



India

ADD (previously HOLD)

Consensus ratings*: Buy 29 Hold 7 Sell 9

Current price:	Rs8,928
Target price:	Rs10,590
Previous target:	Rs11,860
Up/downside:	18.6%
InCred Research / Consensus:	8.8%
Reuters:	
Bloomberg:	BJAUT IN
Market cap:	US\$34,334m
	Rs2,493,156m
Average daily turnover:	US\$73.9m
	Rs5366.6m
Current shares o/s:	279.2m
Free float:	45.0%

*Source: Bloomberg

Key changes in this note

- FY25F-27F sales cut by 3-6%.
- FY25F-27F EBITDA cut by 2-7%.
- FY25F-27F EPS cut by 4-8%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(0.4)	(9.6)	16.6
Relative (%)	0.8	(8.2)	6.8

Major shareholders	% held
Bajaj Family	55.0
LIC	5.0
SBI Mutual Fund	1.2

Research Analyst(s)



Pramod AMTHE
T (91) 22 4161 1541
E pramod.amthe@incredresearch.com

Ravi GUPTA
T (91) 02241611552
E ravi.gupta@incredresearch.com

Bajaj Auto

EV transition and falling INR beneficiary

- Unlisted OEM profit pool is apt for EV disruption, as new products dismal. Bajaj Auto, being EBITDA neutral now on EVs, to benefit from this titanic pool shift.
- Short-term demand weakness leads to FY25F EPS cut, but domestic demand revival from income-tax cut & INR depreciation benefit to help in FY26F-27F.
- Upgrade to ADD rating, as stock correction eases the one-year forward P/E valuation to +1SD of the 10-year mean level.

EV transition to move from EBITDA margin neutral to accretive phase

Bajaj Auto's sustained EV volume uptick in recent quarters, supported by product expansion, has been impressive. Considering that MNC EV scooters unveiled at the recent Auto Expo disappointed on performance and features, we feel their sales and profit pool, equivalent to 27% of the total industry size (Fig. 3), is up for grabs in the coming decade. Bajaj Auto has consistently demonstrated EBITDA margin neutrality from EV transition (Fig. 6), despite EVs rising in its domestic mix from 3% in 2QFY24 to almost 12% now. Strong product quality, consistent product innovation, lower cost sourcing and scale benefits, we feel, will help it to shift gear from margin neutrality to grab the scooter profit pool in the next five years.

Export mix improvement and INR depreciation to benefit

Management's efforts to expand product offerings, and the new assembly plant in Latin America have helped this region to emerge as the leading export region in recent times. While the African market holds promise to bounce back due to crude oil prices improving and currency stability, the diversification of export mix, we feel, will reduce volatility in export volume. With INR depreciation in recent quarters, Bajaj Auto, being a large exporter of 2- & 3-wheelers, is well positioned to get profit benefit, as seen in the past trend (Fig. 9).

EPS adjusted for short-term demand challenges and new products

Considering the domestic motorcycle demand slowdown post festive season and ASP weakness in 3QFY25, we have cut EPS by 8% for FY25F. However, considering the significant income-tax relief in the recent budget which is expected to revive 2W demand momentum in FY26F and Indian rupee or INR depreciation gains on export profitability, we upgrade the EBITDA margin by 20bp, which limits our EPS cut to 4-5% for FY26F-27F.

Upgrade to ADD rating, but with a lower target price of Rs10,590

Recent weakness in 2W demand, we feel, is well captured in the 30% correction in Bajaj Auto's stock price in the last four months, leading to forward P/E valuation slipping to +1SD of the 10-year mean. With the structural EV shift turning in favour of incumbents like Bajaj Auto to address white spaces like scooters & E-rickshaw with a minimal impact on EBITDA, we feel it's a good entry point. Upgrade to ADD rating from HOLD earlier. The short-term triggers are demand revival from income-tax rate cuts and INR depreciation benefit on export profits. We trim the target price to Rs10,590 (from Rs11,860) to reflect the 3Q miss. The key downside risk is export volume volatility from tariff wars in Latin America.

Financial Summary	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	364,276	446,852	506,127	599,842	685,070
Operating EBITDA (Rsm)	65,492	88,229	101,815	122,283	136,392
Net Profit (Rsm)	56,276	74,788	84,845	101,295	112,679
Core EPS (Rs)	201.6	267.9	303.9	362.8	403.6
Core EPS Growth	22.4%	32.9%	13.4%	19.4%	11.2%
FD Core P/E (x)	44.29	33.33	29.38	24.61	22.12
DPS (Rs)	140.0	160.0	200.0	240.0	220.0
Dividend Yield	1.59%	1.79%	2.24%	2.69%	2.69%
EV/EBITDA (x)	34.53	25.43	21.94	18.04	15.90
P/FCFE (x)	68.00	25.83	41.71	28.37	48.67
Net Gearing	(83.8%)	(91.8%)	(84.7%)	(83.4%)	(82.3%)
P/BV (x)	9.80	10.03	8.98	7.99	6.97
ROE	21.6%	29.7%	32.2%	34.4%	33.7%
% Change In Core EPS Estimates			(7.51%)	(4.68%)	(3.49%)
InCred Research/Consensus EPS (x)					

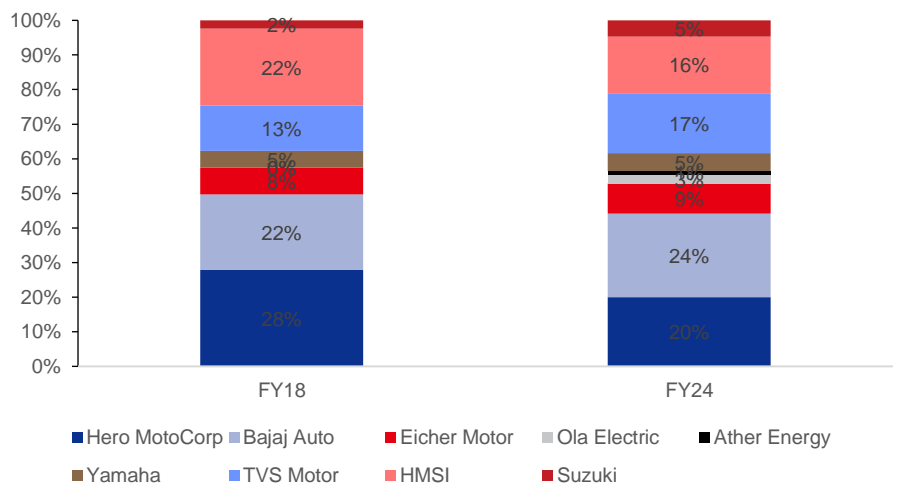
SOURCE: INCRED RESEARCH, COMPANY REPORTS

EV transition and falling INR beneficiary

2W&3W industry investible profit pool ready for decadal shift ➤

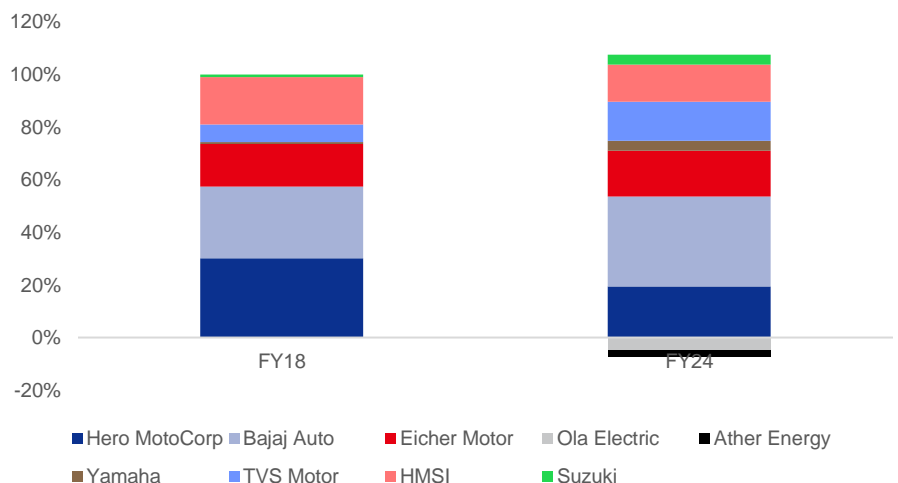
- The two-wheeler (2W) industry’s profitability (Rs190bn EBITDA) is witnessing a gradual shift towards the listed space. Traditionally, around 22% of the profits has been held by private, unlisted multinational corporations (MNCs) such as Honda, Suzuki, and Yamaha. However, this dynamic is changing with the rising market presence of electric vehicle (EV) scooters from listed companies like TVS Motor Company (iQube) and Bajaj Auto (Chetak). The recent listing of Ola Electric expands the profit pool for public investors, which is expected to grow further as more EV start-ups aim at profitability and enter the initial public offer or IPO market.
- Bajaj Auto has successfully maintained its EBITDA margin, despite rising EV penetration within its portfolio. Going ahead, the company is well-positioned to expand its addressable market. This expansion is driven by rising volume of its existing electric two-wheeler (E2W) model, Chetak, as well as its electric three-wheelers (E3Ws). Additionally, Bajaj Auto’s planned entry into the electric rickshaw (E-rik) segment will further enhance its market reach.

Figure 1: Revenue mix of 2W sector OEMs aggressively shifting to the listed space



SOURCE: ACE EQUITY, INCRED RESEARCH, COMPANY REPORTS

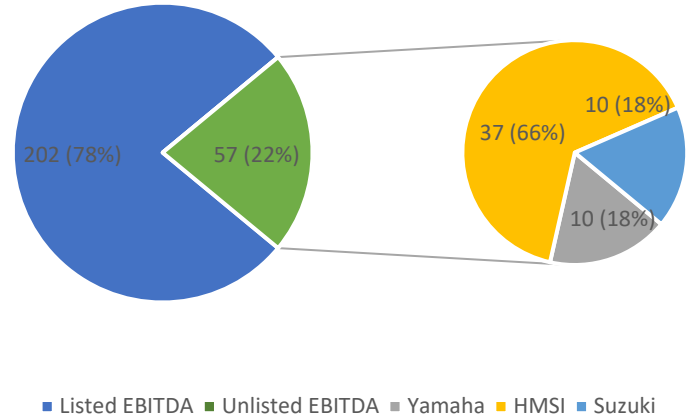
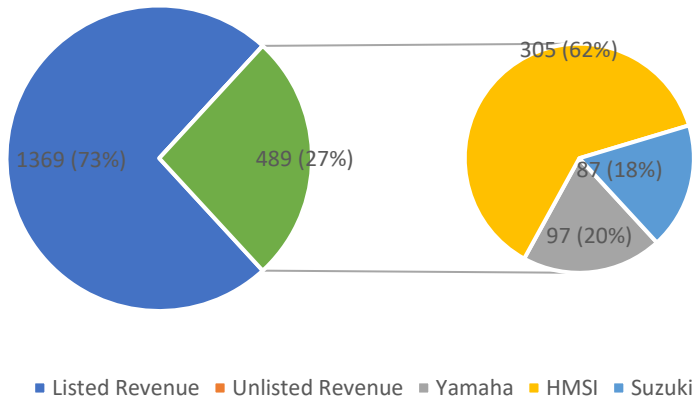
Figure 2: EBITDA mix of 2W sector OEMs is gradually shifting to the listed space



SOURCE: ACE EQUITY, INCRED RESEARCH, COMPANY REPORTS

Figure 3: EVs driving unlisted OEMs revenue pool (27%) to shift sharply to the listed space in FY24 (Rs bn)

Figure 4: EBITDA pool (22% for unlisted entities in FY24) shift to happen in 3-5 years' time



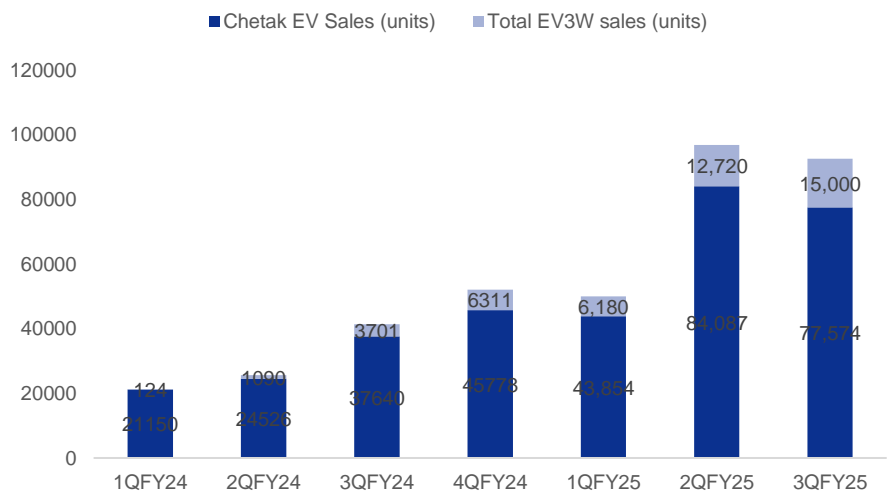
SOURCE: ACE EQUITY, INCRED RESEARCH, COMPANY REPORTS

SOURCE: ACE EQUITY, INCRED RESEARCH, COMPANY REPORTS

Management outlook >

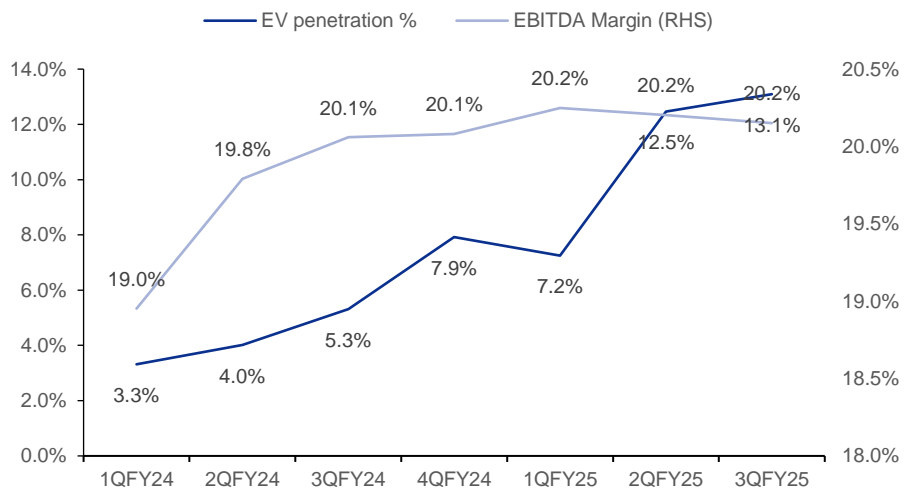
- **E-rickshaw launch:** Bajaj Auto plans to launch its e-rickshaw by the end of fiscal year 2025F or early Apr 2025F. This is aimed at tapping a fragmented and growing market where 45,000 e-rickshaws are sold monthly.
- **Electric three-wheeler:** The company plans to introduce a larger-sized electric three-wheeler to cater to demand from suburban areas and small towns. The electric three-wheeler market share has grown from 13% in 3Q FY24 to 35% in 3QFY25.
- **Green portfolio:** Bajaj Auto’s green energy portfolio (electric and CNG vehicles) now contributes 44% to domestic revenue. The EV portfolio alone constitutes 22% of this, showing rapid growth. Now, the green portfolio is EBITDA positive.
- **Chetak EV:** The Chetak EV grew its market share from 13% in 3QFY24 to 22% in 3QFY25. The launch of the Chetak 35 Series in Dec 2024, with enhanced features and wider distribution, is expected to improve profitability and market position.

Figure 5: Bajaj Auto’s EV sales surge in recent quarters is impressive



SOURCE: VAHAN, SOCIETY OF INDIAN AUTOMOBILE MANUFACTURERS, INCRED RESEARCH, COMPANY REPORTS

Figure 6: Bajaj Auto maintains its EBITDA margin amidst EV penetration surge

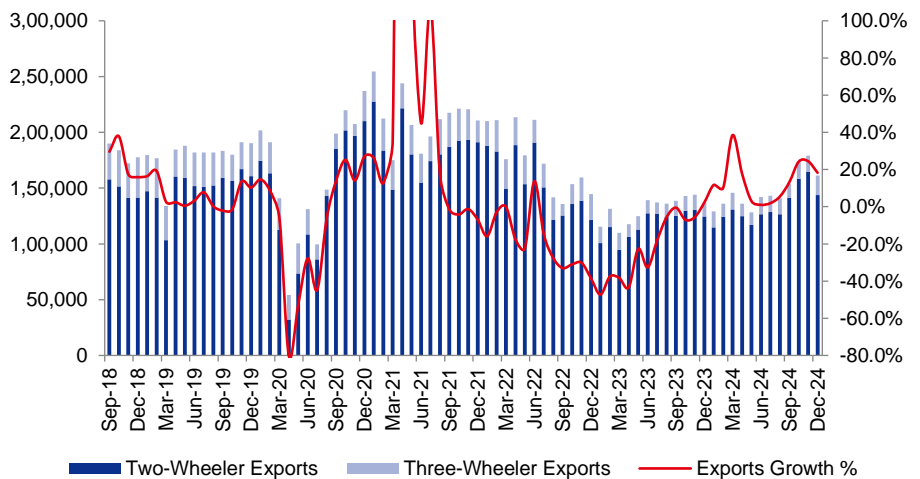


SOURCE: VAHAN, SOCIETY OF INDIAN AUTOMOBILE MANUFACTURERS, INCRED RESEARCH, COMPANY REPORTS

Export volatility to ease and drive sustainable growth ➤

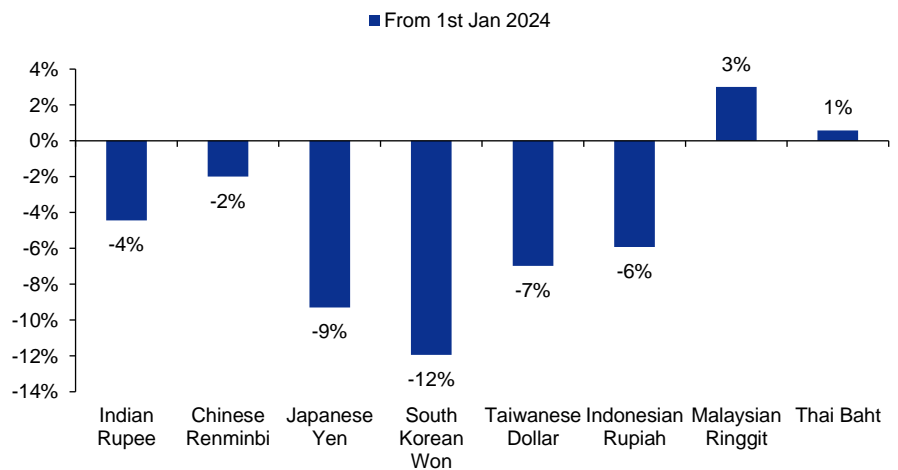
- **Exports:** Bajaj Auto's export volume grew by 27% in 3QFY25, topping industry growth, with a strong performance in Latin America and Africa. LATAM, now the largest market for motorcycles, saw Bajaj Auto's exports rising by over 40%. Nigeria retail sales started bouncing back in the Dec 2024 quarter, with Bajaj Auto holding over 55% market share.
- Exports formed around 35% of Bajaj Auto's sales and 40% of EBITDA in FY24. With a sharp INR depreciation, we estimate a 5% depreciation to provide a 2% EBITDA upgrade.

Figure 7: Export volume witnesses an uptick in the growth rate



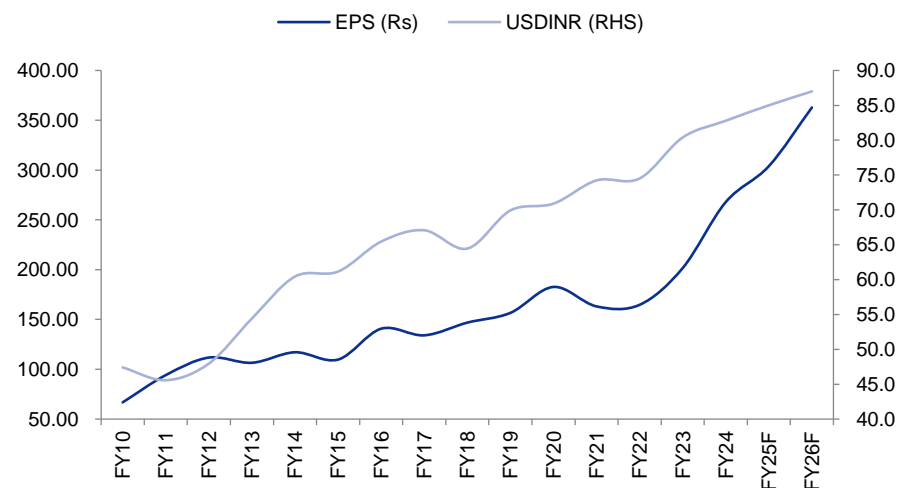
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: Movement of various currencies against the US dollar



SOURCE: BLOOMBERG, INCRED RESEARCH, COMPANY REPORTS

Figure 9: Strengthening of the US dollar continues to support EPS growth



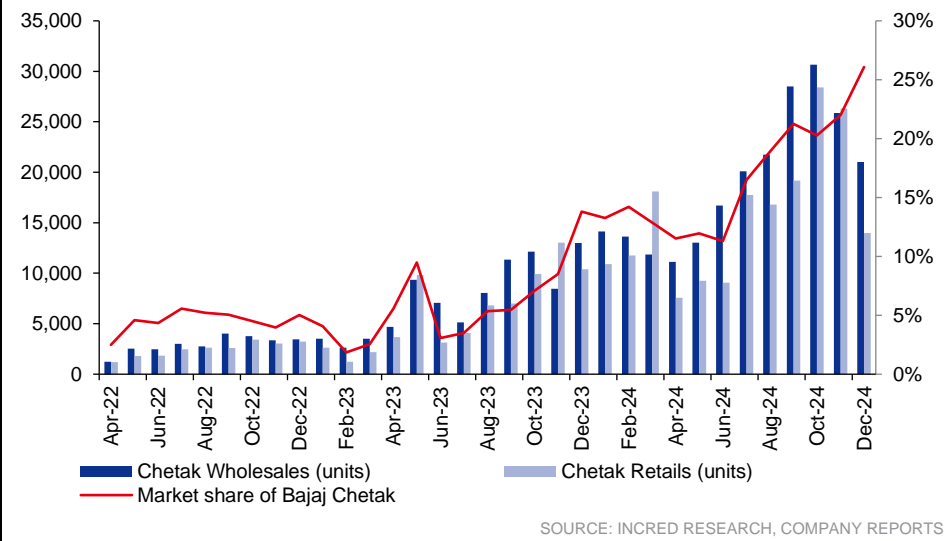
SOURCE: BLOOMBERG, INCRED RESEARCH, COMPANY REPORTS

Figure 10: Product mix improves with a better 3W and premium 2W mix

	3QFY25	3QFY24	% yoy	2FY25	% qoq	9MFY25	9MFY24	% yoy
CT100	16,676	24,053	-31%	17,491	-5%	52,196	68,947	-24%
Platina	1,31,851	1,61,312	-18%	1,20,616	9%	3,59,861	4,09,203	-12%
Pulsar Family	2,91,872	3,98,709	-27%	3,51,167	-17%	10,27,429	10,48,460	-2%
Avenger	3,675	5,280	-30%	5,358	-31%	13,787	17,772	-22%
KTM / Dominar / Husqvarna	17,332	20,117	-14%	17,455	-1%	52,387	59,475	-12%
Freedom 125	40,177	-	0%	30,787	0%	70,964	-	na
Chetak	77,524	33,617	131%	70,387	10%	1,88,765	75,999	148%
Triumph	8,698	8,342	4%	9,840	-12%	25,014	16,531	51%
2W domestic	5,87,805	6,51,430	-10%	6,23,101	-6%	17,90,403	16,96,387	6%
2W Export	4,66,766	3,84,740	21%	3,96,407	18%	12,31,593	11,07,402	11%
Total 2W	10,54,571	10,36,170	2%	10,19,508	3%	30,21,996	28,03,789	8%
3W domestic (including Qute)	1,05,655	1,36,423	-23%	1,39,910	-24%	3,53,689	3,67,284	-4%
3W Export (including Qute)	26,161	62,416	-58%	48,386	-46%	1,17,562	1,42,002	-17%
Total 3W	1,31,816	1,98,839	-34%	1,88,296	-30%	4,71,251	5,09,286	-7%
Total volume	11,86,387	12,35,009	-4%	12,07,804	-2%	34,93,247	33,13,075	5%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

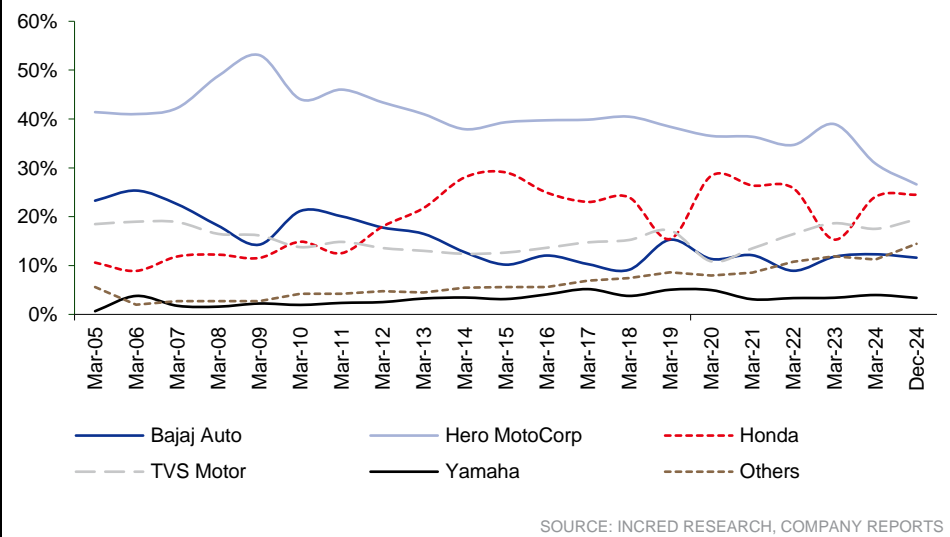
Figure 11: Chetak scooter ramp-up makes it a contender for leadership in E2W domestic market



2W industry growth and market share trend

- **Industry outlook:** Management expects the 2W industry to grow at 8% in the near term, driven by steady demand in the 125cc+ segment.
- **Market share trend:** Bajaj Auto’s temporary domestic 2W market share dip reflects the company’s strategic decision to avoid profitless growth in entry-level 100cc bikes and recalibrate channel inventory. Prioritizing the 125cc+ motorcycle segment for its higher margin and growth potential, aligns with the industry’s premiumization trend.

Figure 12: Long-term market share trend of domestic 2Ws

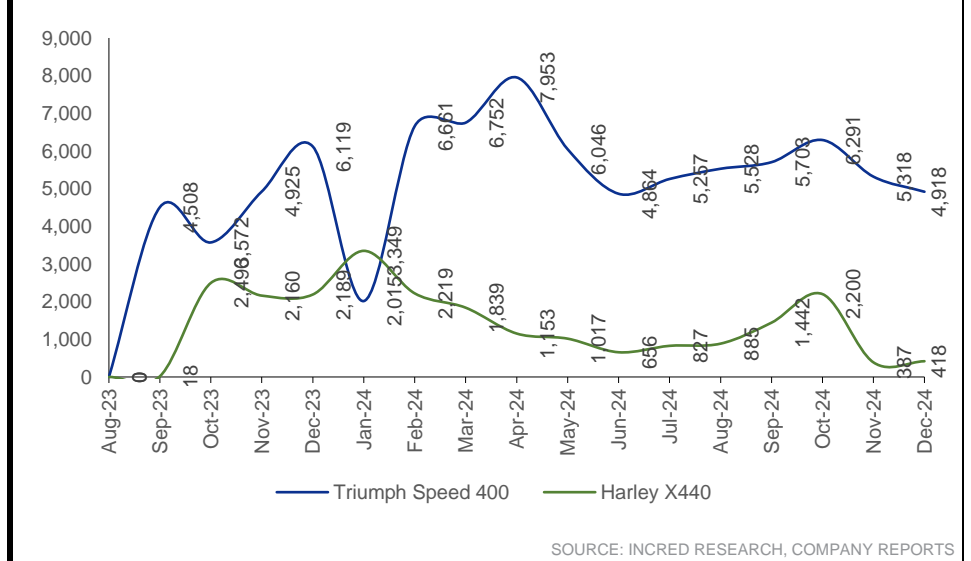


Bajaj Auto’s new product Assault to drive it out of the 10-year domestic market share consolidation phase?

- **Triumph and KTM:** Triumph had its best-ever quarter, driven by new models like Speed 400 and Scrambler 400. KTM also performed well in India, with refreshed Duke models gaining traction. However, exports of KTM were temporarily down due to restructuring at KTM AG.
- **Freedom 125 (CNG bike):** Bajaj Auto retailed ~50,000 units of the Freedom 125 motorcycle since its launch in Aug 2024. While adoption is strong in areas with dense CNG pump networks, customer growth in other areas has been slower, prompting Bajaj Auto to focus on awareness campaigns and targeting high-mileage users like gig workers.

- **New launches:** Plans to introduce nine new variants of its existing 125cc+ models by the end of FY25F.

Figure 13: Triumph's monthly sales decline as Harley X440 lags



Management outlook ➤

- **Commodity costs:** Inflation in certain commodities like alloys, rhodium, platinum, and palladium may create pricing challenges, although the overall metals complex appears stable
- **OBD2B norms:** Compliance with OBD2B (Onboard Diagnostics) norms, effective Apr 2025, may lead to a 1% cost increase for two-wheelers, potentially affecting the pricing.
- **Capex:** Rs4.5bn capex in FY25F, with two-thirds allocated to EVs.
- **Bajaj Auto Credit (BACL):** Achieved 70% financing penetration across Bajaj Auto's sales network. It posted a profit of Rs.520m in 3QFY25 and financed 520k vehicles with assets under management or AUM exceeding Rs70bn.

Figure 14: The EBITDA margin sustains near its peak level

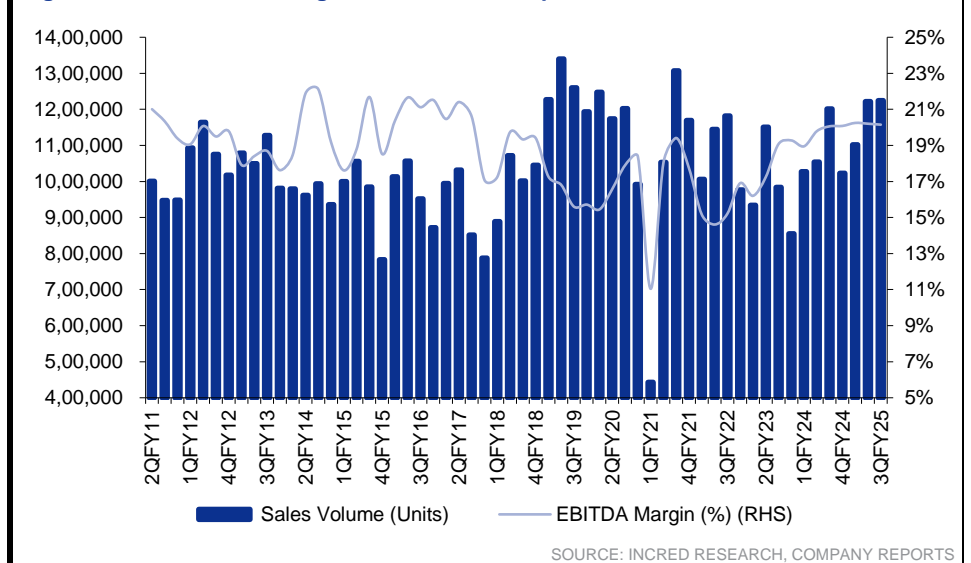


Figure 15: Quarterly results comparison

YE Mar (Rs m)	3QFY25	3QFY24	yoy % chg	2QFY25	qoq % chg	9MFY25	9MFY24	yoy % chg	Comments
Revenue	1,28,069	1,21,135	5.7	1,31,275	(2.4)	3,78,623	3,32,006	14.0	3% below our estimate.
Raw material costs	91,327	86,096	6.1	93,639	(2.5)	2,68,492	2,36,733	13.4	
RM costs as a % of revenue	71.3	71.1	23.7	71.3	(1.9)	70.9	71.3	(39.1)	31bp above our estimate.
EBITDA	25,807	24,299	6.2	26,522	(2.7)	76,350	65,167	17.2	5% below our estimate.
EBITDA margin (%)	20.2	20.1	9.2	20.2	(5.2)	20.2	19.6	53.7	36bp below our estimate.
Depreciation & amortization	997	881	13.1	956	4.3	2,890	2,593	11.4	3% below our estimate.
EBIT	24,811	23,418	5.9	25,566	(3.0)	73,461	62,574	17.4	
Interest expenses	143	121	18.3	159	(10.1)	509	307	65.7	
Other income	3,347	3,461	(3.3)	3,845	(13.0)	10,402	10,538	(1.3)	16% below our estimate.
Pre-tax profit	28,015	26,758	4.7	29,252	(4.2)	83,353	72,804	14.5	6% below our estimate.
Tax	6,927	6,339	9.3	7,089	(2.3)	20,351	17,377	17.1	
Tax rate (%)	25	24	104	24	49	24	24	55	
Normalized net profit	21,087	20,419	3.3	22,163	(4.9)	63,002	55,428	13.7	7% below our estimate.
Exceptional items	-	-	nm	(2,113)	nm	-	-	nm	
Other comprehensive income	-	-	nm	-	na	(2,113)	-	nm	
Reported net profit	21,087	20,419	3.3	20,050	5.2	60,890	55,428	9.9	
Normalized EPS (Rs)	75.5	73.1	3.3	79.4	(4.9)	217.7	191.5	13.7	
Volume (nos)	12,24,472	12,00,997	2.0	12,21,504	0.2	35,48,032	32,82,357	8.1	
Net realization (Rs)	1,04,591	1,00,862	3.7	1,07,470	(2.7)	1,06,714	1,01,149	5.5	
EBITDA/vehicle	21,076	20,232	4.2	21,712	(2.9)	21,519	19,854	8.4	

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 16: Key assumptions

Volume Break-Up	FY23A	FY24	FY25F	FY26F	FY27F
(Number of vehicles)					
Domestic Motorcycles	18,01,010	22,50,585	23,80,723	28,52,003	32,02,817
Growth (%)	9.7%	25.0%	5.8%	19.8%	12.3%
Export Motorcycles	16,36,956	14,77,338	16,54,619	18,61,446	21,03,434
Growth (%)	-25.4%	-9.8%	12.0%	12.5%	13.0%
Total Motorcycle	34,37,966	37,27,923	40,35,342	47,13,449	53,06,250
Growth (%)	-10.4%	8.4%	8.2%	16.8%	12.6%
Total 2-wheelers	34,37,966	37,27,923	40,35,342	47,13,449	53,06,250
Growth (%)	-10.4%	8.4%	8.2%	16.8%	12.6%
3-wheelers	4,85,018	6,23,010	6,75,470	7,19,716	7,76,007
Growth (%)	2.9%	28.5%	8.4%	6.6%	7.8%
Total vehicles	39,22,984	43,50,933	47,10,812	54,33,164	60,82,257
Growth (%)	-8.9%	10.9%	8.3%	15.3%	11.9%
Per Vehicle assumptions					
In Rs.	FY23A	FY24	FY25F	FY26F	FY27F
Net ASP/vehicle	92,857	1,02,703	1,07,439	1,10,404	1,12,634
Growth (%)	21.2%	10.6%	4.6%	2.8%	2.0%
Contribution/vehicle	26,441	29,745	31,211	32,017	32,213
Growth (%)	31.3%	12.5%	4.9%	2.6%	0.6%
EBITDA/vehicle	16,694	20,278	21,613	22,507	22,425
Growth (%)	40.6%	21.5%	6.6%	4.1%	-0.4%
EBITDA Margin (%)	18.0%	19.7%	20.1%	20.4%	19.9%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 17: EPS revision summary

Rs m	FY25F		FY26F		FY27F	
	Old	New	Old	New	Old	New
Sales Volume	49,08,083	47,10,812	56,31,673	54,33,164	63,03,886	60,82,257
Change		-4.0%		-3.5%		-3.5%
Net Sales	5,35,996	5,06,127	6,28,538	5,99,842	7,07,307	6,85,070
Change		-5.6%		-4.6%		-3.1%
EBITDA	1,09,318	1,01,815	1,27,077	1,22,283	1,39,682	1,36,392
Change		-6.9%		-3.8%		-2.4%
PBT	1,20,706	1,12,081	1,39,824	1,33,635	1,53,626	1,48,653
Change		-7.1%		-4.4%		-3.2%
EPS (Rs)	328.6	303.9	380.6	362.8	418.2	403.6
Change		-7.5%		-4.7%		-3.5%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 18: SOTP-based target price

	1-year forward
EPS (Rs.) (1-year forward)	374.9
P/E(x)	28.0
Value (Rs.)	10,496
Value of stake in PMAG post 20% holding discount	59
Value of stake in BACL post 20% holding discount	35
Target Price (Rs)	10,590

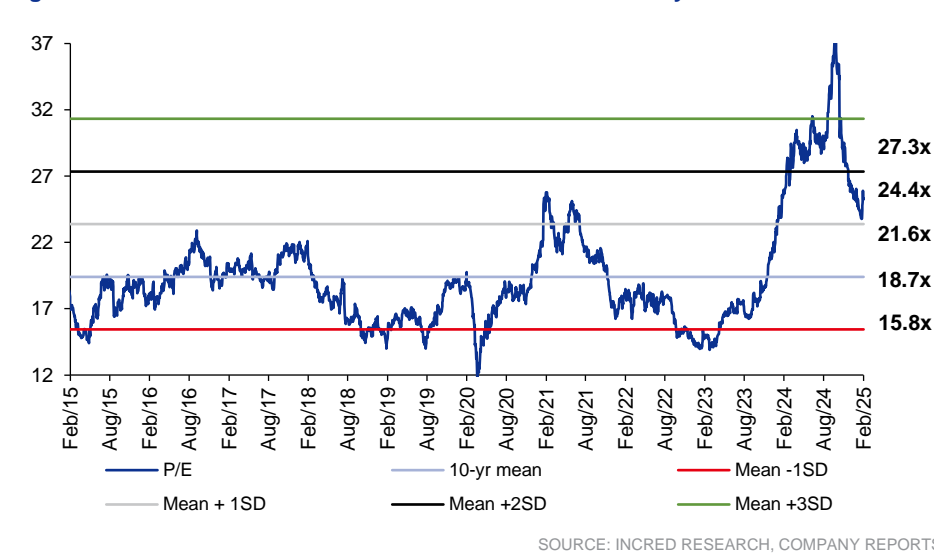
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 19: Valuation table for subsidiary

	PMAG holding valuation
PMAG's market cap in EUR m (a)	623
Bajaj Auto's stake in PMAG (b)	37%
Holding company discount (c)	20%
EUR/INR rate (d)	89.7
Bajaj Auto's share in valuation (Rs m) $(a*b*(1-c)*d)$	16,345
No. of Bajaj Auto shares (m)	279
Per share value (Rs)	59

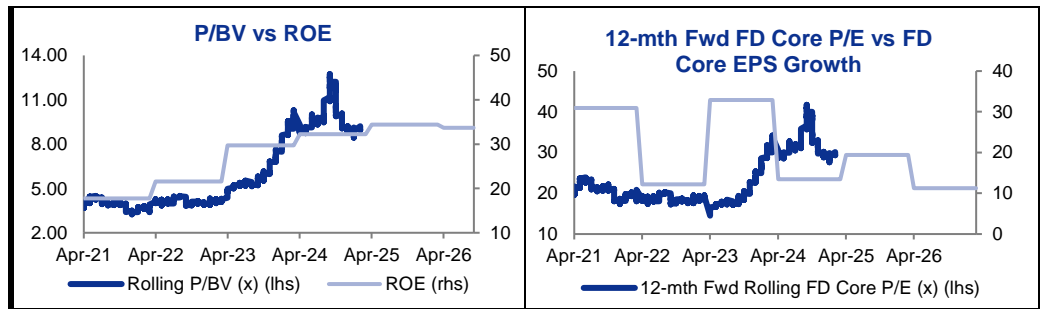
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 20: Forward P/E valuation eases to +1SD above the 10-year mean level



SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Net Revenues	364,276	446,852	506,127	599,842	685,070
Gross Profit	89,558	114,518	131,336	156,534	176,538
Operating EBITDA	65,492	88,229	101,815	122,283	136,392
Depreciation And Amortisation	(2,824)	(3,498)	(4,000)	(4,500)	(5,000)
Operating EBIT	62,667	84,731	97,815	117,783	131,392
Financial Income/(Expense)	(395)	(535)	(600)	(500)	(400)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	11,814	14,025	14,866	16,353	17,661
Profit Before Tax (pre-EI)	74,087	98,220	112,081	133,635	148,653
Exceptional Items					
Pre-tax Profit	74,087	98,220	112,081	133,635	148,653
Taxation	(17,810)	(23,432)	(27,236)	(32,340)	(35,974)
Exceptional Income - post-tax					
Profit After Tax	56,276	74,788	84,845	101,295	112,679
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	56,276	74,788	84,845	101,295	112,679
Recurring Net Profit	56,276	74,788	84,845	101,295	112,679
Fully Diluted Recurring Net Profit	56,276	74,788	84,845	101,295	112,679

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
EBITDA	65,492	88,229	101,815	122,283	136,392
Cash Flow from Invt. & Assoc.					
Change In Working Capital	136	8,923	(2,668)	(2,106)	(3,763)
(Incr)/Decr in Total Provisions	9,752	17,579	(16,998)	(200)	(1,700)
Other Non-Cash (Income)/Expense	(582)	1,618			
Other Operating Cashflow					
Net Interest (Paid)/Received	11,419	13,490	14,266	15,853	17,261
Tax Paid	(18,548)	(22,836)	(27,236)	(32,340)	(35,974)
Cashflow From Operations	67,668	107,003	69,178	103,489	112,216
Capex	(11,695)	(7,781)	(3,360)	(8,639)	(8,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(19,335)	(2,741)	(6,000)	(7,000)	(53,000)
Cash Flow From Investing	(31,030)	(10,522)	(9,360)	(15,639)	(61,000)
Debt Raised/(repaid)	15	16	(58)		
Proceeds From Issue Of Shares	(64)	(38)			
Shares Repurchased		(49,282)			
Dividends Paid	(39,614)	(44,669)	(55,836)	(67,003)	(67,003)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(39,664)	(93,973)	(55,894)	(67,003)	(67,003)
Total Cash Generated	(3,026)	2,509	3,924	20,847	(15,787)
Free Cashflow To Equity	36,653	96,498	59,760	87,851	51,216
Free Cashflow To Firm	37,033	97,016	60,419	88,351	51,616

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet					
(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Cash And Equivalents	214,227	229,407	236,331	261,179	295,391
Total Debtors	17,761	21,224	24,960	31,225	37,538
Inventories	13,979	16,956	18,026	23,008	28,154
Total Other Current Assets	19,467	21,774	24,500	27,000	30,000
Total Current Assets	265,433	289,361	303,817	342,411	391,083
Fixed Assets	23,835	26,760	31,260	35,760	38,760
Total Investments	17,864	20,884	23,884	26,884	29,884
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	41,699	47,645	55,145	62,645	68,645
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	40,739	56,102	58,239	67,380	75,076
Other Current Liabilities	9,918	29,581	15,000	17,000	18,000
Total Current Liabilities	50,656	85,683	73,239	84,380	93,076
Total Long-term Debt	1,242	1,258	1,200	1,200	1,200
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	1,242	1,258	1,200	1,200	1,200
Total Provisions	5,120	6,960	7,269	7,569	7,869
Total Liabilities	57,018	93,902	81,709	93,149	102,146
Shareholders Equity	254,259	248,605	277,614	311,906	357,582
Minority Interests					
Total Equity	254,259	248,605	277,614	311,906	357,582

Key Ratios					
	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue Growth	10.4%	22.7%	13.3%	18.5%	14.2%
Operating EBITDA Growth	28.0%	34.7%	15.4%	20.1%	11.5%
Operating EBITDA Margin	18.0%	19.7%	20.1%	20.4%	19.9%
Net Cash Per Share (Rs)	762.89	817.21	842.22	931.22	1,053.77
BVPS (Rs)	910.73	890.48	994.39	1,117.22	1,280.83
Gross Interest Cover	158.73	158.38	163.02	235.57	328.48
Effective Tax Rate	24.0%	23.9%	24.3%	24.2%	24.2%
Net Dividend Payout Ratio	70.4%	59.7%	65.8%	66.1%	59.5%
Accounts Receivables Days	16.50	15.92	16.65	17.09	18.32
Inventory Days	17.46	16.99	17.03	16.89	18.36
Accounts Payables Days	51.20	53.18	55.68	51.71	51.12
ROIC (%)	164.0%	267.5%	7,306.0%	355.6%	310.2%
ROCE (%)	28.1%	38.4%	41.8%	44.6%	43.7%
Return On Average Assets	18.1%	23.3%	24.5%	26.6%	26.1%

Key Drivers					
	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
ASP (% chg, main prod./serv.)	21.2%	10.6%	4.6%	2.8%	(100.0%)
Unit sales grth (%, main prod./serv.)	(8.9%)	10.9%	8.3%	15.3%	(86.8%)

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: 05th 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

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Definition:

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- 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.

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- 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.

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