

Research Report

Bharat Dynamics Limited



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About

Bharat Dynamics (BDL), is a Government of India Enterprise. It is engaged in the manufacturing of guided missiles and allied defence equipments. The company exports lightweight torpedoes, countermeasures dispensing systems, ATGM, and Akash weapon systems. It plans to open representative offices in foreign countries.

Key Business segments

The company manufactures and supplies guided missiles, underwater weapons, airborne products, and allied defense equipment for the Indian Armed Forces. It also provides product life cycle support for all equipment supplied, as well as refurbishment and life extension services for vintage missiles already in the Indian Armed Forces' inventory.

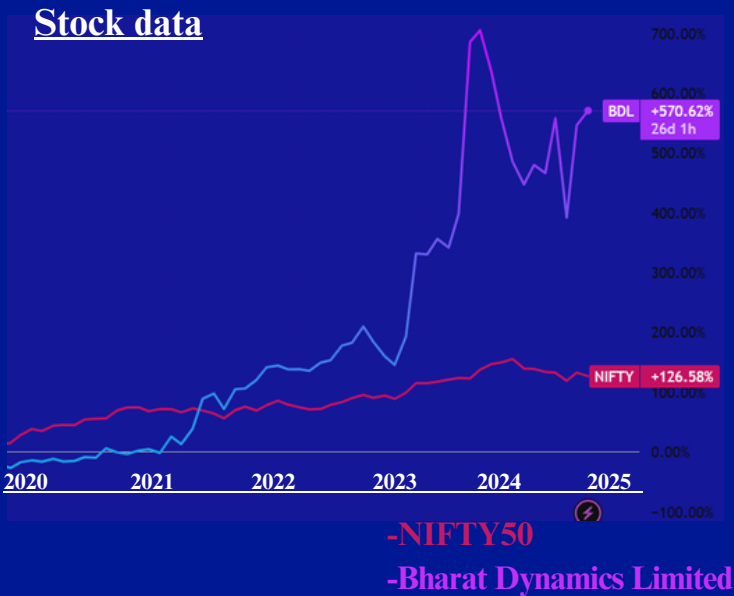
Synopsis of Financials

- **Bharat Dynamics Ltd (BDL)** reported an **8.96 per cent rise, year-on-year (YoY),** in its **December 2024 quarter (Q3 FY25) net profit.**
- **During the quarter under review, profit came at Rs 147.13 crore as against Rs 135.03 crore in the year-ago period.**
- **The state-run firm's revenue from operations surged 38.31 per cent to Rs 832.14 crore in Q3 FY25 from Rs 601.62 crore in the corresponding period last year.**

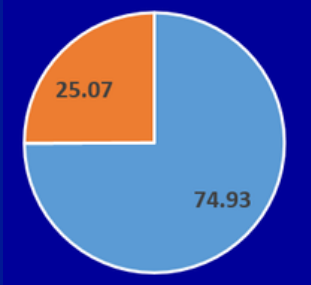
Source: Company Annual Report

Stock data (as 4th April 2025)

Nifty Price	: 22,898.70
52 week High (in Rs.)	: 1,795
52 week Low (in Rs.)	: 842
Market Cap. (in Crore)	: 47,349
NSE Code	: <u>BDL</u>



Shareholding Pattern (December 2024)



-PUBLIC GROUP
-PROMOTER GROUP

Financial Summary

Particulars	March 2022	March 2023	March 2024
Sales	2,817	2,489	2,369
Sales Growth %	47.22%	-11.64%	-4.82%
Expenses	2,090	2,080	1,832
Operating Profit	727	409	537
OPM %	26%	16%	23%
Net Profit	500	352	613
EPS in Rs	13.64	9.61	16.71

Quarterly Results

Particular	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Sales	298	616	602	854	191	545	832
Expenses	330	482	483	538	243	446	705
Operating Profit	-33	134	119	316	-52	99	127
OPM %	-11%	22%	20%	37%	-27%	18%	15%
Other Income	107	78	88	88	80	86	84
Interest	1	1	1	1	1	1	1
Depreciation	17	17	16	16	16	18	18
Profit before tax	57	194	189	388	11	166	193
Tax %	27%	24%	29%	26%	36%	26%	24%
Net Profit	42	147	135	289	7	123	147

Source: Screener

Key Ratios

Ratio	Numerator	Denominator	As at 31 March, 2024	As at 31 March, 2023	% Variance	Reason for Variance
(a) Current Ratio (in times)	Total Current Assets	Total Current Liabilities	3.07	3.45	-11%	-
(b) Debt-Equity Ratio	Not Applicable as the company has no debt.					-
(c) Debt Service Coverage Ratio						-
(d) Return on Equity Ratio (in %)	Net Profit after taxes	Average Shareholder's Equity	17.89%	11.28%	59%	Refer Note - A below
(e) Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	1.25	1.43	-13%	-
(f) Trade Receivables turnover ratio (in times)	Revenue from operations	Average Trade Receivables	9.57	10.19	-6%	-
(g) Trade payables turnover ratio (in times)	Purchases	Average Trade Payables	1.68	2.70	-38%	Refer Note - B below

Source: Annual Report

Yearly Results

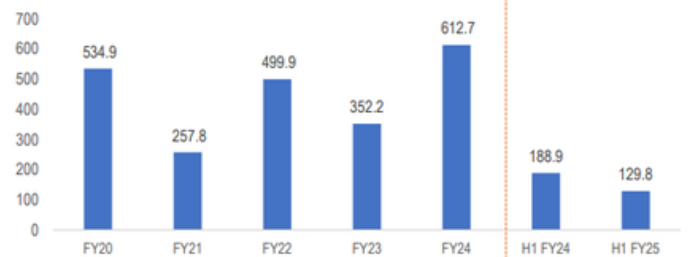
Particulars	March 2022	March 2023	March2024
Equity Capital	183	183	183
Reserves	2,847	3,028	3,454
Borrowings	10	9	8
Other Liabilities	3,595	5,535	6,781
Total Liabilities	6,636	8,756	10,426
Fixed Assets	874	809	824
CWIP	41	74	73
Investments	0	0	0
Other Assets	5,721	7,873	9,530
Total Assets	6,636	8,756	10,426

Highlights

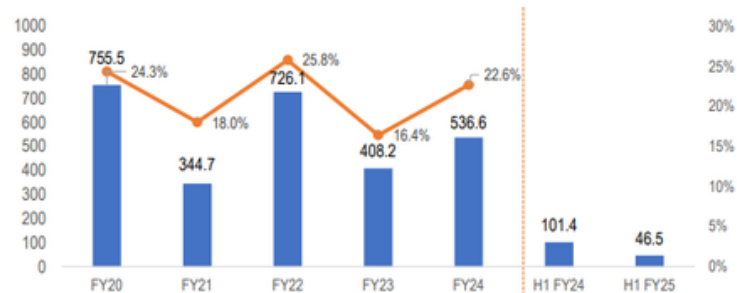
Revenue from Operations (in INR Cr)



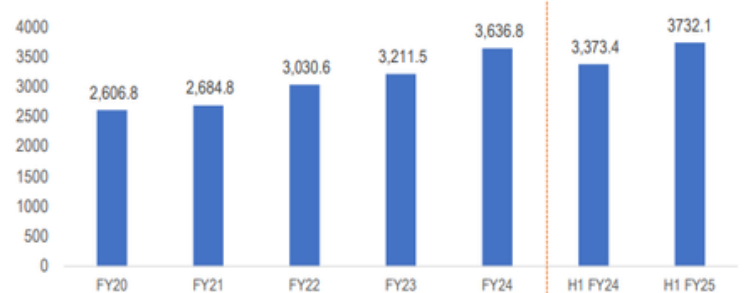
PAT (in INR Cr)



EBITDA (in INR Cr) & EBITDA Margin

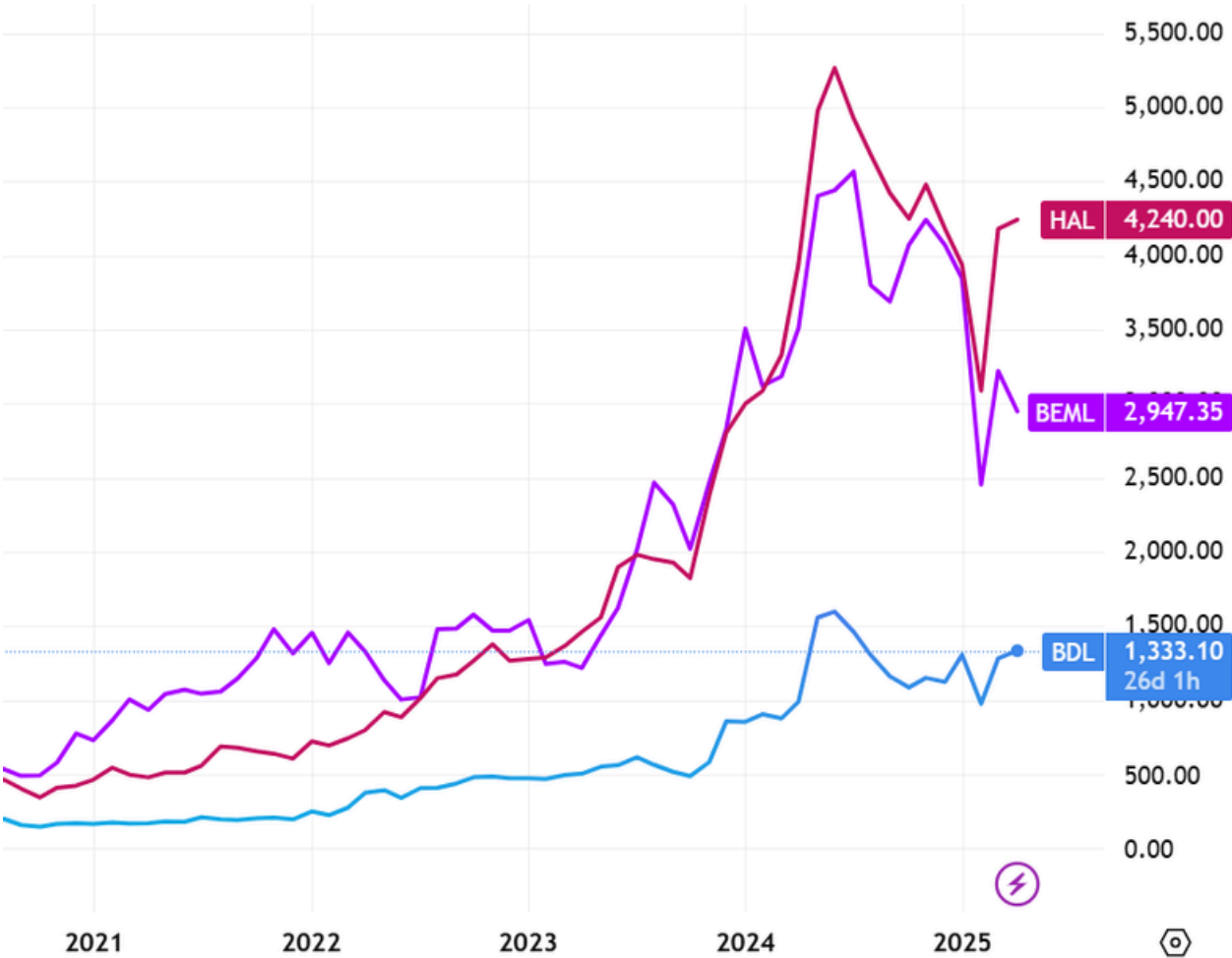


Net Worth (in INR Cr)



Peer Comparison

Peer Stock Performance (5Y) Indexed



Source: Trading View

Peer Financial Performance

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	ROCE %
1.	Hind.Aeronautics	4240.75	32.82	283610.79	0.80	1432.60	14.29	6956.93	38.88
2.	Bharat Dynamics	1342.10	86.92	49196.30	0.39	147.13	8.96	832.14	24.23
3.	BEML Ltd	2950.45	46.99	12286.96	0.65	24.41	-49.36	875.77	15.25
4.	Azad Engineering	1298.00	109.36	8382.68	0.00	23.72	41.11	120.48	19.89
5.	Unimech Aero.	944.00	82.70	4800.92	0.00	15.57	-23.60	53.90	75.43

Source: Screener

Final Outlook

BDL: HOLD | LTP: 1,342

When analyzing the profit of Bharat Dynamics, the company's profit before tax grew by approximately 72%, while the net profit surged by around 74% from FY 2023 to FY 2024, demonstrating strong revenue growth and improved profitability despite increased tax expenses.

Bharat Dynamics has demonstrated strong growth over the years, backed by increasing defense contracts and a robust order book. With the government's focus on defense modernization and self-reliance (Atmanirbhar Bharat), the company is well-positioned for long-term expansion, making it a promising investment for wealth creation.

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