

India

HOLD (no change)

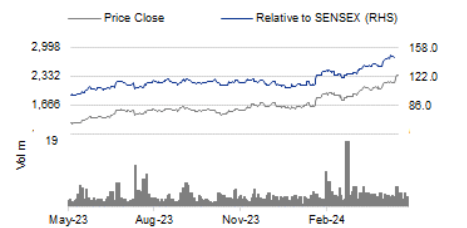
Consensus ratings*: Buy 36 Hold 4 Sell 0

Current price:	Rs2,372
Target price:	Rs2,455
Previous target:	Rs1,765
Up/downside:	3.5%
InCred Research / Consensus:	10.8%
Reuters:	MAHM.NS
Bloomberg:	MM IN
Market cap:	US\$35,322m
	Rs2,949,340m
Average daily turnover:	US\$68.4m
	Rs5712.2m
Current shares o/s:	1,110.3m
Free float:	80.7%

*Source: Bloomberg

Key changes in this note

- FY25F-26F sales upgrade by 4-6%.
- FY25F-26F EBITDA upgrade by 5%.
- FY25F-26F EPS upgrade by 6%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	16.8	29.2	87.8
Relative (%)	15.6	27.0	56.9

Major shareholders	% held
Mahindra Family	19.3
LIC	6.0
SBI Mutual Fund	3.7

Research Analyst(s)



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Mahindra & Mahindra

Excitement over new products and capex

- 4QFY24 standalone EPS was flat yoy as the strong automotive division's performance was neutralized by weak performance of the tractor division.
- Management's aggressive capex plan to support new SUV launches and capacity build-up led to our EPS upgrade of 6% for FY25F-26F.
- The sharp 35% stock rally in the last two months stretches P/E & P/BV valuations to near +2SD. Retain HOLD rating with a higher TP of Rs2,455.

In-line EBITDA performance in 4QFY24

The 4QFY24 standalone EBITDA of Mahindra & Mahindra or M&M rose 15.8% yoy but was flat qoq at Rs.32.4bn, just 2% above our estimate. Strong ASP growth in the automotive (5% qoq) and tractor (10%) segments was impressive. The EBIT growth was driven by a 47% yoy rise in the automotive segment while the tractor segment dipped 11%. The automotive segment's EBIT margin scaled a high of 8.8%. Higher other income (28% yoy) and a lower tax rate led to a 4% beat in normalized PAT at Rs20.4bn.

Capex and investment plan doubled for the next three years

Management announced 50,000 bookings for the newly launched XUV3XO, where with a capacity of 9,000 vehicles per month it plans to emerge as the leader in the compact SUV segment. Management doubles capex and investment plan for FY25F-27F to Rs370bn (Rs.176bn for FY22-24) to support its ambitious new product launches of seven EVs, six diesel SUVs and seven small trucks in the medium term. For new products, management gave guidance of an initial lower EBITDA margin profile before the scale benefits play out. Management gave tractor industry growth guidance of +5% for FY25F, while it needs to correct dealer-level inventory in the Jun 2024F quarter.

New product plan drives 6% EPS upgrade for FY25F-26F

The strong ASP performance in 4Q, good response to XUV3XO and tractor demand recovery outlook led to our 4-6% net sales upgrade. We upgrade the EBITDA margin for FY25F by 20bp for the tractor division's recovery while maintaining for FY26F, as new electric vehicle or EV launches can impact margins. Building in a higher capex outflow, we raise EPS by around 6% for FY25F-26F.

Stock valuation close to +2SD P/E: maintain HOLD rating

The impressive hit rate on new SUV products and the better-than-expected tractor demand recovery, we feel, is well captured by stock rerating in the last two months. However, the long waiting period for the compact SUV segment is difficult to sustain, as competition from six global majors in the segment is intense with new refreshes expected from them soon. With the 1-year forward P/E and P/BV valuations adjusted for subsidiaries' value inching near +2SD above the 10-year mean, we remain cautious and retain HOLD rating on the stock with the target P/E raised to 16.5x (15% premium to mean) and subsidiaries' value of Rs 632. Key upside risk is success in new product launches while the downside risk is a slower-than-expected tractor demand recovery.

Financial Summary	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	849,603	992,682	1,159,658	1,294,103	1,444,093
Operating EBITDA (Rsm)	104,424	132,825	152,607	166,418	191,913
Net Profit (Rsm)	79,781	102,352	112,538	121,524	137,724
Core EPS (Rs)	71.9	92.2	101.4	109.5	124.0
Core EPS Growth	55.2%	28.3%	10.0%	8.0%	13.3%
FD Core P/E (x)	32.04	24.98	22.71	21.04	18.56
DPS (Rs)	16.3	23.8	21.1	25.0	30.0
Dividend Yield	0.76%	1.11%	0.99%	1.17%	1.41%
EV/EBITDA (x)	21.90	16.69	14.39	12.99	10.89
P/FCFE (x)	85.66	82.30	304.61	114.71	38.61
Net Gearing	(21.6%)	(23.7%)	(20.1%)	(18.5%)	(21.4%)
P/BV (x)	5.90	4.89	4.19	3.64	3.18
ROE	19.4%	21.4%	19.9%	18.5%	18.3%
% Change In Core EPS Estimates			5.61%	5.95%	
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Excitement over new products and capex

Management conference-call highlights➤

- **Automotive segment:** By 2030F, the company plans to launch nine ICE SUVs (three mid-cycle enhancements, including the recently launched XUV3XO & 6 new SUVs), seven born electric vehicles and seven light commercial vehicles or LCVs (five ICE & two EVs in LCV < 3.5t the segment).
- **Automotive capex:** The EBITDA margin for the quarter grew by 154bp led by product mix, soft commodity prices and pricing action. Management plans to increase its capacity to 72k units per annum by the end of FY26F from 49k units currently. By the end of FY25F, it plans to increase SUV capacity (THAR 5D, XUV3XO/4OO) of 5K units and EV capacity of 10K units. Additional 8k units' capacity in electric vehicles by FY26F.
- **Mode-wise outlook:** Management believes the upcoming five-door Thar is likely to gain strong traction, XUV700 deploying additional capacity to clean up the order book and in Jun 2024F the company will showcase its first BEV model planned for launch, starting from 4QFY25F. Scorpio-N has a 6.2% market share in South African addressable market and XUV700 has a 5% addressable market share in Australia.
- **Mahindra 3XO:** Received order for 50k units on the launch of 3XO, currently producing 9k units per month, which management plans to increase it to 10.5k units soon. In the compact SUV segment, the company is in fifth position and the target is to become the first or second with the launch of 3XO.
- **Farm segment:** Tractor industry volume declined by 7% yoy in FY24 as the rural market remains under pressure while the company gained market share of 40bp to achieve a market share of 41.6% led by new launches like OJA, Target and Naya Swaraj and in the 20-30 HP space, a market share of 12.8%* on account of OJA & Target. The global launch of OJA gained strong traction in the US and Southeast Asian markets.
- **Farm machinery:** Revenue in 4QFY24 grew by 44% yoy led by export growth as the company launched rotary tillers, loaders & backhoes in the North America market. M&M remains in the second position with a market share of 20.3% in F24 vs. 16.5% in FY23 and remains the leader in the rice transplanter space.
- **Growth gems:** M&M's subsidiaries Susten (got a bid of 2GWh), Mahindra Holidays and Mahindra Logistics likely to grow by 5x in the next four-to-five years.
- **Last-mile mobility:** In FY24, EV3W portfolio grew by 51% yoy, with electricity penetration of 11.3% and a market share of 58.7%. During the quarter, it launched Treo in metal body and added 40 exclusive dealers to scale up the dealer network. Management expects its market share to decline going ahead due to the upcoming competition in the space.
- **Overall guidance:** Management's endeavour is to grow EPS by 15-18% yearly by balancing margins and growth and maintaining RoCE of 18%.

Figure 1: Results comparison

Y/E Mar (Rs m)	4QFY24	4QFY23	yoy % chg	3QFY24	qoq % chg	FY24	FY23	yoy % chg	Comments
Revenue	2,51,090	2,25,714	11.2	2,52,935	(0.7)	9,92,682	8,49,603	16.8	4% above our estimates.
Raw material costs	1,84,462	1,69,219	9.0	1,90,660	(3.3)	7,40,064	6,45,582	14.6	
RM costs as a % of revenue	73.5	75.0	(151)	75.4	(191)	75	76	(143)	
EBITDA	32,401	27,974	15.8	32,414	(0.0)	1,32,825	1,04,424	27.2	1.5% above our estimates.
EBITDA margin (%)	12.9	12.4	51	12.8	9	13.4	12.3	109	29bp below our estimates.
Depreciation & amortization	9,770	8,385	16.5	8,179	19.5	34,389	31,545	9.0	-
EBIT	22,631	19,589	15.5	24,235	(6.6)	98,437	72,879	35.1	
Interest expenses	387	698	(44.6)	348	11.1	1,388	2,728	(49.1)	
Other income	4,261	3,339	27.6	7,320	(41.8)	32,955	25,452	29.5	7% above our estimates.
Pre-tax profit	26,505	22,229	19.2	31,207	(15.1)	1,30,004	95,603	36.0	1.5% above our estimates.
Tax	6,123	1,621	277.7	6,668	(8.2)	27,652	15,822	74.8	
Tax rate (%)	23.1	7.3	1,581	21.4	173.6	21.3	16.5	472.0	
Normalized net profit	20,382	20,608	(1.1)	24,540	(16.9)	1,02,352	79,781	28.3	4% above our estimates.
Exceptional items	0	(5,118)	nm	-	nm	6,146	(14,295)	nm	-
Other comprehensive income	-	-	nm	-	nm	(1,319)	-	nm	-
Reported net profit	20,382	15,490	31.6	24,540	(16.9)	1,07,179	65,486	63.7	
Normalised EPS (Rs)	18.3	18.5	(1.1)	22.1	(16.9)	92	72	28.3	
Volume (nos)	2,86,924	3,13,115	(8.4)	3,13,115	(8.4)	12,06,695	11,03,709	9.3	
Net realisation (Rs)	8,75,109	7,20,865	21.4	8,07,802	8.3	8,22,646	7,69,770	6.9	-
EBITDA/vehicle	1,12,926	89,340	26.4	1,03,521	9.1	1,10,074	94,612	16.3	

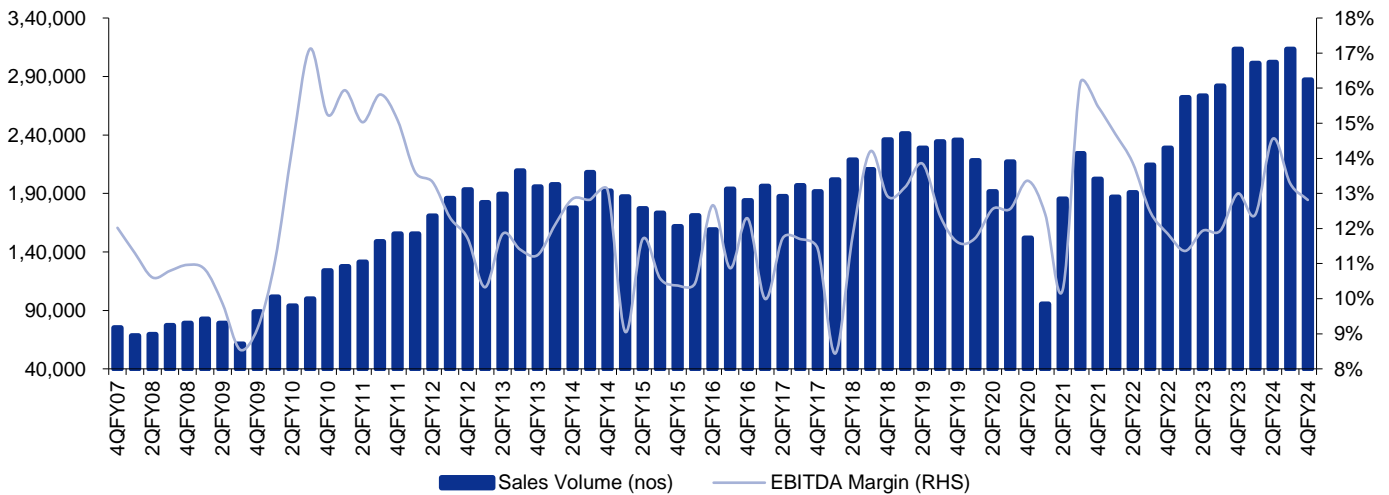
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: M&M's segment-wise sales volume performance

	4QFY24	4QFY23	yoy (%)	3QFY24	qoq (%)	FY23	FY24	yoy (%)
Tractors	67,369	85,867	-21.5%	98,433	-31.6%	3,89,531	3,64,526	-6.4%
Passenger vehicles	1,26,100	99,395	26.9%	1,18,863	6.1%	3,59,253	4,59,878	28.0%
LCV	58,693	61,345	-4.3%	61,568	-4.7%	2,38,540	2,43,618	2.1%
MHCV	8,543	3,504	143.8%	4,246	101.2%	10,036	19,192	91.2%
3-wheelers	17,086	17,609	-3.0%	21,277	-19.7%	58,520	77,589	32.6%
Automotive exports	4,858	7,374	-34.1%	5,489	-11.5%	32,107	24,663	-23.2%
Tractor exports	4,275	3,864	10.6%	3,239	32.0%	18,014	13,860	-23.1%
Total	2,86,924	2,78,958	2.9%	3,02,139	-5.0%	11,06,001	12,03,326	-8.1%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: EBITDA margin continues to ease from its recent peak



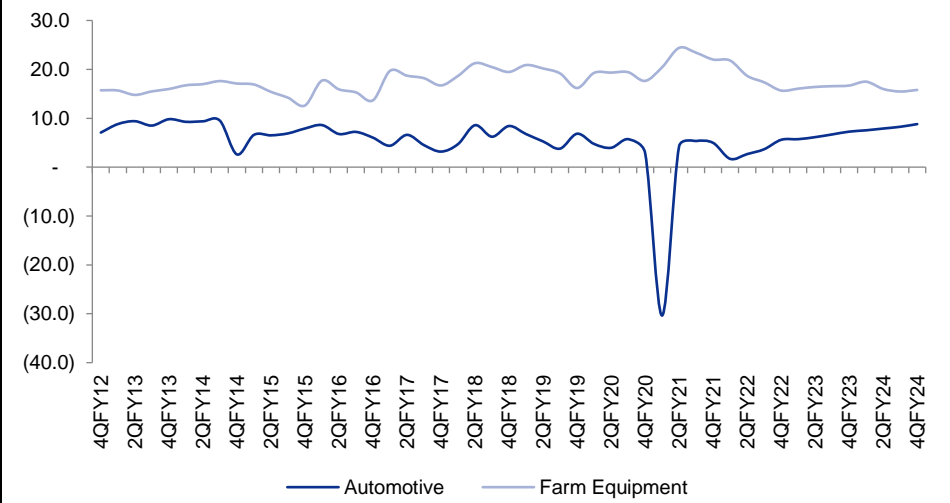
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Financial performance of various business divisions

	4QFY24	4QFY23	yoy chg	3QFY24	qoq chg	FY24	FY23	yoy chg
Automotive								
Net sales	1,99,103	1,64,001	21.4%	1,85,767	7.2%	7,35,135	5,85,112	25.6%
EBIT	17,514	11,903	47.1%	15,333	14.2%	59,899	37,497	59.7%
EBIT margin (%)	8.8%	7.3%	154	8.3%	54	8.1%	6.4%	174
Farm Equipment								
Net sales	52,270	55,843	-6.4%	67,346	-22.4%	2,53,366	2,40,888	5.2%
EBIT	8,254	9,317	-11.4%	10,415	-20.8%	41,160	39,529	4.1%
EBIT margin (%)	15.8%	16.7%	(89)	15.5%	33	16.2%	16.4%	(16)

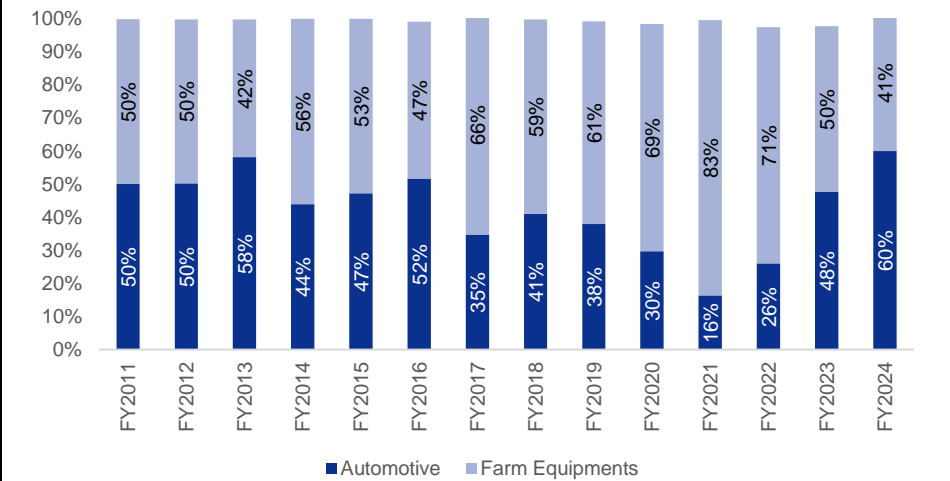
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: Segment-wise EBIT margin trend (%)



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: EBIT contribution improves from the automotive segment



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Management's endeavour is to maintain the order book lower from the current level.

Figure 7: Open order book in pipeline



SOURCE: INCRED RESEARCH, COMPANY REPORTS

- M&M's board has approved an investment of Rs120bn in MEAL to fund the EV journey over the next three years.
- M&M's auto division expects to generate sufficient operating cash to satisfy its capital investment needs.
- Therefore, M&M and British International Instruments or BII have mutually agreed to extend the timeframe for the final tranche of BII's planned investment of Rs7.25bn, and will jointly assess whether additional investment is required by 31 Dec 2024.
- BII has invested Rs12bn and Temasek has invested Rs3bn. so far in MEAL. Temasek will invest the remaining Rs9bn as per agreed timelines.

Figure 8: F22 - F24: Net cash generation (Rs.in crore)

	Auto	Farm	Services	Total
Operating cash (incl. monetization, dividend)	20,136	9,623	7,501	37,261
Deployment	(13,725)	(3,247)	(585)	(17,558)
Capex	(9,101)	(2,632)		(11,733)
EV: MEAL + LMM Co net ^s	(4,042)			(4,042)
: PE funds raised	2,000			2,000
Investments				
Restructuring	(1,212)			(1,212)
Ongoing	(1,370)	(615)	(585)	(2,570)
Net cash generation^s	6,411	6,376	6,916	19,703

SOURCES: INCRED RESEARCH, COMPANY REPORTS

Figure 9: F25 - F27: Cash deployment strategy (Rs.in crore)

	Auto	Farm	Services	Total
Deployment	(27,000)	(5,000)	(5,000)	(37,000)
Capex – ICE	(14,000)			(14,000)
EV – MEAL net	(12,000)			(12,000)
Capex – Farm		(5,000)		(5,000)
Investments	(1,000)		(5,000)	(6,000)
(Excl cell localization)			(MMFSL, Growth gems)	

SOURCES: INCRED RESEARCH, COMPANY REPORTS

Figure 10: Automotive investment plan for FY25F-27F (Rs.in crore)

AUTO	F25-F27
SUV ICE	8,500
CV (incl. EV & MTBD)	4,000
Sustenance	1,500
Auto Total	14,000
Investment in MEAL	12,000
Investments for New Products & Capacity (Auto + MEAL)	26,000
Investment in other Subs	1,000
Total Auto investment plan	27,000

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 11: Farm investment plan for FY25F-27F (Rs.in crore)

FARM	F25-F27
New Product	2,800
Capacity	700
Regulatory & Sustenance*	1,500
Total Farm investment plan	5,000

*INCLUDES –RS.6.BN. INVESTMENT FOR TREM V REQUIRED ONLY IN CASE REGULATION BECOMES MANDATORY

SOURCE: INCRED RESEARCH, COMPANY REPORTS








Figure 12: M&M's capacity planning

Per Month Capacity	F20 Exit Capacity	F23 Exit Capacity	F24 Exit Capacity	F25 Exit Capacity	F26 Exit Capacity
Overall SUVs Capacity	19K	39k	49k	64k	72k

- **F25 Exit capacity includes:**
 - Increase in SUV capacity (THAR 5D, XUV3XO/400) : 5K
 - EV capacity : 10K
- **Additional 8k EV capacity by F26 end**
- **3.5X+ expected capacity in F26 over F20**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 13: Automotive segment 2025F guidance

	Revenue Growth	Achieved 3-year CAGR of 43.1% in F24
	Leadership in SUV segment	#1 in SUV Revenue MS in F23 and F24
	Leadership in LCV<3.5T	New MaXX Pickup portfolio launched, 49.0% MS in LCV<3.5T (7.5% gain vs F21)
	Pioneering E-SUVs	BEV planned for launch starting Q4 F25
	Scale IO Revenue 2.5x by F26	Scorpio-N: 6.2% MS ² in South Africa XUV700: 5.0% MS ² in Australia
	Top of Brand Affinity & CSAT	SUV Brand Power ³ : #1 in F23 & F24
	Deliver ROCE of 18%++	F24 ROCE at 42%




SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 14: Farm equipment segment 2025F guidance

	Revenue Growth	Achieved 3-year CAGR of 10.5% in F24
	Grow Market share in Tractors	Successful launch of OJA, Target & Naya Swaraj; 3.4% MS gain in last 3 years
	Quantum growth in FM	Achieved 2-year CAGR of 34% in F24
	Significantly grow IO: 1.6x by F26	OJA US launch, SEA Regional office started, Europe entry in CY 2025
	Pioneering technology leadership	> 50k tractors with telematics kits deployed Launched India's first intelligent harvester
	Deliver ROCE of 18%++	F24 ROCE at 47%

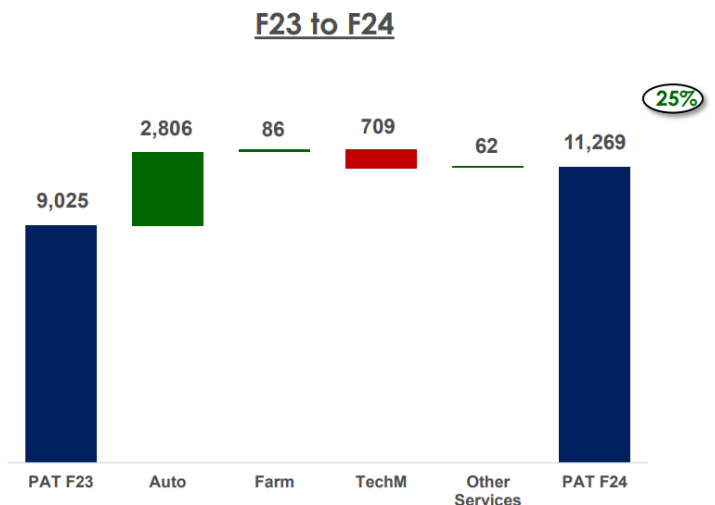
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 15: Consolidated PAT in FY24

	F23	F24
 Auto	1,908	4,714
 Farm	3,487	3,573
 Services	3,630	2,982
TechM	1,356	647
MMFSL	1,123	1,004
Growth Gems & Invt	1,151	1,331
Total	9,025*	11,269

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 16: PAT transition from FY23 to FY24



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 17: EPS revision summary

(Rs m)	FY25F		FY26F	
	Old	New	Old	New
Sales volume (nos)	13,19,750	13,45,842	14,18,943	14,64,521
% change		2.0%		3.2%
Net sales	11,19,650	11,59,658	12,25,735	12,94,103
% change		3.6%		5.6%
EBITDA	1,45,161	1,52,607	1,58,444	1,66,418
% change		5.1%		5.0%
Normalized PAT	1,06,565	1,12,538	1,14,697	1,21,524
% change		5.6%		6.0%
EPS (Rs)	95.8	101.2	103.1	109.3
% change		5.6%		6.0%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 18: Key assumptions

Nos	FY23	FY24F	FY25F	FY26F	FY27F
Scorpio	76,935	1,41,462	1,69,754	1,86,730	2,05,403
Growth (%)	98.8%	83.9%	20.0%	10.0%	10.0%
XYLO / Marazzo	4,451	8,743	14,400	30,000	60,000
XUV500/700	66,473	79,398	91,308	97,699	1,07,469
Bolero/ Other hardtops	1,01,023	1,10,841	1,20,817	1,26,858	1,35,738
Growth (%)	53.4%	9.7%	9.0%	5.0%	7.0%
Pick-ups & 1-ton LCV	2,38,540	2,35,696	2,53,518	2,77,304	3,06,111
Growth (%)	39.8%	-1.2%	7.6%	9.4%	10.4%
Total Domestic UV's & LCVs	5,95,501	6,95,560	8,30,092	9,18,715	10,26,878
Growth (%)	51.0%	16.8%	19.3%	10.7%	11.8%
Export UV's & LCVs	32,107	24,663	27,869	32,050	36,857
Growth (%)	-1.2%	-23.2%	13.0%	15.0%	15.0%
CVs	10,036	27,114	31,181	34,923	38,415
Growth (%)	56.0%	170.2%	15.0%	12.0%	10.0%
3-wheelers	58,520	80,758	91,256	1,00,382	1,10,420
Growth (%)	94.6%	38.0%	13.0%	10.0%	10.0%
Tractors domestic	2,30,731	2,07,326	1,96,960	2,02,868	2,08,955
Growth (%)	20.0%	-10.1%	-5.0%	3.0%	3.0%
Swaraj Tractors	1,58,800	1,57,200	1,52,484	1,58,583	1,64,927
Growth (%)	9.7%	-1.0%	-3.0%	4.0%	4.0%
Tractors exports	18,014	13,860	16,000	17,000	17,000
Growth (%)	2.1%	-23.1%	15.4%	6.3%	0.0%
Tractors total	4,07,545	3,78,386	3,65,444	3,78,452	3,90,881
Growth (%)	14.9%	-7.2%	-3.4%	3.6%	3.3%
Total Sales volume	11,03,709	12,06,695	13,45,842	14,64,521	16,03,451
Growth (%)	34.9%	9.3%	11.5%	8.8%	9.5%
Rs Per unit metrics					
Net sales realization	7,69,770	8,22,646	8,61,660	8,83,635	9,00,615
Growth (%)	9.7%	6.9%	4.7%	2.6%	1.9%
Contribution	1,84,850	2,09,348	2,15,415	2,19,142	2,26,955
Growth (%)	0.2%	13.3%	2.9%	1.7%	3.6%
EBITDA	94,612	1,10,074	1,13,392	1,13,633	1,19,687
EBITDA (%)	12.3%	13.4%	13.2%	12.9%	13.3%
PAT	72,285	84,820	83,619	82,978	85,892
Growth (%)	15.0%	17.3%	-1.4%	-0.8%	3.5%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 19: Valuation of key subsidiaries

Subsidiary Company	Tech Mahindra	Mahindra Holidays	Mahindra Financial Services	Mahindra Lifespaces	Last Mile Mobility EV	E4W subsidiary	Mahindra Logistics	Swaraj Engines
Value Per share of M&M (Rs)	233.8	39.0	123.8	35.2	14.6	134.4	12.9	11.2
Equity capital of company (m)	974.2	201.2	1,235.4	154.6	na	na	72.0	12.1
M&M holding	25%	67%	52%	51%	86.4%	95%	58.1%	52.1%
Valuation method	CMP	CMP	CMP	CMP	PE deal lower range	PE deal lower range	CMP	CMP
Current/ derived Price (Rs)	1,308.6	401.5	266.6	615.2	18.3	168.0	429.9	2,454.2
Subsidiary Company	Mahindra China Tractors	Mahindra Heavy Engines	EPC Industry	Mahindra First Choice	PORTER	Mahindra Susten	Mahindra Agri solution	Total
Value per share of M&M (Rs)	(5.4)	4.7	1.5	10.3	8.1	3.4	4.4	632
Equity capital of Company (m)	705.1	634.4	27.8	330.0	-	195.5	81.3	
M&M holding	100%	100%	54%	51%	30%	20%	98%	
Valuation method	8x FY221F P/E	10x FY22F P/E	CMP	P/E valuation	P/E valuation	Deal value	2x FY22F MCAP/Sales	
Current/ derived price (Rs)	(10.6)	10.2	141.0	85.0	33.8	121.3	88.7	

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 20: SOTP-based target price

Sum-of-parts valuation (Rs)	
Standalone business value	1,823
1-year forward EPS	110.5
P/E	16.5
Total subsidiaries' value per share	632
Target price	2,455

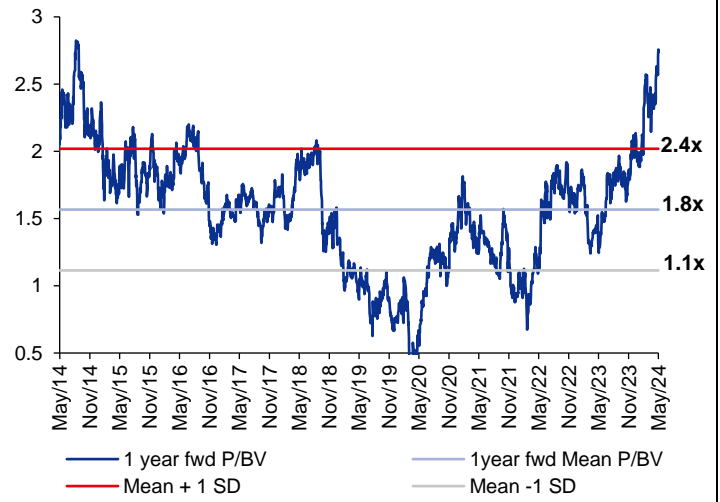
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 21: Forward P/E valuation adjusted for subsidiaries' valuation



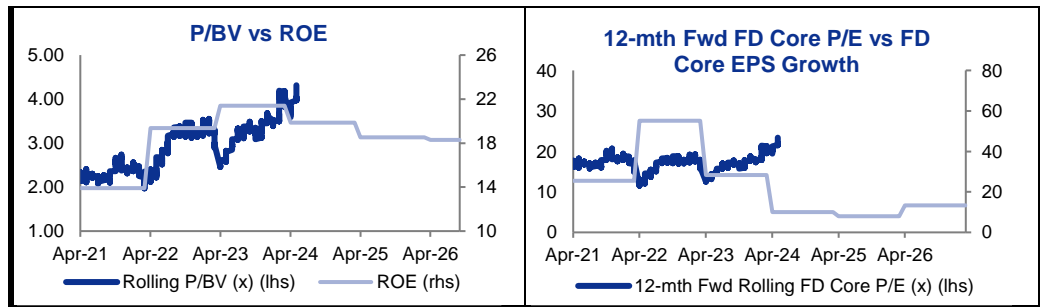
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 22: Forward P/BV valuation adjusted for subsidiaries' valuation



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	849,603	992,682	1,159,658	1,294,103	1,444,093
Gross Profit	204,020	252,619	289,914	320,938	363,911
Operating EBITDA	104,424	132,825	152,607	166,418	191,913
Depreciation And Amortisation	(31,545)	(34,389)	(40,845)	(49,125)	(57,405)
Operating EBIT	72,879	98,437	111,763	117,294	134,508
Financial Income/(Expense)	(2,728)	(1,388)	(1,200)	(1,000)	(1,000)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	25,452	32,955	35,591	39,506	43,062
Profit Before Tax (pre-EI)	95,603	130,004	146,154	155,800	176,570
Exceptional Items					
Pre-tax Profit	95,603	130,004	146,154	155,800	176,570
Taxation	(15,822)	(27,652)	(33,615)	(34,276)	(38,845)
Exceptional Income - post-tax					
Profit After Tax	79,781	102,352	112,538	121,524	137,724
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	79,781	102,352	112,538	121,524	137,724
Recurring Net Profit	79,781	102,352	112,538	121,524	137,724
Fully Diluted Recurring Net Profit	79,781	102,352	112,538	121,524	137,724

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
EBITDA	104,424	132,825	152,607	166,418	191,913
Cash Flow from Invt. & Assoc.					
Change In Working Capital	2,470	3,151	(23,931)	(1,364)	(1,930)
(Incr)/Decr in Total Provisions	8,936	(12,929)	(3,750)	(5,000)	(5,000)
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	(13,957)	8,313			
Net Interest (Paid)/Received	22,724	31,567	34,391	38,506	42,062
Tax Paid	(18,465)	(27,652)	(33,615)	(34,276)	(38,845)
Cashflow From Operations	106,131	135,275	125,702	164,284	188,199
Capex	(38,056)	(44,544)	(79,777)	(100,000)	(80,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(19,773)	(29,083)	(32,533)	(37,000)	(37,000)
Cash Flow From Investing	(57,828)	(73,627)	(112,310)	(137,000)	(117,000)
Debt Raised/(repaid)	(18,462)	(30,588)	(5,000)	(5,000)	(5,000)
Proceeds From Issue Of Shares	8	6			
Shares Repurchased					
Dividends Paid	(19,469)	(28,482)	(25,304)	(29,981)	(35,977)
Preferred Dividends					
Other Financing Cashflow	(2,066)	10,502			
Cash Flow From Financing	(39,990)	(48,563)	(30,304)	(34,981)	(40,977)
Total Cash Generated	8,312	13,085	(16,912)	(7,697)	30,222
Free Cashflow To Equity	29,840	31,060	8,392	22,284	66,199
Free Cashflow To Firm	51,030	63,036	14,592	28,284	72,199

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	140,298	139,726	133,347	135,650	172,873
Total Debtors	40,417	45,495	69,897	74,455	90,998
Inventories	88,814	95,048	111,200	124,092	130,562
Total Other Current Assets	36,701	50,204	55,704	62,204	68,704
Total Current Assets	306,229	330,473	370,149	396,402	463,136
Fixed Assets	187,292	212,615	251,770	302,646	325,241
Total Investments	175,391	215,487	237,487	264,487	294,487
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	362,682	428,103	489,258	567,133	619,728
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	171,456	185,920	202,543	218,629	239,712
Other Current Liabilities					
Total Current Liabilities	171,456	185,920	202,543	218,629	239,712
Total Long-term Debt	46,437	15,849	10,849	5,849	849
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	46,437	15,849	10,849	5,849	849
Total Provisions	32,842	34,265	36,015	37,515	39,015
Total Liabilities	250,736	236,033	249,406	261,992	279,575
Shareholders Equity	433,567	522,766	610,000	701,543	803,290
Minority Interests					
Total Equity	433,567	522,766	610,000	701,543	803,290

Key Ratios

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue Growth	47.9%	16.8%	16.8%	11.6%	11.6%
Operating EBITDA Growth	48.3%	27.2%	14.9%	9.1%	15.3%
Operating EBITDA Margin	12.3%	13.4%	13.2%	12.9%	13.3%
Net Cash Per Share (Rs)	84.54	111.57	110.33	116.91	154.93
BVPS (Rs)	390.49	470.83	549.40	631.84	723.48
Gross Interest Cover	26.72	70.94	93.14	117.29	134.51
Effective Tax Rate	16.5%	21.3%	23.0%	22.0%	22.0%
Net Dividend Payout Ratio	24.4%	27.8%	22.5%	24.7%	26.1%
Accounts Receivables Days	15.20	15.79	18.16	20.36	20.91
Inventory Days	41.74	45.34	43.28	44.12	43.02
Accounts Payables Days	84.92	88.13	81.51	78.98	77.44
ROIC (%)	27.7%	40.6%	38.5%	30.8%	29.3%
ROCE (%)	15.1%	18.8%	18.8%	17.3%	17.4%
Return On Average Assets	12.8%	14.5%	14.0%	13.4%	13.5%

Key Drivers

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
ASP (% chg, main prod./serv.)	9.7%	6.9%	4.7%	2.6%	1.9%
Unit sales grth (%, main prod./serv.)	34.9%	9.3%	11.5%	8.8%	9.5%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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