



## India

**REDUCE** (previously HOLD)

Consensus ratings\*: Buy 17 Hold 9 Sell 11

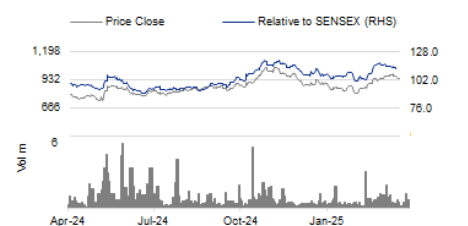
Current price: Rs1,006  
 Target price: Rs900  
 Previous target: Rs900  
 Up/downside: -10.5%  
 InCred Research / Consensus: -5.4%

Reuters: TRCE.BO  
 Bloomberg: TRCL IN  
 Market cap: US\$2,790m  
 Rs237,734m  
 Average daily turnover: US\$6.9m  
 Rs588.2m  
 Current shares o/s: 236.3m  
 Free float: 44.5%

\*Source: Bloomberg

**Key changes in this note**

- Broadly maintain our EBITDA estimates for FY26F-27F.
- Downgrade to HOLD rating with an unchanged target price of Rs900.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	3.0	18.0	27.6
Relative (%)	(0.2)	7.8	17.8

Major shareholders	% held
Promoter & Promoter Group	42.6
LICI ULIP	7.1
Kotak MF	6.2

**Research Analyst(s)****Nishant BAGRECHA**

T (91) 22 4161 1564  
 E nishant.bagrecha@incredresearch.com

**Rohan KALLE**

T (91) 22 4161 1561  
 E rohan.kalle@incredresearch.com

**Saurabh SINGH**

T (91) 2241611558  
 E saurabh.singh@incredresearch.com

**Ramco Cements Ltd****Miss on all fronts; 1Q offers a sigh of relief**

- In 4QFY25, TRCL's volume dipped by ~4% yoy to 5.3mt with EBITDA/t reaching a multi-year low at ~Rs607, down Rs33 qoq and Rs153 yoy, on weak realization.
- Net debt declined qoq on the back of TRCL monetizing Rs4.6bn of non-core assets. Capex to be at Rs12bn, with ~30mtpa cement capacity by Mar 2026F.
- We broadly maintain our FY26F-27F EBITDA to factor in the higher pricing in South India. We downgrade TRCL's rating to REDUCE (vs. HOLD earlier).

**Soft conditions drag volume; price hikes sustaining provides hope**

The 4QFY25 cement volume of The Ramco Cements (TRCL) declined by ~4% yoy and rose by ~21% qoq to 5.29mt (~9% below our estimate). The company highlighted that demand and pricing pressure dragged sales during the quarter. South India B2B business was flat while B2C volume declined, leading to a fall in the region's share by 100bp yoy. In the eastern region, B2B volume declined while B2C volume grew. Capacity utilization was 85% vs. 96% yoy. Blended realization was flat qoq and down by ~7% yoy due to continued price weakness in key markets. However, TRCL highlighted substantial price hike in the southern region, which should improve the realization going ahead. We have factored in ~6% volume CAGR over FY24-27F as we believe that rising pressure from top players in its markets amid a subdued demand environment will continue to hit TRCL's performance.

**EBITDA/t hits a multi-year low of Rs607/t; hikes likely to aid recovery**

Total operating costs/t were up by ~1% qoq and down ~5% yoy at Rs3,916 where: a) P&F costs/t were down 9% yoy & 3% qoq at Rs1,030 and blended fuel consumption costs stood at US\$121/t in 4QFY25 vs. US\$122/t qoq and US\$141 yoy, while on Kcal basis they were at Rs1.5 in 4QFY25 vs. Rs1.45 qoq and Rs1.65 yoy. b) Logistics costs/t rose by ~3% qoq to Rs1,299, with the lead distance at 278km vs. 259km qoq. c) Fixed costs fell by ~6% qoq to Rs779/t on account of qoq positive operating leverage. EBITDA/t declined to a multi-year low of Rs607, down by Rs33 qoq and Rs153 yoy. Green power share touched 36% in FY25 vs. 34% yoy. We expect unit EBITDA to improve going ahead, with a steep hike (especially in the southern region, up by Rs30-35/bag in the trade segment vs. 4Q exit price) holding firm in its markets QTD1QFY26.

**Net debt eases to Rs44.8bn; monetization, capex on track in FY26F**

Net debt fell to Rs44.8bn vs. Rs46.2bn qoq as TRCL took steps to monetize non-core assets worth Rs10bn, of which it achieved ~46% of the target in FY25 & expects to complete the rest by Jul 2025F. The net debt-to-EBITDA ratio is likely to dip to 2.5-2.75x in FY26F vs. 3.51x in FY25. TRCL incurred capex of Rs10.24bn in FY25 and maintained its guidance of Rs12bn for FY26F. TRCL aims to have ~30mtpa capacity by FY26F.

**Downgrade to REDUCE rating with an unchanged TP of Rs900**

TRCL trades at an EV/EBITDA multiple of 14.3x for FY27F. We have downgraded the stock's rating to REDUCE (HOLD earlier) because of volatility in earnings due to concerns over regional dynamics and high leverage. Our target price remains unchanged at Rs900, set at 13x FY27F EV/EBITDA. **Upside risks:** Better demand and pricing growth in South & East India markets, sharp deleveraging, and better-than-expected cost control.

Financial Summary	Mar-23A	Mar-24A	Mar-25A	Mar-26F	Mar-27F
Revenue (Rsm)	81,353	93,498	84,951	94,460	105,473
Operating EBITDA (Rsm)	11,820	15,525	12,319	16,624	19,652
Net Profit (Rsm)	3,435	3,950	4,174	3,942	5,998
Core EPS (Rs)	14.5	16.7	4.8	16.7	25.4
Core EPS Growth	(61.6%)	15.0%	(71.4%)	249.4%	52.1%
FD Core P/E (x)	69.20	60.19	56.96	60.31	39.64
DPS (Rs)	2.0	2.5	2.0	1.9	2.9
Dividend Yield	0.20%	0.25%	0.20%	0.19%	0.29%
EV/EBITDA (x)	23.77	18.39	22.91	16.98	14.27
P/FCFE (x)	80.07	57.58	40.58	23.65	21.18
Net Gearing	63.6%	66.9%	59.3%	56.8%	51.1%
P/BV (x)	3.50	3.33	3.17	3.03	2.85
ROE	5.2%	5.7%	1.5%	5.1%	7.4%
% Change In Core EPS Estimates				(0.65%)	(0.57%)
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## Miss on all fronts; 1Q offers a sigh of relief

### 4QFY25 results review

#### Key operational highlights of the quarter

- **Volume:** Volume: Cement sales volume was 5.29mt (including dry mortar products), -4% yoy and +21% qoq (-9% vs. Incred estimate).
- During 4QFY25, capacity utilization was 85% vs. 96% yoy and 75% qoq.
- During 4QFY25, the volume mix for the southern region was 75% vs. 76% yoy and for the eastern region it was 25% vs. 24% yoy.
- B2B sales stood at 35% vs. 33% qoq and 35% yoy.
- Blended realization came in at Rs4,522/t, flat qoq and -7% yoy (-1% vs. Incred estimate) due to cement prices remaining sluggish in core markets during the quarter. However, prices have been flat qoq and down by 7% yoy.
- The share of premium products was 27% in 4QFY25 vs. 29% yoy in the southern region and 23% vs. 20% yoy in the eastern region.
- Total operating costs/t were up by ~1% qoq and down by 5% yoy at Rs3,916 (~3% above Incred estimate) where: a) P&F costs/t declined 9% yoy and 3% qoq to Rs1,030 and where blended fuel consumption stood at US\$121 in 4QFY25 vs. US\$122/t qoq and US\$141 yoy, while on Kcal basis they stood at Rs1.5 in 4QFY25 vs. Rs1.45 qoq and Rs1.65 yoy. b) Logistics cost/t were up by ~3% qoq at Rs1,299. c) Fixed costs were down by ~6% qoq at Rs779/t.
- Pet-coke consumption stood at 66% in 4QFY25 vs. 51% yoy and 69% qoq.
- In 4Q, the overall green power consumption declined to 31% vs. 36% yoy and 39% qoq.
- EBITDA and EBITDA/t: For the quarter, EBITDA was ~26% below our estimate at ~Rs3.2bn, down ~24% yoy and up ~15% qoq. EBITDA/t was at Rs607 during the quarter (vs. our estimate of Rs753) vs. Rs639 in 3QFY25 and Rs760 in 4QFY24.
- Reported PAT came in at Rs310m in 4Q vs. Incred's estimate of Rs1.3bn. TRCL recognized a gain of Rs108m on the sale of land during the quarter.
- Net debt stood at ~Rs44.8bn as of Mar 2025-end vs. Rs46.2bn qoq. The cost of debt stood at 7.9% vs. 7.7% in FY24. Net debt-to-EBITDA ratio stood at 3.51x, which is expected to be at 2.5-2.75x in FY26F in line with its targeted debt reduction.

#### Other updates

- **Capex:** TRCL will be incurring a capex of Rs12bn in FY26F vs. Rs10.2bn in FY25. The company has monetized non-core assets worth Rs4.6bn (Rs4.43bn in 3Q) vs. a target of Rs10bn by Jul 2025F.
- **Capacity update:** TRCL is on track to achieve cement capacity of ~30mtpa by Mar 2026F by commissioning the second rail line in Kolimigundla along with de-bottlenecking of existing facilities and adding grinding capacity at existing locations. The Kolimigundla railway siding is expected to be completed by 1QFY26F.
- 54% of mining land vs. 13% for factory land in respect of a new project in Karnataka has been acquired.
- The waste heat recovery system or WHRS plant with a capacity of 10MW in Ramasamy Raja Nagar, along with 15MW of WHRS in Kolimigundla, are scheduled to be commissioned by 1QFY26F. Green power usage to reach 236MW by FY26F vs. 211MW currently.
- **Tamil Nadu limestone tax:** The government of Tamil Nadu has imposed a tax of Rs160/t on limestone (the highest among all states in India) mining, effective from the first week of Apr 2025, which will result in Rs200/t of additional costs.

The Tamil Nadu Cement Industry Association is seeking relief on the same from the state government.

- Expansion of capacity in building products: The new unit in Odisha to be commissioned in Jun 2025F.
- Average lead distance in 4Q stood at 278km vs. 294km yoy and 259km qoq. Rail co-efficient for cement despatches during 4Q stood at 13% vs. 11% yoy & 9% qoq.
- **Current prices:** As per TRCL, in the southern region, post Mar 2025, the average cement price increased by Rs30-35/bag in the trade segment and Rs60-70/bag in the non-trade segment and in the eastern region, the trade segment price remained stable whereas the non-trade segment price improved by around Rs10/bag from the exit price of Mar 2025. The company expects this price hike to sustain.

Figure 1: Standalone quarterly performance

Particulars (Rs m)	4QFY25	4QFY25F	3QFY25	4QFY24	% Change		
					4QFY25F	3QFY25	4QFY24
Net Sales	23,920	26,332	19,766	26,733	-9.2%	21.0%	-10.5%
Raw Materials Consumed	4,271	4,348	3,199	4,221	-1.8%	33.5%	1.2%
Freight and Forwarding Expenses	6,871	7,218	5,537	7,932	-4.8%	24.1%	-13.4%
Power and Fuel Costs	5,448	6,068	4,632	6,192	-10.2%	17.6%	-12.0%
Employee Costs	1,235	1,344	1,316	1,245	-8.1%	-6.1%	-0.7%
Other Expenses	2,886	3,002	2,287	2,973	-3.9%	26.2%	-2.9%
<b>Total Expenditure</b>	<b>20,711</b>	<b>21,980</b>	<b>16,971</b>	<b>22,562</b>	<b>-5.8%</b>	<b>22.0%</b>	<b>-8.2%</b>
<b>EBITDA</b>	<b>3,209</b>	<b>4,352</b>	<b>2,794</b>	<b>4,171</b>	<b>-26.3%</b>	<b>14.8%</b>	<b>-23.1%</b>
Depreciation	1,821	1,717	1,738	1,651	6.1%	4.8%	10.3%
<b>EBIT</b>	<b>1,388</b>	<b>2,635</b>	<b>1,056</b>	<b>2,520</b>	<b>-47.3%</b>	<b>31.4%</b>	<b>-44.9%</b>
Interest	1,133	1,048	1,125	1,038	8.1%	0.7%	9.2%
Other Income	130	143	113	140	-9.3%	15.0%	-7.5%
<b>PBT</b>	<b>493</b>	<b>1,730</b>	<b>3,334</b>	<b>1,623</b>	<b>-71.5%</b>	<b>-85.2%</b>	<b>-69.6%</b>
Tax	183	432	80	409	-57.8%	127.5%	-55.3%
<b>Recurring PAT</b>	<b>202</b>	<b>1,297</b>	<b>-37</b>	<b>1,214</b>	<b>-84.5%</b>	<b>NA</b>	<b>-83.4%</b>
Extraordinary Items	108	0	3,290	0			
<b>Reported PAT</b>	<b>310</b>	<b>1,297</b>	<b>3,253</b>	<b>1,214</b>	<b>-76.1%</b>	<b>-90.5%</b>	<b>-74.5%</b>
EPS (Rs)	1.3	5.5	13.8	5.1	-76.1%	-90.5%	-74.5%
Gross Margin	30.6%	33.0%	32.4%	31.4%	-239bp	-172bp	-73bp
EBITDA Margin	13.4%	16.5%	14.1%	15.6%	-311bp	-72bp	-219bp
EBIT Margin	5.8%	10.0%	5.3%	9.4%	-420bp	46bp	-362bp
PBT Margin	2.1%	6.6%	16.9%	6.1%	-451bp	-1,481bp	-401bp
PAT Margin	1.3%	4.9%	16.5%	4.5%	-363bp	-1,516bp	-325bp
Tax Rate	37.1%	25.0%	2.4%	25.2%	1,209bp	3,468bp	1,190bp
<b>Cost Items as a % of Sales</b>							
Raw Material Costs	69.4%	67.0%	67.6%	68.6%	239bp	172bp	73bp
Employee Costs	5.2%	5.1%	6.7%	4.7%	6bp	-149bp	51bp
Other Expenses	12.1%	11.4%	11.6%	11.1%	66bp	49bp	94bp

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

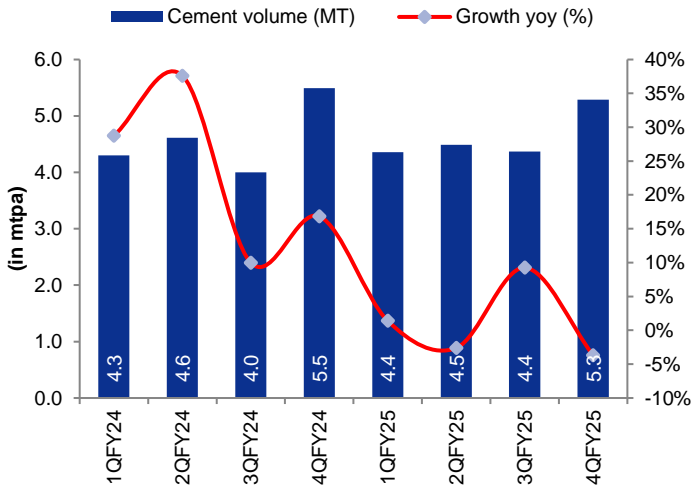
Figure 2: 4QFY25 results on per tonne analysis

Per tonne analysis	4QFY25	4QFY25F	3QFY25	4QFY24	% Change		
					4QFY25F	3QFY25	4QFY24
Sales Volume (Cement + Clinker)	5.29	5.78	4.37	5.49	-8.5%	21.0%	-3.7%
Realization	4,522	4,556	4,523	4,869	-0.7%	0.0%	-7.1%
EBITDA/t	607	753	639	760	-19.4%	-5.1%	-20.1%
RM Costs/t	808	752	732	769	7.3%	10.3%	5.0%
P&F Costs/t	1,030	1,050	1,060	1,128	-1.9%	-2.8%	-8.7%
Freight Costs/t	1,299	1,249	1,267	1,445	4.0%	2.5%	-10.1%
Employee Costs/t	234	233	301	227	0.4%	-22.4%	3.1%
Other Expenses/t	546	519	523	541	5.0%	4.3%	0.8%
<b>Total Cost/t</b>	<b>3,916</b>	<b>3,803</b>	<b>3,884</b>	<b>4,109</b>	<b>3.0%</b>	<b>0.8%</b>	<b>-4.7%</b>

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

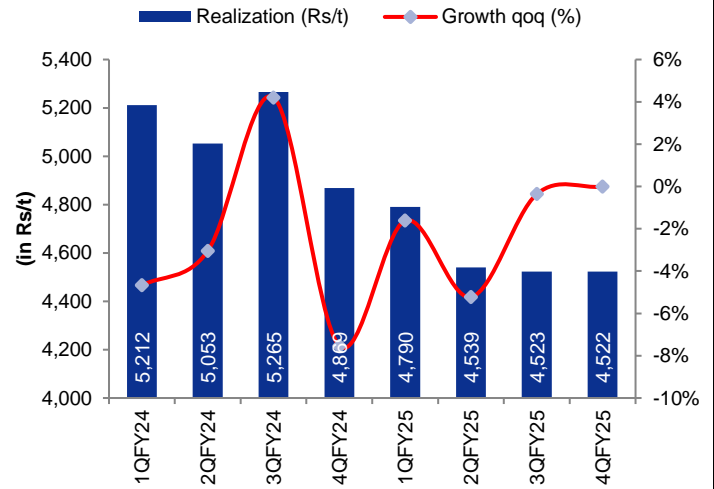
## Key charts ➤

**Figure 3: Cement sales volume declined by ~4% yoy and was up by ~29% qoq at 5.3mt**



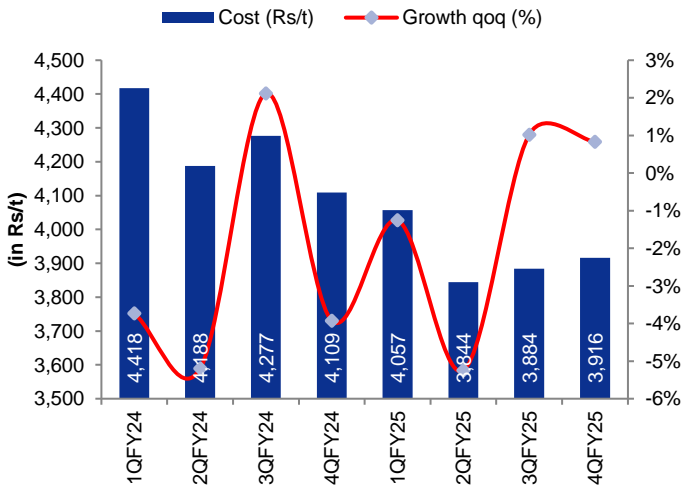
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 4: Blended realization was flat qoq; however, lower by ~7% yoy, in a trend similar to prices in core markets**



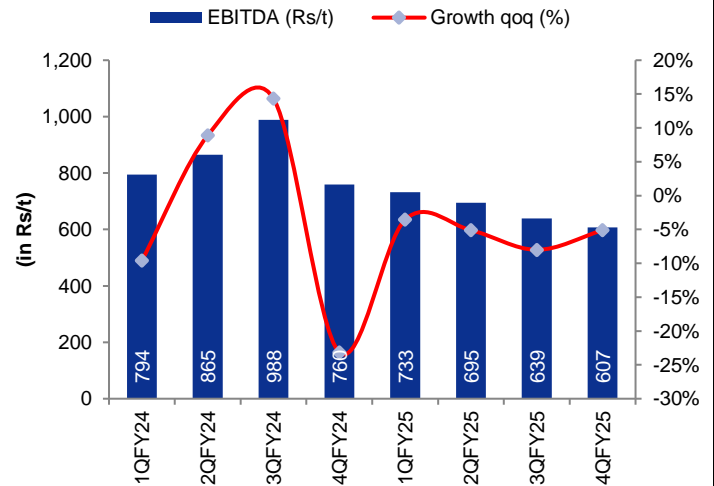
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 5: Costs/t decline up by ~1% qoq and down by ~5% yoy**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 6: Unit EBITDA fell by Rs33 qoq and Rs153 yoy to Rs607/t**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 7: Our revised earnings estimates**

Rs. m	New		Old		Change (%)	
	FY26F	FY27F	FY26F	FY27F	FY26F	FY27F
Sales	94,460	1,05,473	97,180	1,08,115	-3%	-3%
EBITDA	16,623	19,652	16,656	19,846	0%	-1%
PAT	3,942	5,997	4,161	6,384	-6%	-6%
EPS (Rs.)	16.7	25.4	17.6	27.0	-6%	-6%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 8: Changes in our estimates vs. Bloomberg consensus estimates**

Rs. m	Incred		Consensus		Change (%)	
	FY26F	FY27F	FY26F	FY27F	FY26F	FY27F
Sales	94,460	1,05,473	96,858	1,07,315	-2%	-2%
EBITDA	16,623	19,652	17,396	20,664	-4%	-5%
PAT	3,942	5,997	4,859	7,076	-19%	-15%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

**Figure 9: Key assumptions**

	FY23	FY24	FY25	FY26F	FY27F
<b>Volume (mtpa)</b>	15	18	19	20	22
Yoy	36%	23%	1%	6%	10%
<b>Realisation (per tonne)</b>	5,416	5,081	4,592	4,817	4,894
Yoy	0%	-6%	-10%	5%	2%
<b>Cost (per tonne)</b>	4,629	4,238	3,926	3,969	3,982
Yoy	9%	-8%	-7%	1%	0%
<b>EBITDA (per tonne)</b>	787	844	666	848	912
Yoy	-32%	7%	-21%	27%	8%
<b>EBITDA (Rs m)</b>	11,818	15,525	12,319	16,623	19,652
Yoy	-8%	31%	-21%	35%	18%

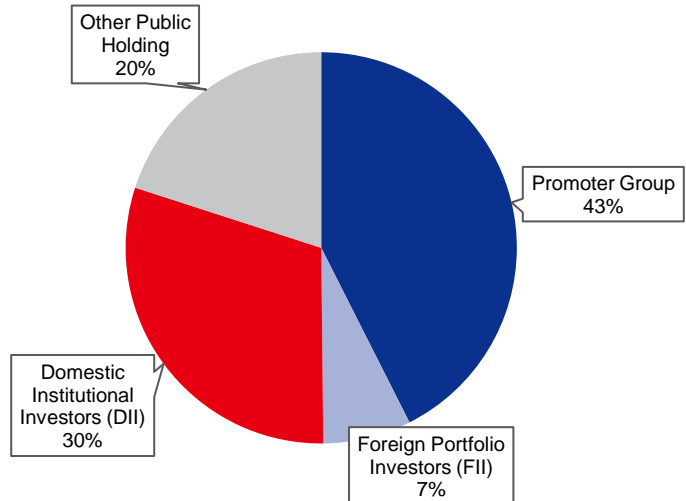
SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 10: Maintain HOLD rating with a Mar 2026F target price of Rs900, set at 13x (no change) EV/EBITDA**

Valuation	TP
Target EV/EBITDA (x)	13
Target EV (Rs m)	2,56,652
Net debt / (cash) (Rs m)	44,511
No. of shares (m)	236
<b>Fair value per share (Rs)</b>	<b>900</b>

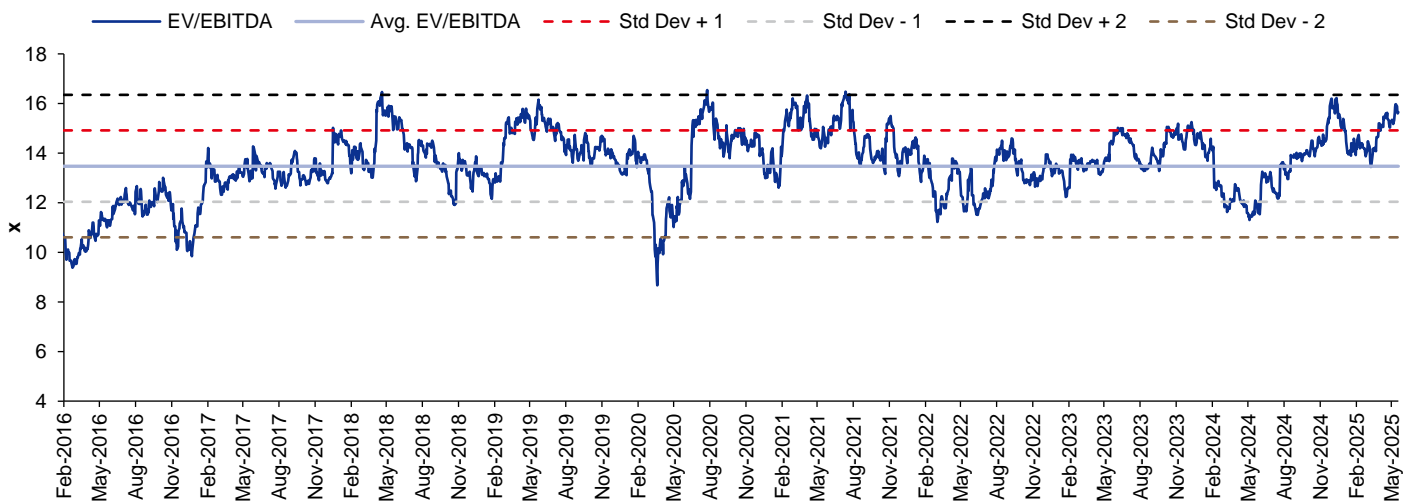
SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 11: TRCL's shareholding pattern (as of Mar 2025-end)**



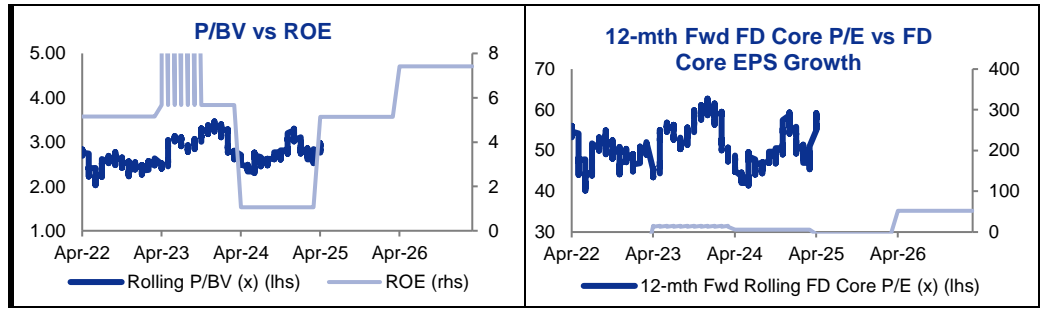
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 12: TRCL's one-year forward EV/EBITDA trades above the +1 SD level**



SOURCE: INCRED RESEARCH, BLOOMBERG

## BY THE NUMBERS



### Profit & Loss

(Rs mn)	Mar-23A	Mar-24A	Mar-25A	Mar-26F	Mar-27F
<b>Total Net Revenues</b>	<b>81,353</b>	<b>93,498</b>	<b>84,951</b>	<b>94,460</b>	<b>105,473</b>
<b>Gross Profit</b>	<b>81,353</b>	<b>93,498</b>	<b>84,951</b>	<b>94,460</b>	<b>105,473</b>
<b>Operating EBITDA</b>	<b>11,820</b>	<b>15,525</b>	<b>12,319</b>	<b>16,624</b>	<b>19,652</b>
Depreciation And Amortisation	(5,044)	(6,359)	(6,912)	(7,396)	(7,839)
<b>Operating EBIT</b>	<b>6,775</b>	<b>9,167</b>	<b>5,407</b>	<b>9,228</b>	<b>11,813</b>
Financial Income/(Expense)	(2,405)	(4,155)	(4,588)	(4,358)	(4,184)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	367	423	440	458	476
<b>Profit Before Tax (pre-EI)</b>	<b>4,737</b>	<b>5,435</b>	<b>1,259</b>	<b>5,327</b>	<b>8,105</b>
Exceptional Items			3,398		
<b>Pre-tax Profit</b>	<b>4,737</b>	<b>5,435</b>	<b>4,657</b>	<b>5,327</b>	<b>8,105</b>
Taxation	(1,302)	(1,485)	(484)	(1,385)	(2,107)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>3,435</b>	<b>3,950</b>	<b>4,174</b>	<b>3,942</b>	<b>5,998</b>
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>3,435</b>	<b>3,950</b>	<b>4,174</b>	<b>3,942</b>	<b>5,998</b>
Recurring Net Profit	3,435	3,950	1,128	3,942	5,998
<b>Fully Diluted Recurring Net Profit</b>	<b>3,435</b>	<b>3,950</b>	<b>1,128</b>	<b>3,942</b>	<b>5,998</b>

### Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25A	Mar-26F	Mar-27F
<b>EBITDA</b>	<b>11,820</b>	<b>15,525</b>	<b>12,319</b>	<b>16,624</b>	<b>19,652</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(3,224)	(3,652)	(1,444)	(262)	108
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	367	423	440	458	476
Other Operating Cashflow	8,794	12,216	7,778	8,778	9,278
Net Interest (Paid)/Received	(2,405)	(4,155)	(4,588)	(4,358)	(4,184)
Tax Paid	(1,302)	(1,485)	(484)	(1,385)	(2,107)
<b>Cashflow From Operations</b>	<b>14,050</b>	<b>18,872</b>	<b>14,022</b>	<b>19,855</b>	<b>23,224</b>
Capex	(17,628)	(19,141)	(9,412)	(12,500)	(12,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	759	142	3,960	1,700	1,000
<b>Cash Flow From Investing</b>	<b>(16,869)</b>	<b>(18,999)</b>	<b>(5,452)</b>	<b>(10,800)</b>	<b>(11,500)</b>
Debt Raised/(repaid)	5,788	4,256	(2,711)	1,000	(500)
Proceeds From Issue Of Shares				(540)	(822)
Shares Repurchased					
Dividends Paid	(473)	(591)	(473)	(540)	(822)
Preferred Dividends					
Other Financing Cashflow	(2,571)	(3,945)	(4,636)	(8,038)	(8,257)
<b>Cash Flow From Financing</b>	<b>2,745</b>	<b>(280)</b>	<b>(7,819)</b>	<b>(8,118)</b>	<b>(10,400)</b>
Total Cash Generated	(75)	(407)	751	936	1,324
<b>Free Cashflow To Equity</b>	<b>2,969</b>	<b>4,129</b>	<b>5,859</b>	<b>10,055</b>	<b>11,224</b>
<b>Free Cashflow To Firm</b>	<b>(414)</b>	<b>4,029</b>	<b>13,158</b>	<b>13,413</b>	<b>15,908</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS



## BY THE NUMBERS...cont'd

### Balance Sheet

(Rs mn)	Mar-23A	Mar-24A	Mar-25A	Mar-26F	Mar-27F
Total Cash And Equivalents	1,686	1,352	2,074	3,010	4,333
Total Debtors	4,650	8,522	7,219	7,764	8,091
Inventories	8,823	9,823	10,150	10,093	10,981
Total Other Current Assets	3,715	2,750	2,865	3,023	3,375
<b>Total Current Assets</b>	<b>18,874</b>	<b>22,446</b>	<b>22,308</b>	<b>23,889</b>	<b>26,780</b>
Fixed Assets	99,557	118,266	120,458	125,062	129,223
Total Investments	4,209	4,397	4,272	4,772	5,272
Intangible Assets	19,873	13,784	13,865	11,665	10,165
Total Other Non-Current Assets	2,656	2,789	2,838	3,338	3,838
<b>Total Non-current Assets</b>	<b>126,295</b>	<b>139,237</b>	<b>141,433</b>	<b>144,837</b>	<b>148,498</b>
Short-term Debt	8,653	9,896	12,731	13,231	13,231
Current Portion of Long-Term Debt					
Total Creditors	6,373	9,910	9,349	9,457	10,236
Other Current Liabilities	15,812	19,833	20,978	21,254	22,149
<b>Total Current Liabilities</b>	<b>30,837</b>	<b>39,639</b>	<b>43,057</b>	<b>43,941</b>	<b>45,616</b>
Total Long-term Debt	36,222	39,272	33,791	34,291	33,791
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	10,175	11,331	11,956	12,156	12,356
<b>Total Non-current Liabilities</b>	<b>46,397</b>	<b>50,603</b>	<b>45,746</b>	<b>46,446</b>	<b>46,146</b>
Total Provisions					
<b>Total Liabilities</b>	<b>77,234</b>	<b>90,242</b>	<b>88,803</b>	<b>90,387</b>	<b>91,763</b>
Shareholders Equity	67,935	71,441	74,938	78,339	83,515
Minority Interests					
<b>Total Equity</b>	<b>67,935</b>	<b>71,441</b>	<b>74,938</b>	<b>78,339</b>	<b>83,515</b>

### Key Ratios

	Mar-23A	Mar-24A	Mar-25A	Mar-26F	Mar-27F
Revenue Growth	36.0%	14.9%	(9.1%)	11.2%	11.7%
Operating EBITDA Growth	(7.9%)	31.4%	(20.7%)	34.9%	18.2%
Operating EBITDA Margin	14.5%	16.6%	14.5%	17.6%	18.6%
Net Cash Per Share (Rs)	(182.77)	(202.35)	(188.10)	(188.37)	(180.65)
BVPS (Rs)	287.50	302.33	317.13	331.53	353.43
Gross Interest Cover	2.82	2.21	1.18	2.12	2.82
Effective Tax Rate	27.5%	27.3%	10.4%	26.0%	26.0%
Net Dividend Payout Ratio	13.8%	15.0%	60.9%	11.3%	11.3%
Accounts Receivables Days	18.28	25.71	33.82	28.95	27.43
Inventory Days	38.49	36.40	42.91	39.11	36.46
Accounts Payables Days	29.57	38.11	48.39	44.09	41.88
ROIC (%)	5.8%	7.3%	4.3%	7.1%	8.9%
ROCE (%)	6.2%	7.9%	4.5%	7.5%	9.2%
Return On Average Assets	4.2%	5.3%	3.3%	5.0%	5.9%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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#### **InCred Research Services Private Limited**

##### **Research Analyst SEBI Registration Number: INH000011024**

Registered Office: Unit No 1203, 12th Floor, B Wing, The Capital, C-70, G Block, BKC, Bandra (E), Mumbai – 400051

Phone: +91-22-6844-6100

Corporate Office: 05<sup>th</sup> floor, Laxmi Towers, Plot No. C-25, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400051

Phone: +91-22-4161-1500

Name of the Compliance Officer: Mr. Yogesh Kadam

Email ID: compliance@incredresearch.com, Phone No: +91-22-41611539

For any queries or grievances, you may contact the Grievance Officer.

Name of the Grievance Officer: Mr. Rajarshi Maitra

Phone no. +91-022-41611546

Email ID: rajarshi.maitra@incredresearch.com

CIN: U74999MH2016PTC287535

## Recommendation Framework

### Stock Ratings

Definition:

- Add** The stock's total return is expected to exceed 10% over the next 12 months.
- Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
- Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

*The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.*

### Sector Ratings

Definition:

- Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

### Country Ratings

Definition:

- Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
- Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
- Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.