

June 17, 2026

## Well poised to capitalize on expanding opportunities...

**About the stock:** Rossell Techsys (RTL) is an aerospace and defence engineering and manufacturing company. The company's competencies span across electrical wiring and interconnect systems, electrical panel assemblies tailored for power distribution and control, electronic systems. The company conducts business in two primary models: BTS and BTP.

- Consolidated revenue of the company has grown by ~50% CAGR during the period FY24-26 while EBITDA and PAT have grown by ~40% CAGR respectively over the same period

### Investment Rationale

- Large and growing opportunity across aerospace electrical systems:** RTL operates across EWIS, ESSI, ATE and Electrical-MRO markets with an annual potential opportunity of US\$70bn+. The company is expected to benefit from rising aerospace production, increasing defence spending and growing electronics content across aerospace and defence platforms. Additionally, Boeing, Honeywell Aerospace and Lockheed Martin collectively possess over US\$ 270bn of visible defence backlog and demand. Management indicated that EWIS and Electrical Panel Assemblies (EPA) together account for approximately 6-8% of the total cost of an aerospace platform providing a favourable long-term demand for qualified suppliers like Rossell.
- Increasing value addition through BTP-BTS transition and higher content per platform:** Rossell is strategically transitioning from a predominantly Build-to-Print (BTP) business towards higher-value Build-to-Specification (BTS) and systems integration opportunities. Management indicated that nearly 95% of current business is BTP, providing significant scope for value addition through engineering-led programs. The company currently contributes only ~2-3% of electrical content per aircraft and aims to increase this to 12-15% over time, enabling higher wallet share, stronger customer collaboration and long-term margin expansion
- Capacity expansion and demand visibility support multi-year growth:** Company currently operates ~2.55 lakh sq. ft. of manufacturing space and is expanding capacity through an additional leased facility of ~2.1 lakh sq. ft., with further expansion plans under evaluation. Growth visibility remains strong, supported by a confirmed order book of ~₹715 crore, strategic agreements exceeding ₹3,500 crore and a bid pipeline of over ₹4,500 crore. The combination of expanding capacity and a robust opportunity pipeline positions the company well to support its long-term growth aspirations

### Rating and Target Price

- We believe that RTL is strongly positioned to capture strong opportunity from global commercial and defence ecosystem. With strong order inflows, improving contract mix, expanding product portfolio and improving execution and continuous order flows, we estimate revenue & PAT CAGR of ~61% & ~158% respectively over FY25-28E
- We recommend **BUY** on RTL with a TP of ₹1240 (valued at 32x P/E on FY28E)



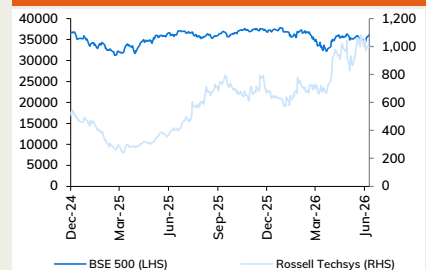
### Particulars

Particulars (Rs Crore)	Amount
Market Capitalization	3,755
Total Debt (FY26)	409.4
Cash and Inv (FY26)	48
EV (FY25)	4,116
52 week H/L	1122/ 392
Equity capital	7.5
Face value (Rs)	2.0

### Shareholding pattern

	Jun-25	Sep-25	Dec-25	Mar-26
Promoter	74.8	74.8	74.8	74.8
FII	1.5	1.5	1.5	1.6
DII	2.4	2.4	2.8	3.5
Others	21.3	21.3	20.9	20.1

### Price Chart



### Key risks

Key Risk:

- Slower than expected contract mix
- High customer concentration
- Availability of key raw materials

### Research Analyst

Vijay Goel  
vijay.goel@icicisecurities.com

Kush Bhandari  
kush.bhandari@icicisecurities.com

### Key Financial Summary

Key Financials (₹ crore)	FY24	FY25	FY26	2 Year CAGR (FY24-26)	FY27E	FY28E	2 Year CAGR (FY26-28E)
Revenues	217.0	259.7	485.1	49.5	868.4	1,259.1	61.1
EBITDA	32.1	36.2	62.6	39.6	157.0	245.1	97.8
EBITDA margin (%)	14.8	14.0	12.9		18.1	19.5	
Net Profit	11.2	7.9	21.9	39.8	84.9	145.9	158.1
EPS (₹)	10.4	2.1	5.8		22.5	38.7	
P/E (x)	95.6	474.9	165.6		44.2	25.7	
EV/EBITDA (x)	38.5	36.1	22.9		9.7	6.6	
RoCE (%)	8.9	7.6	9.6		20.2	24.2	
RoE (%)	8.9	5.9	14.6		36.0	38.9	

Source: Company, ICICI Direct Research

## Company Background

Rossell Techsys (RTL) is an aerospace and defence engineering and manufacturing company specializing in Electrical Wiring & Interconnection Systems (EWIS), Electronic Systems & System Integration (ESSI), Electrical Panel Assemblies (EPA), Automatic Test Equipment (ATE), and aftermarket support solutions for aerospace, defence, semiconductor and space applications. Established as part of the Rossell Group in 2011, the company has evolved from a traditional aerospace wiring solutions provider for offset business into a broader electrical systems and integration platform serving global OEMs, Tier-1 suppliers and strategic technology programs

The company primarily caters to the aerospace and defence industry through highly qualified Build-to-Print (BTP) manufacturing programs, supplying mission-critical electrical systems, wire harnesses, electromechanical assemblies, test equipment and integrated electrical solutions. Over the years, Rossell has established long-standing relationships with leading global aerospace and defence players including Boeing, Honeywell, Lockheed Martin, BAE Systems, IAI and several Tier-1 suppliers. The top 5 OEMs contribute ~91% to the revenue. Its products are deployed across multiple aerospace, defence and industrial platforms, reflecting the company's strong manufacturing capabilities and qualification track record

Rossell operates a manufacturing unit of ~2.55 lakh sq. ft. and currently serves over 30 customers across 8 countries with more than 40 certified aerospace manufacturing processes. The company derives nearly 99% of its revenue from exports and has developed expertise across the entire electrical systems value chain, ranging from wiring interconnection systems to higher-value electrical systems integration and test equipment solutions

The company reported revenue of ₹485 crore in FY26, driven by strong execution across aerospace, defence, semiconductor and space programs. Aerospace & Defence segment contributes ~80% to total revenue (as of FY26) while Space & Semiconductor contributes ~20%

The Company holds a broad spectrum of aerospace and defence certifications - including AS9100, NADCAP, and ISO 27001. Backed by increasing outsourcing by global aerospace OEMs, rising defence spending, expanding participation in electrical systems integration programs and ongoing capacity expansion, Rossell is positioning itself to transition from a predominantly Build-to-Print manufacturer towards a higher-value aerospace systems and technology platform

### Exhibit 1: Product offerings

**One Stop Solution for Global OEMs' Electrical and Electro-Mechanical Requirements**

Product Segments	1	2	3	4	5
	<b>Electrical Wiring &amp; Interconnected Systems (EWIS)</b>	<b>Electronic Systems and Systems Integration</b>	<b>Automatic Test Solutions</b>	<b>Electrical / Electronic After-Market (MRO)</b>	<b>Engineering Services</b>
					
					
	<b>Electrical Panel Assemblies (EPAs)</b>				
					
	<i>Commercial and defence aerospace, Semiconductor, industrial automation, energy, and satellite payload systems</i>	<i>Avionics, defence electronics, aerospace mission systems, medical electronics, and industrial automation</i>	<i>Aerospace and defence, electronics manufacturing services (EMS), industrial systems and defence land systems</i>	<i>Military aviation, legacy aircraft platforms, mission critical ground support equipment, industrial systems, and electronics refurbishment</i>	

Source: Company, ICICI Direct Research

## Investment Rationale

### Large and growing opportunity across aerospace electrical systems

RTL operates across Electrical Wiring & Interconnection Systems (EWIS), Electronic Systems & System Integration (ESSI), Electrical Panel Assemblies (EPA), Automatic Test Equipment (ATE) and Electrical-MRO solutions catering to aerospace, defence, space and semiconductor applications. The company estimates the annual potential business at US\$3-5bn for EWIS, US\$10-15bn for ESSI, US\$1-3bn for ATE and US\$49-55bn for Electrical-MRO, with management indicating long-term industry growth of ~8-10% CAGR.

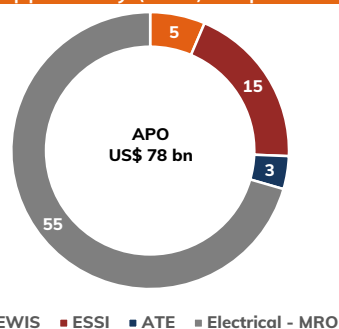
The broader aerospace and defence industry continues to witness strong structural tailwinds. Global aerospace and defence revenues are expected to reach US\$900bn in 2026 (growing at CAGR 6.2%), supported by rising defence spending, aircraft production ramp-ups, increasing aerospace outsourcing and growing electronic content across platforms. As aerospace and defence systems become increasingly electronics-intensive, demand for wiring interconnect systems, electrical assemblies, avionics integration and mission-critical electronic systems is expected to increase over the coming decade

Rossell Techsys supports Boeing across several major defence platforms, including the F/A-18 Super Hornet, F-15 Eagle, AH-64 Apache, CH-47 Chinook, V-22 Osprey, P-8 Poseidon, KC-46 Pegasus, T-7A Hawk and other derivative platform. The company has delivered more than 160,000 critical assemblies to Boeing till now, underscoring its position as a trusted partner in the global aerospace supply chain.

Demand visibility across Rossell's customer ecosystem remains robust, top 3 customers (Boeing, Honeywell Aerospace and Lockheed Martin) contribute ~70% in revenue. Boeing's commercial aircraft backlog exceeds 6,000 aircraft (US\$ 550bn+) while defence backlog stands at US\$86bn+, Honeywell Aerospace reported an aerospace backlog of ~US\$19bn, while Lockheed Martin's backlog exceeds US\$170bn across defence, missile and space programs. Management indicated that EWIS and Electrical Panel Assemblies (EPA) together account for approximately 6-8% of the total cost of an aerospace platform. As aerospace and defence systems continue to witness increasing electrification, automation and electronic content, the value attributable to wiring interconnect systems, electrical assemblies and integrated electrical architectures is expected to rise. This creates a favourable environment for suppliers such as Rossell that possess established capabilities across EWIS, EPA and higher-value systems integration opportunities.

This represents one of the largest long-term demand pools available within the global aerospace and defence supply chain, as these platforms move into production and scale up phases the company stands to benefit from sustained demand over the coming decade

Exhibit 2: Annual potential opportunity (APO) for product portfolio at US\$ 78 bn



Source: Company, ICICI Direct Research

### Capacity expansion and infrastructure investments backed by order inflow and visibility support multi-year growth visibility

Rossell is undertaking a significant capacity expansion programme to support its next phase of growth across aerospace, defence, semiconductor, space and MRO businesses. The company currently operates a manufacturing footprint of ~2.55 lakh sq. ft., which management indicated is operating at around 70% utilisation. To support future growth, the company has secured an additional leased facility of ~2.1 lakh sq. ft., of which ~1.4 lakh sq. ft. is expected to become operational within the

next five months, while the balance is expected to be commissioned by the end of FY27. The facility has been secured under a flexible 9-year (3+3+3 year) lease structure and is expected to primarily support semiconductor and space-related programmes.

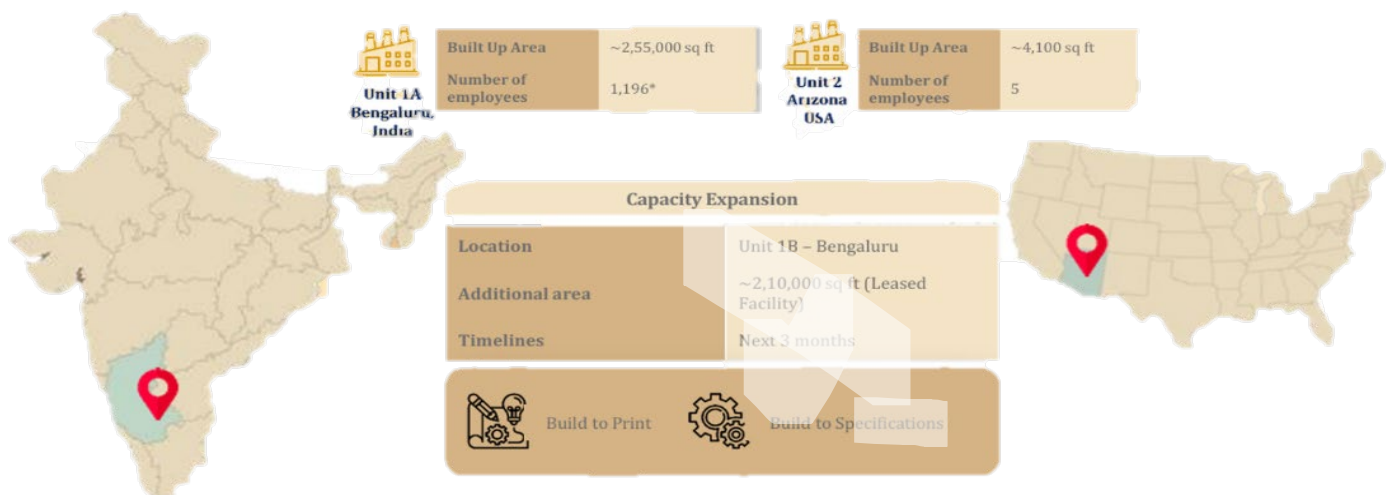
Beyond the leased facility, management is evaluating the development of an additional ~2.5 lakh sq. ft. manufacturing facility, with construction expected to commence around H2FY28 and completion targeted within 12-18 months thereafter. These investments are being undertaken well ahead of capacity constraints and indicate management’s confidence in future growth opportunities.

The company is also in the process of securing approvals and qualification in order to cater to non-defence programmes of existing and new customers. As of date, the company is accredited with certifications for high scrutiny defence products and hence management sees no difficulties in obtaining approvals from commercial aerospace contractors like Boeing, Airbus etc...

This growth outlook is supported by strong demand visibility. As of FY26, Rossell reported a confirmed order book of ~₹715 crore, strategic agreements exceeding ₹3,000 crore and a bid pipeline of over ₹4,500 crore. Management indicated that strategic agreements have subsequently increased to over ₹3,500 crore, while FY27 order inflows are expected to exceed ₹800 crore. Unlike traditional defence businesses, company also benefits from these strategic agreements that represent long-term sourcing agreements under which customers place executable orders closer to production schedules and therefore provide visibility beyond the reported order book.

The combination of capacity expansion, a growing demand pipeline and increasing participation across aerospace, semiconductor, space and emerging technology programmes provides a strong foundation for Rossell’s medium-term growth aspirations

**Exhibit 3: Current capacity with expansion plans**



Source: Company, ICICI Direct Research

**Exhibit 4: Manufacturing facilities**



Source: Company, ICICI Direct Research

## Increasing value addition through BTP-BTS transition and higher content per platform

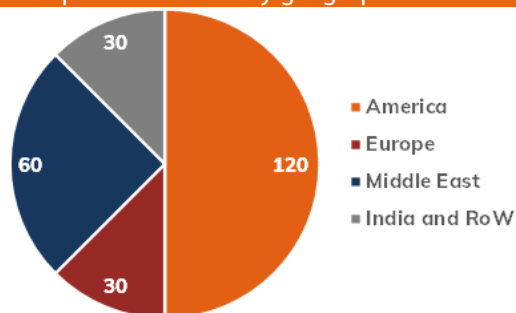
Company is strategically transitioning from a predominantly Build-to-Print (BTP) manufacturing model towards higher-value Build-to-Specification (BTS) programs and Electrical Systems & System Integration (ESSI) opportunities. Currently, nearly a significant share in revenue of the company's business is derived from BTP programs, where products are manufactured based on customer-provided designs and specifications, resulting in relatively lower value addition and engineering content.

Management highlighted that future growth will increasingly be driven by higher-value BTS programs, particularly through engagements with existing customers and newer opportunities such as Honeywell. Compared to traditional BTP contracts, BTS programs involve greater engineering participation, higher system-level integration and deeper customer engagement, enabling superior value addition and improving switching costs.

A key indicator of this opportunity is Rossell's current content share on aircraft platforms. Management indicated that the company presently contributes only ~2-3% of the electrical content on an aircraft and aims to increase this share to ~12-15% over time. The company also aims for a 4.5x revenue (₹ 2200-2300 crore) from current levels in the next 4-5 years. This provides a substantial opportunity to increase revenue through higher wallet share per platform, independent of underlying aircraft production growth.

The transition towards BTS, ESSI and higher-value electrical systems is also expected to support margin expansion over the long term

Exhibit 5: US\$240mn revenue aspiration across key geographies



## Focus on tapping huge opportunity across Semiconductor, Space, MRO and Commercial Aerospace segments

While aerospace and defence continue to remain Rossell's core business, the company is actively building additional growth engines through its Semiconductor, Space and Maintenance, Repair & Overhaul (MRO) verticals. Management indicated that the company's long-term strategy is to diversify revenue streams and gradually move towards a more balanced portfolio across defence and non-defence end markets.

The semiconductor business has emerged as one of the most promising growth opportunities within the portfolio. In FY26, space and semiconductor business contributed ₹100 crore, going ahead, management highlights that the company has already secured business from leading semiconductor customers and expects the segments to witness 300-400% growth in FY27. More importantly, management indicated that the semiconductor opportunity alone has the potential to scale to ~US\$200mn in revenue over the next 3-5 years. As semiconductor manufacturing typically involves higher value addition and engineering content, successful execution in this segment could materially improve Rossell's revenue mix and profitability profile over the long term.

The space business has also started gaining traction, supported by a recently secured multi-year contract worth ~₹400 crore and increasing participation across indigenous and global space programmes. Management highlighted that the business has moved beyond qualification stages and is now entering volume manufacturing, creating an additional growth avenue outside traditional aerospace and defence markets.

In addition, Rossell is establishing an Electrical-MRO business and has already secured key certifications, including NADCAP, DTA & AS9110 accreditation and the necessary regulatory approvals. While management expects only limited contribution from MRO in FY27, the business is expected to witness a more meaningful ramp-up from FY28 onwards. Collectively, these emerging businesses contributed nearly 20% of FY26 revenue and are expected to become increasingly significant over the medium term. Management ultimately aims to move towards a 50:50 mix between defence and non-defence businesses, thereby creating a more diversified and resilient growth platform. Company is also evaluating entry into commercial aerospace segment to capture sizable opportunities from the global commercial aerospace upcycle

Management indicated that while the current business model supports EBITDA margins in the 17-22% range, the long-term aspiration is to achieve a 21-30% margin profile through a combination of BTS, space, and MRO and electro-mechanical integrated systems and assemblies' execution, higher engineering content, semiconductor programs and greater participation in system-level opportunities

### **QIP to strengthen balance sheet and next phase of growth**

Rossell is entering a phase of accelerated expansion across its core aerospace business while simultaneously scaling newer verticals such as semiconductor, space and MRO. To support these growth initiatives, management is evaluating a Qualified Institutional Placement (QIP) of ~ ₹300-400 crore, representing roughly 7-8% dilution at current market capitalisation. The proposed fund raise is expected to strengthen the company's balance sheet and provide the financial flexibility required to execute its medium-term growth plans.

Management indicated that the proceeds are likely to be deployed towards capacity expansion, operational infrastructure and working capital requirements, with ~₹100 crore earmarked for each of these areas. The fund raise assumes significance as Rossell is undertaking a substantial expansion of its manufacturing footprint, building capabilities across newer technology segments and supporting higher business volumes from existing and prospective customer programs. Additionally, the aerospace industry typically requires significant inventory commitments due to long procurement lead times, making working capital availability an important competitive advantage.

The proposed QIP is therefore not intended to address balance sheet stress, but rather to fund growth opportunities across multiple business segments. Successful execution of the fund raise would enhance company's ability to pursue large-scale opportunities, accelerate capacity addition and strengthen its position as it transitions towards a higher-value aerospace, semiconductor and technology-focused manufacturing platform

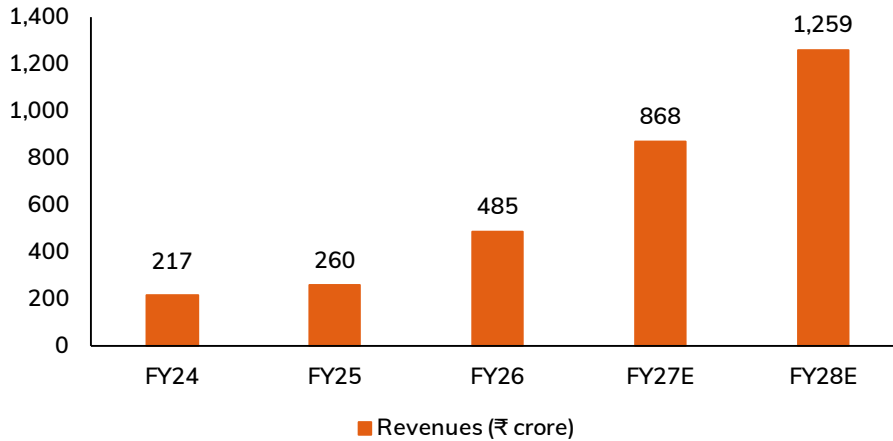
## Key Financial Summary

### Revenue expected to grow ~61% CAGR over FY26-28E

Company has reported healthy topline growth of ~50% CAGR in the last 2 years (FY24-26), led by healthy demand from EWIS segment supported by strong execution

Going forward, we project a revenue CAGR of ~61% over FY26-28E, driven by sustained demand for company's products, increase in capacities and further introduction of new segments. We expect share of MRO to increase considerably from FY28E onwards. Management also guides FY27E revenue growth would be similar to FY26 (i.e. 80%+ YoY in FY27E)

Exhibit 6: Trend in Topline



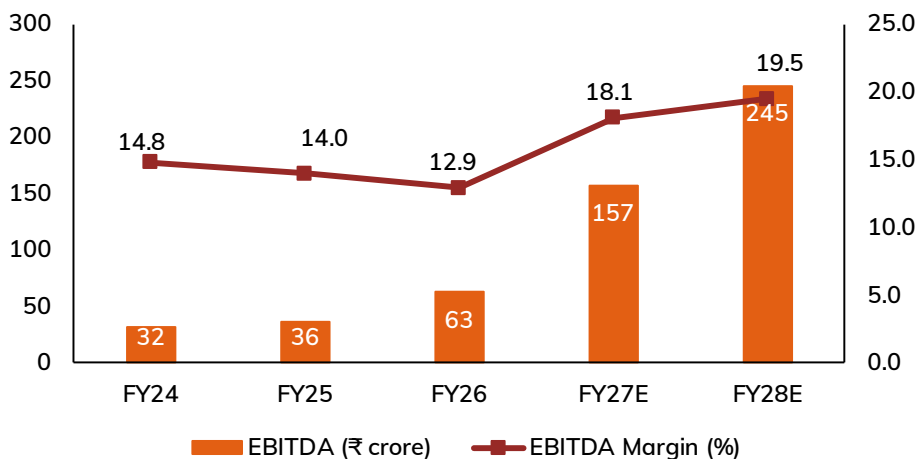
Source: Company, ICICI Direct Research

### EBITDA expected to grow ~98% CAGR over FY25-28E

Despite strong revenue growth over FY24-26, company's EBITDA margin remained in the range of 13-15% over the same period as the contribution of BTP contracts remained high with limited pass-through of increase in raw material cost

Going ahead, we estimate EBITDA margin to grow to 18-19% by FY28E, led by space, semiconductor and MRO business along with increasing share of BTS orders. Subsequently, EBITDA is expected at ~98% CAGR over FY26-28E

Exhibit 7: Trend in EBITDA & Margins

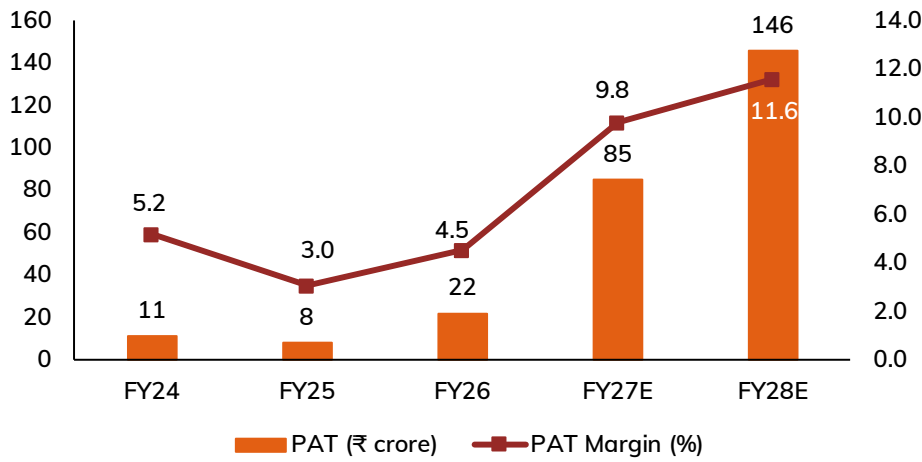


Source: Company, ICICI Direct Research

### PAT expected to grow ~158% CAGR over FY25-28E

With healthy growth in revenue and expansion of EBITDA margins, we expect PAT to grow at a CAGR of ~158% over FY26-28E to ~₹ 146 crore by FY28E from ₹ 22 crore in FY26. The PAT margin is also set to improve from 5% in FY26 to 12% by FY28E

Exhibit 8: Trend in PAT and PAT Margin

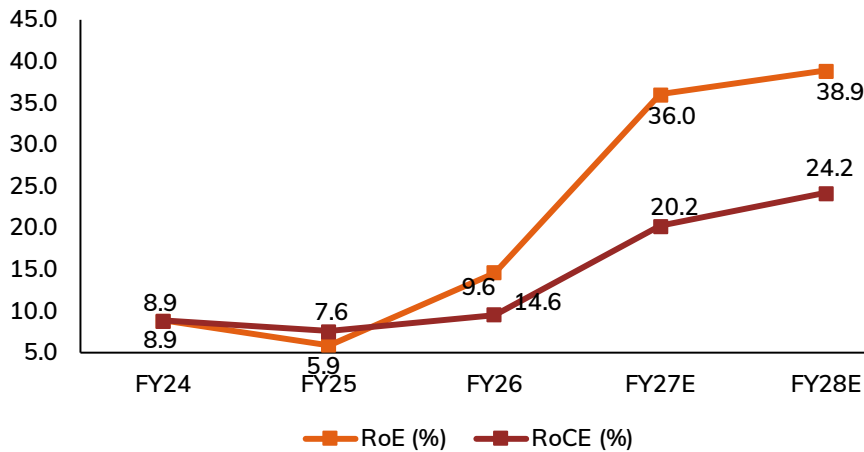


Source: Company, ICICI Direct Research

**Return ratios to improve substantially over FY26-28E**

Return ratios are also expected to improve over FY26-28E, led by improvement in execution, overall margins and asset turnover ratio

Exhibit 9: Trend in Return Ratios

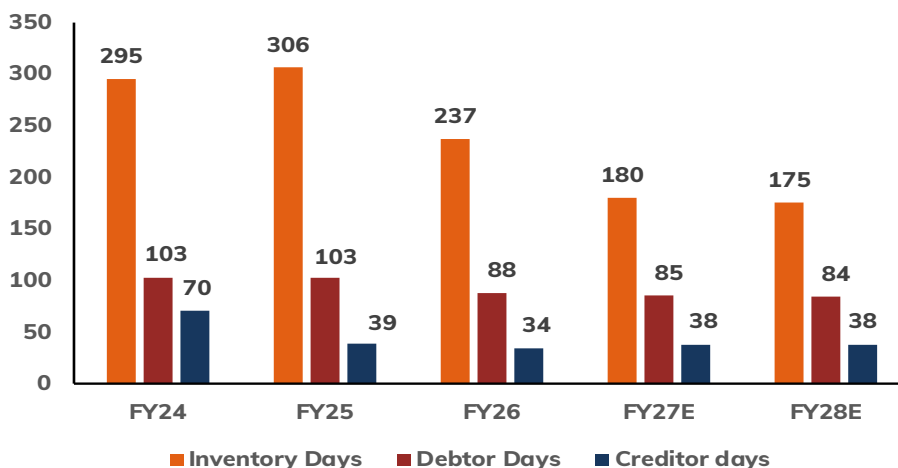


Source: Company, ICICI Direct Research

**Working capital cycle to improve over FY26-28E**

Company's working capital cycle has increased on account of higher receivables days on exports side and increase in inventory days (mainly due to increase in procurement of specialised raw materials required for development of products). However, going ahead, we expect an improvement in working capital days. Company also guides reduction in inventory days to ~200 days in medium term and ~120 days in long-term

Exhibit 10: Trend in Working Capital Days



Source: Company, ICICI Direct Research

## Risk and Concerns

### Customer Concentration and Program Dependency Risk

Rossell derives a significant portion of its revenue from a limited number of large aerospace and defence customers and programs. While long-term relationships with global OEMs provide stability, any reduction in orders, delay in production schedules, program cancellations or supplier consolidation initiatives by key customers could materially impact revenue growth. Additionally, customer-specific qualification processes and platform dependencies may increase exposure to individual program execution cycles.

### Slower-than-Expected BTP-to-BTS Transition

A key pillar of the investment thesis is Rossell's transition from a predominantly Build-to-Print (BTP) model towards higher-value Build-to-Specification (BTS) and systems integration opportunities. Failure to secure meaningful BTS programs, delays in customer approvals or lower-than-expected engineering participation could restrict the company's ability to increase content per platform and achieve its long-term margin aspirations. Consequently, revenue growth may remain dependent on underlying aerospace production growth rather than increasing value capture.

### Execution Risk in Semiconductor, Space and MRO Businesses

The company is actively scaling newer verticals such as Semiconductor, Space and MRO, which are expected to become important growth drivers over the medium term. However, these businesses remain at a relatively early stage compared to the core aerospace segment. Delays in customer onboarding, qualification timelines, technology adoption, capacity ramp-up or commercialisation could result in lower-than-expected revenue contribution from these emerging verticals and impact the company's diversification strategy.

### Supply Chain and Working Capital Risk

Rossell operates within a highly specialised aerospace supply chain and management indicated that approximately 95% of raw material requirements are currently imported, primarily from the United States. Any disruption in global supply chains, geopolitical developments, export restrictions, currency volatility or extended procurement lead times could impact production schedules and profitability. Additionally, the business requires significant inventory commitments and working capital investment, particularly during periods of rapid growth and capacity expansion.

### Capacity Expansion and Growth Execution Risk

Rossell's long-term growth aspirations are supported by significant capacity expansion plans, including the commissioning of a new leased facility and the potential development of an additional manufacturing unit in the coming years. While these investments are intended to support future demand, any delays in facility ramp-up, customer programme execution, manpower availability or utilisation improvement could result in sub-optimal asset utilisation and lower-than-expected returns on invested capital. Additionally, management's FY30 revenue aspiration of ~₹2,200 crore assumes sustained execution across aerospace, semiconductor, space and MRO businesses, making operational execution a critical determinant of future performance.

## Financial Summary

**Exhibit 11: Profit and loss statement**

₹ crore

(Year-end March)	FY24	FY25	FY26	FY27E	FY28E
Revenue	217.0	259.7	485.1	868.4	1,259.1
% Growth	-	19.7	86.8	79.0	45.0
Other income	2.9	2.7	5.1	5.3	5.6
Total Revenue	217.0	259.7	485.1	868.4	1,259.1
% Growth	-	19.7	86.8	79.0	45.0
Total Raw Material Costs	113.4	140.4	302.7	541.9	785.7
Employee Expenses	46.3	58.0	83.0	116.2	151.0
other expenses	25.1	25.0	36.8	53.3	77.3
Total Operating Expenditure	184.8	223.4	422.5	711.3	1,014.0
Operating Profit (EBITDA)	32.1	36.2	62.6	157.0	245.1
% Growth	-	12.8	72.8	150.7	56.1
Interest	11.9	17.2	24.3	35.1	41.5
PBDT	23.1	21.7	43.4	127.3	209.2
Depreciation	9.0	10.5	13.7	15.6	17.2
PBT before Exceptional Items	14.2	11.2	29.6	111.7	191.9
Total Tax	3.0	3.3	6.7	26.8	46.1
PAT	11.2	7.9	21.9	84.9	145.9
% Growth	-	(29.4)	176.9	287.6	71.9
EPS	3.0	2.1	5.8	22.5	38.7

Source: Company, ICICI Direct Research

**Exhibit 12: Cash flow statement**

₹ crore

(Year-end March)	FY24	FY25	FY26	FY27E	FY28E
Profit after Tax	11	8	22	85	146
Depreciation	9	10	14	16	17
Interest	12	17	24	35	42
Cash Flow before WC change	32	36	60	136	205
Changes in inventory	(175)	(42)	(97)	(113)	(175)
Changes in debtors	(61)	(12)	(43)	(86)	(88)
Changes in loans & Advances	-	-	-	-	-
Changes in other CA	(9)	(2)	(15)	(14)	(18)
Net Increase in Current Asset:	(245)	(56)	(155)	(213)	(281)
Changes in creditors	42	(14)	18	45	41
Changes in provisions	-	-	-	-	-
Net Inc in Current Liabilities	63	(19)	16	55	51
Net CF from Operating activit	(151)	(39)	(79)	(22)	(25)
Changes in deferred tax asse	-	-	-	-	-
(Purchase)/Sale of Fixed Asse	(150)	(14)	(23)	(27)	(20)
Net CF from Investing activitie	(145)	(13)	(22)	(27)	(20)
Dividend and Dividend Tax	-	(1)	(1)	(4)	(7)
Net CF from Financing Activit	269	55	144	41	52
Net Cash flow	(28)	2	43	(9)	7
Opening Cash/Cash Equivaler	29	2	4	48	39
Closing Cash/ Cash Equivalen	2	4	48	39	46

Source: Company, ICICI Direct Research

**Exhibit 13: Balance sheet**

₹ crore

(Year-end March)	FY24	FY25	FY26	FY27E	FY28E
Equity Capital	7.5	7.5	7.5	7.5	7.5
Reserve and Surplus	119	126	147	228	367
Total Shareholders funds	127	134	155	235	374
Total Debt	168	240	409	489	589
Total Liabilities	298	379	571	732	971
Gross Block	130	133	166	191	212
Acc: Depreciation	36	43	57	73	90
Net Block	97	99	108	118	122
Capital WIP	5	3	2	3	2
Total Fixed Assets	113	117	127	138	141
Non Current Assets	-	-	-	-	-
Inventory	175	218	315	428	604
Debtors	61	73	116	202	290
Other Current Assets	9	11	25	39	57
Cash	2	4	48	39	46
Total Current Assets	247	306	504	708	996
Current Liabilities	42	28	46	90	131
Provisions	-	1	2	2	2
Total Current Liabilities	63	43	60	115	166
Net Current Assets	185	262	445	594	830
Total Assets	298	379	571	732	971

Source: Company, ICICI Direct Research

**Exhibit 14: Key ratios**

(Year-end March)	FY24	FY25	FY26	FY27E	FY28E
EPS	10.4	2.1	5.8	22.5	38.7
Cash per Share	1.7	1.1	12.6	10.3	12.1
BV	117.7	35.4	41.1	62.5	99.3
Dividend per share	-	0.2	0.3	1.1	1.8
Dividend payout ratio	0%	10%	5%	5%	5%
EBITDA Margin	14.8	14.0	12.9	18.1	19.5
PAT Margin	5.2	3.0	4.5	9.8	11.6
RoE	8.9	5.9	14.6	36.0	38.9
RoCE	8.9	7.6	9.6	20.2	24.2
RoC	7.9	7.0	9.5	20.6	24.8
EV / EBITDA	38.5	36.1	22.9	9.7	6.6
P/E	95.6	474.9	165.6	44.2	25.7
EV / Net Sales	5.7	5.0	3.0	1.8	1.3
Sales / Equity	1.7	1.9	3.1	3.7	3.4
Market Cap / Sales	4.9	4.1	2.2	1.2	0.9
Price to Book Value	8.5	28.1	24.2	15.9	10.0
Asset turnover	0.7	0.7	0.9	1.2	1.3
Debtors Turnover Ratio	7.1	3.9	5.1	5.4	5.1
Creditors Turnover Ratio	10.4	7.5	13.2	12.8	11.4
Debt / Equity	1.3	1.8	2.6	2.1	1.6
Current Ratio	5.4	10.2	9.7	7.3	7.2
Quick Ratio	1.5	2.8	3.0	2.6	2.6

Source: Company, ICICI Direct Research

S

## RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according -to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,  
ICICI Securities Limited,  
Third Floor, Brillanto House,  
Road No 13, MIDC,  
Andheri (East)  
Mumbai – 400 093  
research@icicidirect.com

## ANALYST CERTIFICATION

I/We, Vijay Goel, PGDBM, Kush Bhandari, MBA, Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

## Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

## Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agarwal  
Contact number: 022-40701000 E-mail Address: [complianceofficer@icicisecurities.com](mailto:complianceofficer@icicisecurities.com)

For any queries or grievances: Mr. Prabodh Avadhoot Email address: [headservation@icicidirect.com](mailto:headservation@icicidirect.com) Contact Number: 18601231122

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit [icicidirect.com](http://icicidirect.com) to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report