

SELL**TP: Rs 2,828 | ▼ 26%****ESCORTS KUBOTA**

Automobiles

11 February 2026

Healthy Q3 show; medium-term woes continue; retain SELL

- Strong tractor momentum continued with volumes up ~14% YoY, driving Agri Machinery EBIT margin higher to 13.5% (+310 bps YoY)
- Operating leverage and cost control drive gross margin expansion of 200bps YoY to 29%. Cost inflation expected to impact Q4FY26
- Revise up FY26E/FY27E/FY28E EBITDA/EPS to factor 9MFY26 show. Retain 20x P/E multiple, revise TP down to Rs 2,828 (Rs 2,731). SELL

Milind Raginwar
Research Analyst
 research@bobcaps.in

Volume growth drives revenue; regional disparity continues to pressure:

ESCORTS reported healthy revenue growth of ~11%/18% YoY/QoQ to Rs32.8bn, driven primarily by tractor volumes growth of ~14% YoY, supported by strong rabi demand, healthy reservoir levels and higher MSPs. However, realisation remained subdued, with NRPV down ~2% YoY due to competitive intensity; though improving ~8% QoQ on a better mix. Management highlighted that growth continues to be skewed towards South/East markets, where ESC has a relatively lower penetration.

Agri machinery drives margin expansion, CE stabilises QoQ: Agri Machinery (AM) segment stayed the key growth driver, revenue grew ~15% with EBIT margin expanding sharply to 13.5% (+310bps/72bps YoY/QoQ), aided by cost control and material cost softening. Construction Equipment (CE) segment lagged, with volumes declining ~14% YoY; though improving sharply QoQ. Segment revenue slowed ~5% YoY, with EBIT margin falling to 6.6% (-440bps YoY), albeit recovering QoQ.

Softening cost and scale drive margin: Raw material costs rose ~8% YoY to Rs20.4bn but fell to ~71% of sales (vs 73% YoY), benefiting from the scale and cost control. Gross margin added ~200bps YoY (-170bps QoQ) to ~29%. EBITDA rose ~31%/21% YoY/QoQ to Rs4.3bn, with operating margin improving to 13.3% (+196bps YoY). Management cautioned that commodity inflation (steel, copper, aluminium) is expected in Q4FY26, though no price hike has been taken yet.

Earnings aided by operating leverage: Reported PAT grew ~12%/13% YoY/QoQ to Rs3.6bn, impacted by a one-off labour code charge of Rs525mn. However, adjusted PAT, rose a strong ~42%/29% YoY/QoQ.

Maintain SELL: Intense competition, unfavourable regional mix, GST rate cuts keep tractor realisation under pressure YoY. ESCORTS has also faced challenges selling Kubota tractors given the engine manufacturing woes. We, revise our EBITDA/EPS for FY26E/FY27E/FY28E upwards. The new capacity benefits will flow from FY28 and beyond that will aid export visibility. We revise our TP to Rs 2,828 (Rs 2,731). Our target P/E stays at 20x – a small premium to the stock's LT mean. Retain SELL.

Key changes

| Target | Rating |
|--------|--------|
| ▲ | ◀ ▶ |

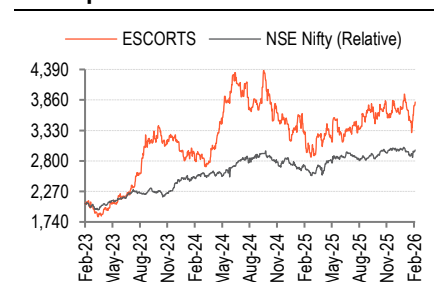
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|------------------|---------------------|
| Ticker/Price | ESCORTS IN/Rs 3,824 |
| Market cap | US\$ 5.6bn |
| Free float | 63% |
| 3M ADV | US\$ 4.2mn |
| 52wk high/low | Rs 4,180/Rs 2,776 |
| Promoter/FPI/DII | 37%/22%/8% |

Source: NSE | Price as of 10 Feb 2026

Key financials

| Y/E 31 Mar | FY25A | FY26E | FY27E |
|-------------------------|----------|----------|----------|
| Total revenue (Rs mn) | 1,02,439 | 1,18,797 | 1,33,727 |
| EBITDA (Rs mn) | 11,653 | 14,370 | 16,583 |
| Adj. net profit (Rs mn) | 11,268 | 12,826 | 14,569 |
| Adj. EPS (Rs) | 100.7 | 114.6 | 130.2 |
| Consensus EPS (Rs) | 100.7 | 126.0 | 133.0 |
| Adj. ROAE (%) | 10.9 | 11.0 | 11.1 |
| Adj. P/E (x) | 38.0 | 33.4 | 29.4 |
| EV/EBITDA (x) | 44.5 | 36.2 | 31.7 |
| Adj. EPS growth (%) | 6.1 | 13.8 | 13.6 |

Source: Company, Bloomberg, BOBCAPS Research

Stock performance

Source: NSE



Fig 1 – Earnings call highlights

| Parameter | Q3FY26 | Q2FY26 | Our view |
|------------------|--|--|--|
| Domestic volumes | Domestic tractor volumes grew 12% YoY to 35,373 units (vs ~32k in Q2). Total tractor volumes up 13.5% YoY to 36,955 units (+9.1% QoQ). Industry grew 23% YoY; ESCORTS highlighted that growth moderated due to regional disparity (North/Central underperformed, other regions grew 34%) and limited availability of key models. Market share stable for Farmtrac brand in core geographies. New launches (Promaxx scaling) and dealer initiatives supporting momentum. Management expects low double-digit industry growth for full FY26 with industry reaching 1.15mn units. | Domestic tractor volumes surged 30.5% YoY to ~32k units from ~25k units, in line with industry growth of 30.7%. Total tractor volumes up 30.3% YoY to ~34k units from ~26k units. Market share gained 20 bps to 11.8% at Q2FY26-end. Growth was driven by new product launches (Promax, Kubota MU), customer initiatives, and strong rural demand (adequate reservoirs, GST reduction, MSP hikes). Management expects low double-digit industry growth for FY26. | ESCORTS continues to face challenges given the regional disparity. Further, in a bid to gain market share, it loses realisations, maintaining discounts add woes on account of unfavourable mix. This challenge will continue in the medium term till the new capacity is commissioned. Steps to make its presence felt in the key growth region are in the right direction. |
| Exports | Export volumes rose sharply to 1.6k units (+63% YoY). Kubota Global Network accounted for ~68% of exports. Europe dominant; Mexico, Africa, Southeast Asia gaining traction. Management expects double-digit export growth to sustain, though growth rates will normalise from the current levels. | Export volumes rose 26.2% YoY to ~1.5k units from ~1.2k units, outperforming industry growth of 4.4%. Exports to Kubota Global Network stable at ~52% of total exports. Europe remains dominant; Mexico, Africa, Southeast Asia gaining traction. FY26 export target: 25–30% growth target maintained, aiming for 15% of revenue by FY27–30. | Full impact of formal amalgamation with Kubota will give ESCORTS a better foothold in export markets. However, management indicated this to be taking another 3–4 quarters. |
| Margins | Standalone EBITDA margin expanded to 13.5% (+203 bps YoY). Agri machinery EBIT margin improved 310 bps YoY on operating leverage, softer RM and cost control. Commodity inflation (steel, copper, aluminium) likely in Q4FY26, though management doesn't expect it to be significant. No tractor price hikes have been taken yet. | EBITDA margin expanded to 13.1%, up 280 bps YoY from 10.3%, consolidated margin was up by 279bps to 12.9%. EBIT margin for Agri Machinery at 12.8%, up 368 bps YoY from 9.1%. Expansion comes on easing material costs, operating leverage, and cost control. CE segment EBIT margin was down to 3.8% vs 9.3% given lower production and extended monsoon. | Margins driven by operating leverage and cost controls, and are commendable. However, as the company engines are not allowed on Kubota platform, import costs will continue to pinch margins till the localisation is complete. Commodity cost inflation to pinch from Q4 onwards. |
| Other segments | CE volumes at 1.7k units (–13.7% YoY, +49.7% QoQ). Segment revenue at Rs4.9bn (–5% YoY). EBIT margin was at 6.6% (–440 bps YoY, +280 bps QoQ). Degrowth in the segment is moderating sharply (Q1FY26 –23.7%, Q2FY26 –17.8%, Q3FY26 –13.7%). January decline has come down to –3.7%. Launched Kubota U22-6 mini excavator while Hydra 15, BLX 75, Hydra 72 concept were showcased. | CE: Volumes down 17.8% YoY to ~1.1k units from ~1.4k units, underperforming industry decline of ~4% (crane segment down 13%). Mini Excavator gained traction by 151 bps to 18.5%. RED: Fully divested in Q1FY26; no further income. | Performance of segments other than tractors will improve. CE segment performance is likely to improve, given the government's thrust on infrastructure. In crane and mini escalator market, the company is a No. 2 player. However, backhoe loaders and compactors a challenge due to growing export markets dominated by MNC companies and not a strong play for ESCORTS. However, hiving off the Railway Equipment business at below-par valuations will have an impact in the short term. |

| Parameter | Q3FY26 | Q2FY26 | Our view |
|-------------------|--|--|---|
| Regulations | CE BS V transition is complete with the price hike being mostly absorbed by the market. | Transition from BS IV to BS V is complete, leading to price hikes. Normalisation is expected once market absorbs the price impact. No further updates on the Trem V norms received. | ESCORTS has a lower presence in the high-end tractor segment and will see limited pricing impact from new norms. |
| Capex | Board approved land acquisition only for UP greenfield. Total indicative outlay Rs22.7bn; commercial production targeted by FY29–30, subject to demand. Existing facilities can support 10–15% volume expansion. | FY26 capex guidance: Rs 3.5–4bn of normal capex maintained with proportional amount spent for H1FY26. Greenfield capex will be above the normal capex Rs 4–4.5bn for UP land acquisition. Land acquisition delayed by ~6 months; completion expected in FY26. | Ongoing capex is likely to be delayed, but likely to be commissioned by FY28/29. Any meaningful reflection on the volume is visible only post the availability of extra capacity. |
| Merger | Kubota brand continues to face challenges due to narrow portfolio and imported cost structure. Launch of Indian platform under Kubota brand planned; launches to start over next few quarters. Further with the introduction of new products in July and August there should be improvement in Kubota brand market share from the next couple of quarters. | ESCORTS is planning to develop tractors on their platform to be sold under Kubota brand as a strategy to localise production as much as possible. | In the medium term, margins are likely to be under pressure. Clarity, particularly about the exports business, is likely to emerge in the next 4-6 quarters, post a complete branding revamp. In India, localisation effort will only be the next trigger for Kubota units. |
| Other Information | <p>Non-tractor revenue was at ~21% of Agri Machinery (up from 17% QoQ).</p> <p>New agri-solution launches: KA6/KA8 rice transplanter.</p> | <p>Non-tractor revenue: 17% of Agri Machinery (vs. 18% YoY/QoQ).</p> <p>Treasury income dipped sequentially in Q2FY26 due to mark to market movement in mutual funds.</p> <p>Captive finance (EKFL): Currently present in 4-5 states. Management plans for pan India rollout and breakeven in FY27, and profitability by FY28. Aim is for 25-30% penetration of tractor sales.</p> | <p>Other revenue streams are steady and provide a healthy buffer to the earnings.</p> <p>Balance sheet strength is reasonably healthy, though greenfield investments pace is clearly lacking. UP expansion hinges on government clearances.</p> |

Source: Company, BOBCAPS Research

Fig 2 – Quarterly performance (Consolidated)

| (Rs mn) | Q3FY26 | Q3FY25 | YoY (%) | Q2FY26 | QoQ (%) | Q3FY26E | Deviation (%) |
|------------------------------|---------------|---------------|--------------|---------------|--------------|---------------|---------------|
| Volume | 36,955 | 32,556 | 13.5 | 33,877 | 9.1 | 36,955 | 0.0 |
| Avg. Realisation per Vehicle | 8,87,699 | 9,05,523 | (2.0) | 8,24,028 | 7.7 | 7,91,067 | (10.9) |
| Net Revenues | 32,805 | 29,480 | 11.3 | 27,916 | 17.5 | 29,234 | (10.9) |
| Total Income (A) | 32,805 | 29,480 | 11.3 | 27,916 | 17.5 | 29,234 | (10.9) |
| Operating Expenses | | | | | | | |
| Raw materials consumed | 23,291 | 21,527 | 8.2 | 19,338 | 20.4 | 20,631 | (11.4) |
| Employee Expenses | 2,151 | 2,032 | 5.9 | 2,076 | 3.6 | 2,065 | (4.0) |
| Other Expenses | 3,015 | 2,594 | 16.2 | 2,905 | 3.8 | 3,051 | 1.2 |
| Total Expenditure (B) | 28,458 | 26,153 | 8.8 | 24,319 | 17.0 | 25,747 | (9.5) |
| EBITDA (A-B) | 4,347 | 3,327 | 30.6 | 3,597 | 20.9 | 3,487 | (19.8) |
| Other Income | 1,544 | 1,099 | 40.5 | 1,343 | 15.0 | 1,190 | (22.9) |
| Depreciation | 643 | 615 | 4.5 | 622 | 3.4 | 611 | (4.9) |
| EBIT | 5,248 | 3,811 | 37.7 | 4,318 | 21.5 | 4,066 | (22.5) |
| Finance Costs | 64 | 35 | 79.7 | 46 | 39.5 | 45 | (29.2) |
| PBT after excep items | 4,660 | 4,098 | 13.7 | 4,273 | 9.1 | 4,032 | (13.5) |
| Tax expense | 1,076 | 892 | 20.7 | 1,091 | (1.4) | 887 | (17.6) |
| Reported PAT | 3,583 | 3,206 | 11.8 | 3,181 | 12.6 | 3,145 | (12.2) |
| Adjusted PAT | 4,108 | 2,884 | 42.5 | 3,181 | 29.1 | 3,134 | (23.7) |
| EPS (Rs) | 36.7 | 25.8 | 42.5 | 28.4 | 29.1 | 28.0 | (23.7) |
| Key Ratios (%) | | | (bps) | | (bps) | | |
| Gross Margin | 29.0 | 27.0 | 202 | 30.7 | (173) | 29.4 | 43 |
| EBITDA Margin | 13.3 | 11.3 | 196 | 12.9 | 37 | 11.9 | (132) |
| EBIT Margin | 16.0 | 12.9 | 307 | 15.5 | 53 | 13.9 | (209) |
| PBT Margin | 15.8 | 12.8 | 300 | 15.3 | 50 | 13.8 | (205) |
| Tax Rate | 23.1 | 21.8 | 134 | 25.5 | (244) | 22.0 | (110) |
| Adj PAT Margin | 12.5 | 9.8 | 274 | 11.4 | 113 | 10.7 | (180) |

Source: Company, BOBCAPS Research | Note: Includes impact of amalgamation with the JV partners

Valuation Methodology

We, revise our EBITDA/EPS for FY26E/FY27E/FY28E upwards (PI refer revised estimates table below). The new capacity benefits will flow from FY28 and beyond that will aide export visibility.

Intense competition and unfavourable regional mix keep tractor realisation under pressure YoY further added worries by GST rate cuts and festive discounts in the early part of the quarter. ESCORTS has also faced challenges selling Kubota tractors due to engine manufacturing woes.

Margin impact will be ~1-2% in the medium term, given the regional imbalance that continues to hit ESCORTS and will likely continue till new capacity is on stream (till FY28/FY29). Import substitution for Kubota engines due to the policy of not allowing Escorts engines (on Kubota platform), will be a drag.

The full benefit of the Kubota integration on export sales is likely to flow in only after 12-24 months and hinges on capacity expansion. The ongoing capex is likely to be delayed given the 6-month delay in land acquisition; but management is hopeful of new commissioning by FY28/29. Any meaningful reflection on volumes will be visible only post the availability of extra capacity.

We revise our TP to Rs 2,828 (Rs 2,731). Our target P/E stays at 20x – a marginal premium to the stock's LT mean. Retain SELL.

Fig 3 – Revised estimates

| (Rs mn) | New | | | Old | | | Change (%) | | |
|--------------|----------|----------|----------|----------|----------|----------|------------|-------|-------|
| | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E |
| Revenue | 1,18,797 | 1,33,727 | 1,51,945 | 1,14,140 | 1,31,812 | 1,50,816 | 4.1 | 1.5 | 0.7 |
| EBITDA | 14,370 | 16,583 | 19,032 | 13,450 | 16,205 | 18,809 | 6.8 | 2.3 | 1.2 |
| Adj PAT | 12,826 | 14,569 | 15,780 | 12,127 | 14,281 | 15,612 | 5.8 | 2.0 | 1.1 |
| Adj EPS (Rs) | 114.6 | 130.2 | 141.0 | 108.4 | 127.6 | 139.5 | 5.8 | 2.1 | 1.1 |

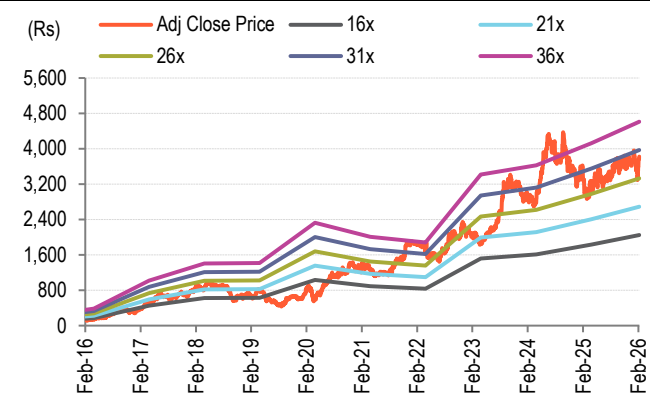
Source: Company, BOBCAPS Research

Fig 4 – Key assumptions

| | FY25 | FY26E | FY27E | FY28E |
|--------------------------|----------|----------|----------|----------|
| Volumes (nos) | 1,12,627 | 1,29,522 | 1,37,293 | 1,50,336 |
| Blended Realisation (Rs) | 6,61,029 | 6,89,123 | 7,20,133 | 7,41,737 |
| EBITDA (Rs mn) | 11,653 | 14,370 | 16,583 | 19,032 |
| EBITDA margin (%) | 13.9 | 13.5 | 13.5 | 13.5 |
| Adj. PAT (Rs mn) | 11,268 | 12,826 | 14,569 | 15,780 |
| EPS (Rs) | 100.7 | 114.6 | 130.2 | 141.0 |

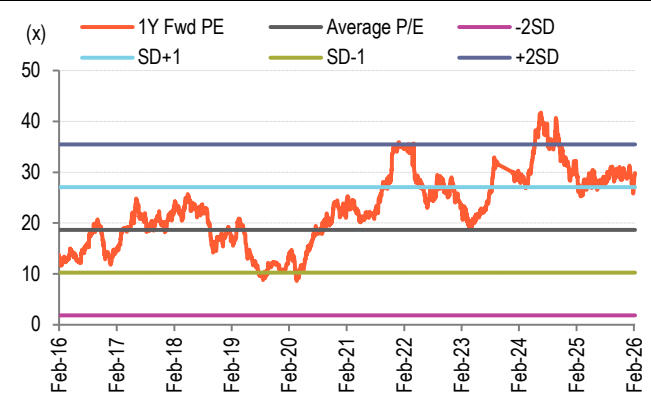
Source: Company, BOBCAPS Research

Fig 5 – P/E band: We value ESCORTS at 20x FY27E P/E based on core business earnings



Source: Company, Bloomberg, BOBCAPS Research

Fig 6 – P/E 1YF: Correction in the valuations is to align with its earnings and is justified



Source: Company, Bloomberg, BOBCAPS Research

Key Risks

Key upside risks to our estimates:

- Faster-than-anticipated margin revival on earnings-accretive price hikes
- Quicker easing of commodity prices than anticipated.
- Faster addition of new capacities ahead of schedule or without further delays

Financials

Income Statement

| Y/E 31 Mar (Rs mn) | FY24A | FY25A | FY26E | FY27E | FY28E |
|----------------------------|---------------|-----------------|-----------------|-----------------|-----------------|
| Total revenue | 88,496 | 1,02,439 | 1,18,797 | 1,33,727 | 1,51,945 |
| EBITDA | 11,667 | 11,653 | 14,370 | 16,583 | 19,032 |
| Depreciation | 1,669 | 2,437 | 1,923 | 2,060 | 2,214 |
| EBIT | 13,984 | 13,830 | 17,166 | 19,479 | 21,231 |
| Net interest inc./(exp.) | (137) | (292) | (290) | (310) | (330) |
| Other inc./(exp.) | 3,986 | 4,613 | 4,719 | 4,957 | 4,413 |
| Exceptional items | 0 | (28) | 0 | 0 | 0 |
| EBT | 14,010 | 13,510 | 16,876 | 19,169 | 20,901 |
| Income taxes | 3,519 | 2,270 | 4,050 | 4,601 | 5,121 |
| Extraordinary items | 0 | 0 | 0 | 0 | 0 |
| Min. int./Inc. from assoc. | 0 | 0 | 0 | 0 | 0 |
| Reported net profit | 10,491 | 11,241 | 12,826 | 14,569 | 15,780 |
| Adjustments | 0 | 28 | 0 | 0 | 0 |
| Adjusted net profit | 10,491 | 11,268 | 12,826 | 14,569 | 15,780 |

Balance Sheet

| Y/E 31 Mar (Rs mn) | FY24A | FY25A | FY26E | FY27E | FY28E |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Accounts payables | 12,746 | 12,794 | 6,957 | 7,537 | 8,465 |
| Other current liabilities | 5,409 | 11,889 | 22,537 | 25,652 | 29,223 |
| Provisions | 1,599 | 2,073 | 1,934 | 2,128 | 2,341 |
| Debt funds | 42 | 23 | 47 | 49 | 52 |
| Other liabilities | 0 | 0 | 0 | 0 | 0 |
| Equity capital | 1,105 | 1,119 | 1,119 | 1,119 | 1,119 |
| Reserves & surplus | 90,619 | 1,02,510 | 1,15,700 | 1,29,955 | 1,45,422 |
| Shareholders' fund | 91,724 | 1,03,629 | 1,16,819 | 1,31,074 | 1,46,541 |
| Total liab. and equities | 1,11,520 | 1,30,408 | 1,48,295 | 1,66,439 | 1,86,621 |
| Cash and cash eq. | 11,790 | 11,241 | 16,714 | 19,267 | 21,271 |
| Accounts receivables | 11,732 | 13,318 | 14,158 | 15,388 | 17,484 |
| Inventories | 12,181 | 13,990 | 14,646 | 16,121 | 17,900 |
| Other current assets | 4,528 | 14,288 | 5,479 | 6,027 | 6,629 |
| Investments | 52,199 | 56,052 | 72,229 | 82,229 | 92,229 |
| Net fixed assets | 18,308 | 17,972 | 18,449 | 18,989 | 21,989 |
| CWIP | 1,163 | 3,331 | 7,000 | 8,800 | 9,500 |
| Intangible assets | 754 | 754 | 754 | 754 | 754 |
| Deferred tax assets, net | (1,135) | (538) | (1,135) | (1,135) | (1,135) |
| Other assets | 0 | 0 | 0 | 0 | 0 |
| Total assets | 1,11,520 | 1,30,408 | 1,48,295 | 1,66,439 | 1,86,621 |

Cash Flows

| Y/E 31 Mar (Rs mn) | FY24A | FY25A | FY26E | FY27E | FY28E |
|------------------------------------|----------------|----------------|-----------------|----------------|-----------------|
| Cash flow from operations | 10,236 | 2,647 | 21,724 | 11,998 | 13,485 |
| Capital expenditures | (1,846) | (4,268) | (6,069) | (4,400) | (5,914) |
| Change in investments | (4,532) | (3,853) | (16,177) | (10,000) | (10,000) |
| Other investing cash flows | 3,986 | 4,613 | 4,719 | 4,957 | 4,413 |
| Cash flow from investing | (2,393) | (3,508) | (17,527) | (9,443) | (11,502) |
| Equities issued/Others | (1,824) | 950 | 674 | 0 | 0 |
| Debt raised/repaid | 42 | (20) | 25 | 2 | 3 |
| Interest expenses | (137) | (292) | (290) | (310) | (330) |
| Dividends paid | (763) | (313) | (313) | (313) | (313) |
| Other financing cash flows | 1,637 | (597) | 597 | 0 | 0 |
| Cash flow from financing | (1,046) | (272) | 692 | (621) | (640) |
| Chg in cash & cash eq. | 6,797 | (1,132) | 4,889 | 1,933 | 1,343 |
| Closing cash & cash eq. | 11,790 | 11,241 | 16,714 | 19,267 | 21,271 |

Per Share

| Y/E 31 Mar (Rs) | FY24A | FY25A | FY26E | FY27E | FY28E |
|----------------------|-------|-------|---------|---------|---------|
| Reported EPS | 94.9 | 100.7 | 114.6 | 130.2 | 141.0 |
| Adjusted EPS | 94.9 | 100.7 | 114.6 | 130.2 | 141.0 |
| Dividend per share | 6.9 | 2.8 | 2.8 | 2.8 | 2.8 |
| Book value per share | 830.5 | 926.6 | 1,044.5 | 1,171.9 | 1,310.1 |

Valuations Ratios

| Y/E 31 Mar (x) | FY24A | FY25A | FY26E | FY27E | FY28E |
|----------------|-------|-------|-------|-------|-------|
| EV/Sales | 5.8 | 5.1 | 4.4 | 3.9 | 3.5 |
| EV/EBITDA | 44.3 | 44.5 | 36.2 | 31.7 | 27.7 |
| Adjusted P/E | 40.3 | 38.0 | 33.4 | 29.4 | 27.1 |
| P/BV | 4.6 | 4.1 | 3.7 | 3.3 | 2.9 |

DuPont Analysis

| Y/E 31 Mar (%) | FY24A | FY25A | FY26E | FY27E | FY28E |
|------------------------------|-------------|-------------|-------------|-------------|-------------|
| Tax burden (Net profit/PBT) | 74.9 | 83.4 | 76.0 | 76.0 | 75.5 |
| Interest burden (PBT/EBIT) | 100.2 | 97.7 | 98.3 | 98.4 | 98.4 |
| EBIT margin (EBIT/Revenue) | 15.8 | 13.5 | 14.4 | 14.6 | 14.0 |
| Asset turnover (Rev./Avg TA) | 102.0 | 104.8 | 107.7 | 107.8 | 109.4 |
| Leverage (Avg TA/Avg Equity) | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Adjusted ROAE | 12.1 | 11.5 | 11.6 | 11.8 | 11.4 |

Ratio Analysis

| Y/E 31 Mar | FY24A | FY25A | FY26E | FY27E | FY28E |
|-----------------------|-------|-------|-------|-------|-------|
| YoY growth (%) | | | | | |
| Revenue | 5.0 | 15.8 | 16.0 | 12.6 | 13.6 |
| EBITDA | 50.1 | (0.1) | 23.3 | 15.4 | 14.8 |
| Adjusted EPS | 81.6 | 6.1 | 13.8 | 13.6 | 8.3 |

Profitability & Return ratios (%)

| | | | | | |
|------------------------|------|------|------|------|------|
| EBITDA margin | 13.2 | 11.4 | 12.1 | 12.4 | 12.5 |
| EBIT margin | 15.8 | 13.5 | 14.4 | 14.6 | 14.0 |
| Adjusted profit margin | 11.9 | 11.0 | 10.8 | 10.9 | 10.4 |
| Adjusted ROAE | 11.4 | 10.9 | 11.0 | 11.1 | 10.8 |
| ROCE | 12.1 | 11.8 | 11.8 | 11.9 | 11.5 |

Working capital days (days)

| | | | | | |
|-------------|----|----|----|----|----|
| Receivables | 49 | 45 | 42 | 40 | 39 |
| Inventory | 50 | 47 | 44 | 42 | 41 |
| Payables | 78 | 64 | 45 | 30 | 29 |

Ratios (x)

| | | | | | |
|-----------------------------|------------|------------|------------|------------|------------|
| Gross asset turnover | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 |
| Current ratio | 2.0 | 2.0 | 1.6 | 1.6 | 1.6 |
| Net interest coverage ratio | (101.9) | (47.4) | (59.2) | (62.8) | (64.3) |
| Adjusted debt/equity | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**

SEBI Research Analyst Registration No: **INH000000040 valid till 01 February 2030**

Brand Name: **BOBCAPS**

Trade Name: **www.barodaetrade.com**

CIN: **U65999MH1996GOI098009**



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Recommendation scale: Recommendations and Absolute returns (%) over 12 months

BUY – Expected return >+15%

HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

Ratings and Target Price (3-year history): ESCORTS KUBOTA (ESCORTS IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

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