: Company, ICICI Direct Research

Exhibit 21: Key ratios				
(Year-end March)	FY25	FY26E	FY27E	FY28E
Per Share Data (₹)				
EPS	5.7	3.9	7.0	10.1
Cash per Share	4.6	17.8	22.1	21.6
BV	99.2	102.9	109.9	119.1
Dividend per share	-	-	-	-
Operating Ratios (%)				
EBITDA Margin	7.3	7.8	7.8	8.0
PAT Margin	2.5	1.9	2.5	2.9
Return Ratios (%)				
RoE	5.8	3.8	6.4	8.5
RoCE	9.9	7.1	8.2	9.7
Valuation Ratios (x)				
EV / EBITDA	15.8	17.0	12.7	10.1
P/E	38.3	55.9	31.3	21.8
Market Cap / Sales	1.0	1.1	0.8	0.6
Price to Book Value	2.2	2.1	2.0	1.8
Working Capital Management Ratios				
Inventory Days	96.7	107.9	95.2	94.6
Debtors Days	49.6	50.6	50.1	49.5
Creditors Days	89.7	86.4	85.7	84.7
Asset turnover	2.8	1.9	2.1	2.4
Solvency Ratios				
Debt / Equity	0.4	0.7	0.7	0.7
Current Ratio	1.6	1.8	1.7	1.7
Quick Ratio	0.6	0.7	0.7	0.7

Source: Company, ICICI Direct Research

RATING RATIONALE

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Buy: >15%

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