

India

**HOLD** (no change)

Consensus ratings\*: Buy 16 Hold 11 Sell 6

Current price:	Rs3,719
Target price: ▲	Rs3,890
Previous target:	Rs3,487
Up/downside:	4.6%
InCred Research / Consensus:	17.0%
Reuters:	ABB.NS
Bloomberg:	ABB IN
Market cap:	US\$9,634m
	Rs788,055m
Average daily turnover:	US\$15.2m
	Rs1245.5m
Current shares o/s:	211.9m
Free float:	25.0%

\*Source: Bloomberg

**Key changes in this note**

- Raise CY23F-25F EPS by 6-12%.
- Raise target price to Rs3,890 (from Rs3,487 earlier).



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	10.2	32.5	67.4
Relative (%)	8.0	31.7	50.4

Major shareholders	% held
Promoters (ABB Asea Brown Boveri Ltd)	75.0
SBI MF	1.3
Canara Robeco Mutual Fund	1.0

**Analyst(s)**



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# ABB India Ltd

## Positive margin surprise continues

- 1QCY23 EBITDA margin at 11.8% (+230bp yoy) was better than our/consensus estimate of 10.6%/10.7%, respectively.
- We raise CY23F-25F EPS by 6-12% on higher sales and margin assumptions factoring in the strong management commentary.
- Retain HOLD rating on ABB India with a higher target price of Rs3,890 (Rs3,487 earlier).

### Strong operational EBITDA margin

ABB India's 1QCY23 sales (+23% yoy) were 5%/4% above our/consensus estimates, respectively, led by a 36% yoy growth in the motion segment's sales, which contributed 40% to overall sales while the electrification products segment grew by 16% yoy, contributing 41% to overall sales during the quarter. EBITDA margin at 11.8% (+230bp yoy, -320bp qoq) was above our/consensus estimate of 10.6%/10.7%, respectively, due to better gross margin (+254bp yoy, +42bp qoq) aided by better price realization, higher capacity utilization, higher volume and a better product mix which was offset by higher other expenses (+32% yoy). PAT was 29% above our estimate (+69% yoy).

### Improved margin trajectory likely to sustain

ABB India expects the PBT margin of 10%+ to sustain, given softening commodity prices while maintaining the overall pricing level. The company has been able to improve gross margin by diversifying its sourcing from low-cost suppliers, focusing on a better mix and its ability to pass on price hikes on a consistent basis across divisions. Export contribution to sales fell to 9% in 1QCY23 from 12% in CY22, as export revenue declined by 7% yoy during 1QCY23 on the high base of last year.

### Growth momentum in base orders continues

ABB India has a strong momentum in base orders aided by its focus on growth segments, rising penetration, expansion of portfolio and expansion of partners' network. The order pipeline is strong for large orders with metals & cement sectors investing in large projects and the trend likely to remain strong going ahead. The current order backlog is much stronger, mostly for value-added products that would improve profitability going ahead.

### Reiterate HOLD rating on the stock

We raise CY23F-25F EPS by 6-12% on higher sales and margin assumptions. We have raised our target price on it to Rs3,890 (Rs3,487 earlier), valuing the stock at a P/E of 65x Mar 2025F. The stock has run-up sharply ~33% in last 3-months and ~67% in last 1 year, leaving limited upside from current level despite factoring in most positives with an EPS CAGR of 19% over CY22-25F, we like Siemens and Thermax in this segment. Upside risks: Strong traction and improvement in order inflow. Downside risks: Delay in execution and lower margins.

Financial Summary	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Revenue (Rsm)	68,640	84,980	114,255	130,929	147,831
Operating EBITDA (Rsm)	5,567	9,663	12,793	14,726	16,150
Net Profit (Rsm)	5,325	10,300	9,861	11,399	12,600
Core EPS (Rs)	19.4	35.9	46.5	53.8	59.5
Core EPS Growth	82.8%	84.8%	29.8%	15.6%	10.5%
FD Core P/E (x)	147.99	76.51	79.91	69.13	62.54
DPS (Rs)	5.0	5.8	6.4	7.0	7.7
Dividend Yield	0.13%	0.16%	0.17%	0.19%	0.21%
EV/EBITDA (x)	136.77	78.32	59.45	51.27	46.37
P/FCFE (x)	101.48	134.84	(340.07)	114.03	100.05
Net Gearing	(65.9%)	(63.2%)	(47.6%)	(48.6%)	(49.8%)
P/BV (x)	19.48	15.95	13.61	11.62	10.00
ROE	10.9%	18.9%	22.5%	22.7%	21.4%
% Change In Core EPS Estimates			5.78%	7.68%	12.07%
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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## Positive margin surprise continues

### 1QCY23 results review

#### Conference-call highlights ►

- **Growth in revenue and orders:**
  - The positive momentum was visible in various projects under execution in 1QCY23 across multiple sectors. With the manufacturing sector showing a high uptick, the opportunities from projects under planning continue to see an upward trajectory. The government is aggressively looking for sustainability and clean energy through its infrastructure drive, productivity-linked incentive or PLI scheme, and National Multi-model Connectivity Plan.
  - Indian electronics market is expected to grow at a CAGR of 30% to touch US\$300bn by FY26F, driven by Make in India, Digital India initiatives by the government. The semiconductor program is meant for setting up semiconductor fabs, display fabs, and compound semiconductors Outsourced semiconductor assembly and test (OSAT) augurs well for ABB India. The PLI scheme for large-scale electronics manufacturing and IT hardware, electronics manufacturing clusters (EMC) 2.0 are likely to open huge opportunities in the coming quarters.
- **Margin:** Management expects the PBT margin of 10% to sustain in the coming years. EBITDA margin expanded by 230bp yoy to 11.8% with improvement in gross margin by diversifying sourcing from low-cost suppliers, focus on a better mix and the ability to pass on price hikes on a consistent basis across divisions.
- **Base orders:** ABB India has a strong momentum in base orders. The company's focus on growth segments, increasing penetration, expansion of portfolio, and expansion of partners' network helped the company to expand in tier-II and tier-III cities in the last two-to-three years, and are the major contributors in driving the growth in base orders. Order inflow during 1QCY23 grew by 36% yoy to Rs31.2bn, mainly led by base orders.
- **Process automation:** This segment is seeing good order inflow on the back of strong traction witnessed in the projects part of the business. Order inflow in process automation grew by 1% yoy to Rs41.6bn. The company won orders from city gas distribution, terminal automation, life sciences, metals and energy export segments during 1QCY23. The revenue of process automation segment grew by 23% yoy to Rs4.2bn, mainly led by energy business and successful achievement of project milestone, while margins declined by 110 bp to 9.2% in 1QCY23.
- **Electrification:** Order inflow of the electrification segment grew by 44% yoy to Rs13.4bn led by metals, data centres, and IT majors. The revenue of the electrification segment grew by 16% yoy to Rs10bn, mainly led by volume while margin expanded by 576 bp to 19.5% in 1QCY23. There is a good order pipeline in data centres and most metro lines of Indian Railways prefer ABB solutions for medium switchgear which goes into electrification of metro rail lines.
- **Motion segment:** Order inflow of the segment rose by 37% yoy to Rs12.2bn led by high-value orders in railway, metro rail and packaging segments. The revenue of the motion segment grew by 36% yoy to Rs9.7bn led by strong execution and penetration in tier-II and tier-III cities. The margins of the motion segment declined by 132 bp to 12% in 1QCY23.
- **Strong order book:** The current order backlog is much stronger, which mostly comprises value-added products that would improve profitability going ahead. Order book at the end of 1QCY23 stood at Rs71.7bn (+37% YoY), providing revenue visibility.

## 1QCY23 results highlights ▶

- ABB India delivered a healthy operating performance led by its consistent focus on execution, value-added volume mix, and consistent delivery.
- 1QCY23 sales at Rs24.1bn (+23% yoy) were 5% higher than our estimate (4% higher than consensus estimate). The motion segment's sales stood at Rs9.7bn (+36% yoy), contributing 40% to total sales, while the electrification products segment's sales were at Rs10bn (+16% yoy), accounting for 41% of total sales during the quarter.
- 1QCY23 EBITDA at Rs2.9bn (+52% yoy) was 17% above our estimate (15% above consensus estimate).
- EBITDA margin at 11.8% (+230bp yoy) was above our estimate of 10.6% and consensus estimate of 10.7%.
- The electrification products segment's EBIT margin expanded by 576 bp to 19.5%, while EBIT margin of the motion segment declined by 132 bp to 12%.
- Other income was up 94% yoy at Rs723m vs. our estimate of Rs391m.
- Tax rate for the quarter stood at 25.2% vs. our estimate of 25%.
- Accordingly, PAT came in at Rs2.45bn (+69% yoy), higher than our estimate of Rs1.91bn and consensus estimate of Rs2.3bn.
- Order book at the end of 1QCY23 stood at Rs71.7bn (+37% yoy), providing revenue visibility, while order inflow during 1QFY23 grew by 36% yoy to Rs31.3bn.

Figure 1: Quarterly results analysis

(Rs m)	1QCY23	1QCY22	yoy % chg	4QCY22	qoq % chg	CY22	CY21	yoy % chg	1QCY23F	Deviation (%)
<b>Net Revenue</b>	<b>24,112</b>	<b>19,684</b>	<b>22.5</b>	<b>24,269</b>	<b>(0.6)</b>	<b>85,675</b>	<b>69,340</b>	<b>23.6</b>	<b>23,056</b>	<b>5%</b>
<b>Expenses</b>	<b>-21,259</b>	<b>-17,805</b>	<b>19.4</b>	<b>-20,626</b>	<b>3.1</b>	<b>-76,057</b>	<b>-63,529</b>	<b>19.7</b>	<b>-20,613</b>	<b>3%</b>
Stock	-460	272	(269.4)	-130	254.9	1,015	334	204.3		
Raw Material Cost	-14,896	-13,270	12.3	-15,384	(3.2)	-56,442	-46,597	21.1	-14,641	2%
Employee Cost	-1,878	-1,750	7.3	-1,585	18.5	-6,353	-5,882	8.0	-1,890	-1%
Other Expenses	-4,025	-3,057	31.7	-3,528	14.1	-14,277	-11,383	25.4	-4,381	-8%
<b>EBITDA</b>	<b>2,853</b>	<b>1,879</b>	<b>51.9</b>	<b>3,643</b>	<b>(21.7)</b>	<b>9,619</b>	<b>5,811</b>	<b>65.5</b>	<b>2,444</b>	<b>17%</b>
Other Income	723	373	94.0	700	3.2	1,795	1,352	32.7	391	85%
Interest	-22	-15	50.7	-72	(69.2)	-131	-107	22.5	-16	44%
Depreciation	-270	-257	5.0	-268	0.5	-1,047	-1,027	1.9	-270	0%
<b>PBT</b>	<b>3,284</b>	<b>1,980</b>	<b>65.9</b>	<b>4,002</b>	<b>(17.9)</b>	<b>10,235</b>	<b>6,029</b>	<b>69.8</b>	<b>2,550</b>	<b>29%</b>
Tax	-827	-522	58.3	-943	(12.3)	-2,682	-1,918	39.9	-637	30%
<b>Adjusted PAT</b>	<b>2,457</b>	<b>1,458</b>	<b>68.6</b>	<b>3,059</b>	<b>(19.7)</b>	<b>7,553</b>	<b>4,112</b>	<b>83.7</b>	<b>1,912</b>	<b>28%</b>
Extraordinary Items	0	2,244		0		2,703	1,213		0	
<b>Reported Net Profit</b>	<b>2,457</b>	<b>3,701</b>	<b>(33.6)</b>	<b>3,059</b>	<b>(19.7)</b>	<b>10,256</b>	<b>5,325</b>	<b>92.6</b>	<b>1,912</b>	<b>28%</b>
<b>EPS (Rs)</b>	<b>11.6</b>	<b>6.9</b>	<b>68.6</b>	<b>14.4</b>	<b>(19.7)</b>	<b>35.6</b>	<b>19.4</b>	<b>83.7</b>	<b>9.0</b>	<b>28%</b>
<b>Ratio Analysis</b>	<b>1QCY23</b>	<b>1QCY22</b>	<b>yoy bp chg</b>	<b>4QCY22</b>	<b>qoq bp chg</b>	<b>CY22</b>	<b>CY21</b>	<b>yoy bp chg</b>		
Raw Material Cost	63.5	66.0	-254 bp	63.9	-42 bp	64.7	66.7	-203 bp		
Employee Cost	7.8	8.9	-110 bp	6.5	126 bp	7.4	8.5	-107 bp		
Other Expenditure	19.0	15.5	347 bp	14.5	446 bp	16.7	16.4	25 bp		
<b>EBITDA Margin</b>	<b>11.8</b>	<b>9.5</b>	<b>229 bp</b>	<b>15.0</b>	<b>-318 bp</b>	<b>11.2</b>	<b>8.4</b>	<b>285 bp</b>		
PBT Margin	13.6	10.1	356 bp	16.6	-300 bp	12.0	8.7	335 bp		
Tax Rate	25.2	26.4	-121 bp	23.6	161 bp	26.2	31.8	-560 bp		

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Segmental analysis

Revenue (Rs m)	1QCY23	1QCY22	yoy % chg	4QCY22	qoq % chg	CY22	CY21	yoy % chg
Robotics & Discrete Automation	675	647	4.4	628	7.5	2,333	2,553	(8.6)
Motion	9,722	7,157	35.8	9,353	4.0	33,671	25,917	29.9
Electrification Products	9,994	8,610	16.1	9,500	5.2	35,297	27,522	28.2
Industrial Automation	4,202	3,421	22.8	5,108	(17.7)	15,732	14,034	12.1
Others	19	111	(83.2)	19	0.5	290	505	(42.5)
<b>Total</b>	<b>24,612</b>	<b>19,945</b>	<b>23.4</b>	<b>24,608</b>	<b>0.0</b>	<b>87,322</b>	<b>70,530</b>	<b>23.8</b>
Less: Inter-segment	500	261	91.4	339	47.7	1,647	1,190	38.4
<b>Net Sales (continued operations)</b>	<b>24,112</b>	<b>19,684</b>	<b>22.5</b>	<b>24,269</b>	<b>(0.6)</b>	<b>85,675</b>	<b>69,340</b>	<b>23.6</b>

EBIT (Rs m)	1QCY23	1QCY22	yoy % chg	4QCY22	qoq % chg	CY22	CY21	yoy % chg
Robotics & Discrete Automation	107	57	86.7	102	4.3	293	203	44.6
Motion	1,168	954	22.4	1,502	(22.2)	4,125	3,239	27.3
Electrification Products	1,946	1,180	64.9	1,455	33.8	4,878	3,060	59.4
Industrial Automation	389	354	9.7	900	(56.8)	2,007	1,279	56.9

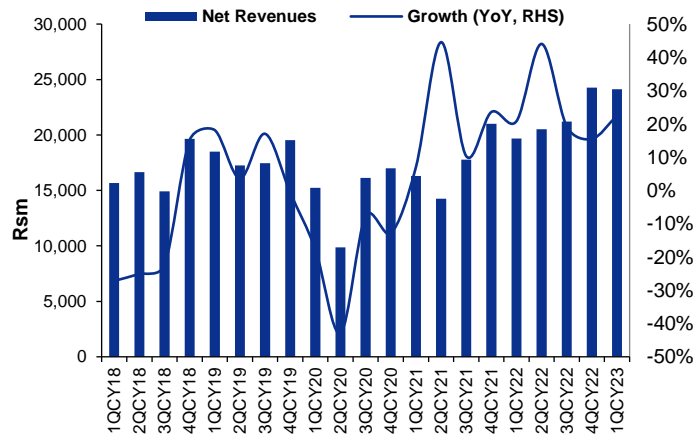
EBIT Margin (%)	1QCY23	1QCY22	yoy bp chg	4QCY22	qoq bp chg	CY22	CY21	yoy bp chg
Robotics & Discrete Automation	15.8	8.8	696 bp	16.3	-49 bp	12.6	7.9	462 bp
Motion	12.0	13.3	-132 bp	16.1	-404 bp	12.3	12.5	-25 bp
Electrification Products	19.5	13.7	576 bp	15.3	416 bp	13.8	11.1	270 bp
Industrial Automation	9.2	10.4	-111 bp	17.6	-838 bp	12.8	9.1	364 bp

Revenue Mix (%)	1QCY23	1QCY22	4QCY22	CY22	CY21
Robotics & Discrete Automation	3	3	3	3	4
Motion	40	36	38	39	37
Electrification Products	41	43	39	40	39
Industrial Automation	17	17	21	18	20
Power Grids	0	0	0	0	0

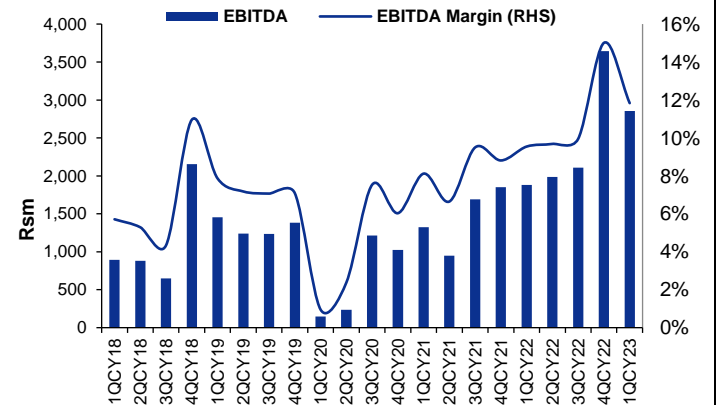
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Maintains healthy revenue growth



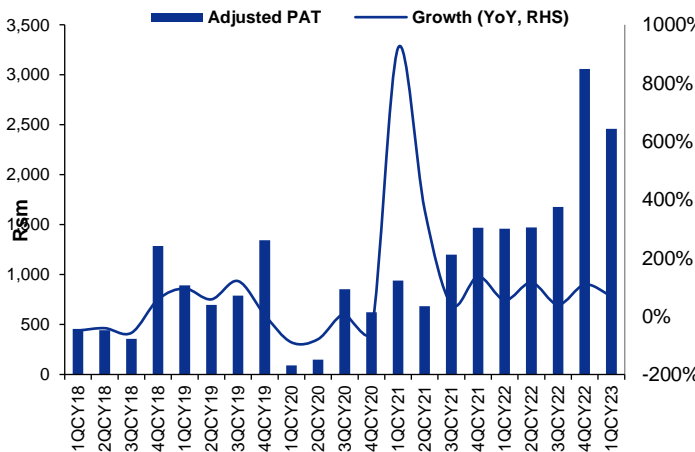
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: EBITDA margin expands by 230 bp yoy



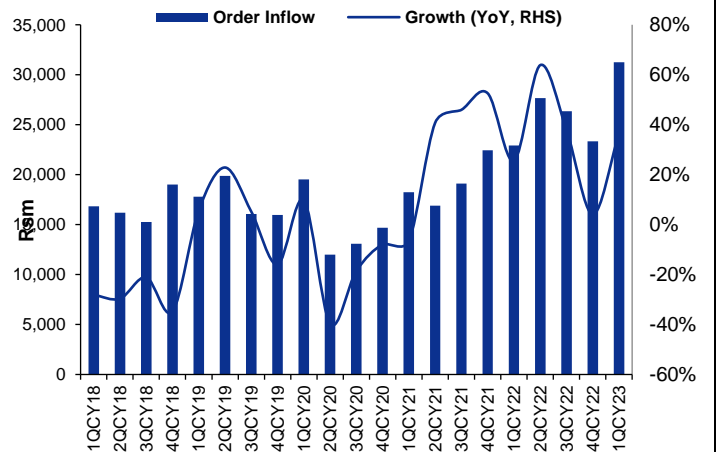
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: PAT grows by 69% yoy



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: Order inflow growth continues



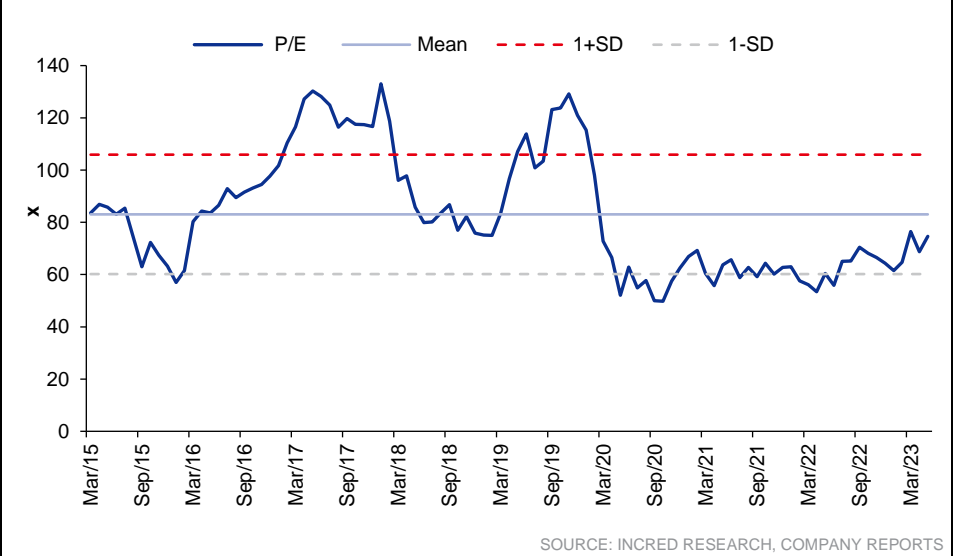
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 7: Our revised earnings estimates**

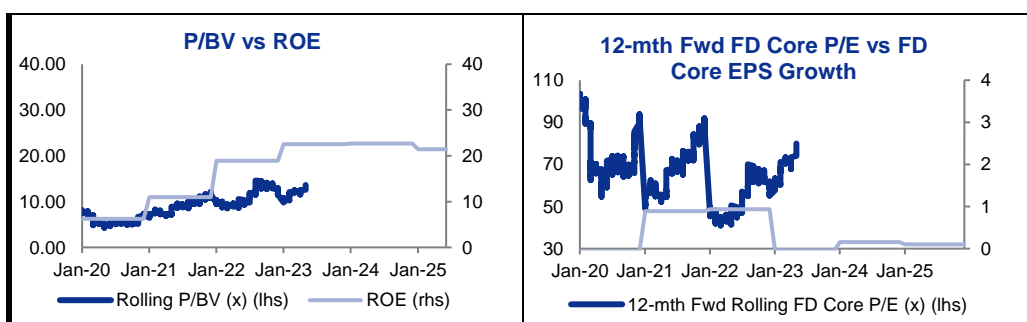
(Rs m)	Old estimates			New Estimates			Change (%)		
	CY23F	CY24F	CY25F	CY23F	CY24F	CY25F	CY23F	CY24F	CY25F
Revenue	1,11,887	1,26,270	1,37,872	1,14,255	1,30,929	1,47,831	2.1%	3.7%	7.2%
EBITDA	12,125	13,723	14,430	12,793	14,726	16,150	5.5%	7.3%	11.9%
Core PAT	9,323	10,586	11,243	9,861	11,399	12,600	5.8%	7.7%	12.1%
EPS	44.0	50.0	53.1	46.5	53.8	59.5	5.8%	7.7%	12.1%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 8: ABB India's P/E is below its mean level**



BY THE NUMBERS



Profit & Loss

(Rs mn)	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
<b>Total Net Revenues</b>	<b>69,340</b>	<b>85,722</b>	<b>115,042</b>	<b>131,762</b>	<b>148,715</b>
<b>Gross Profit</b>	<b>23,077</b>	<b>30,293</b>	<b>41,415</b>	<b>47,434</b>	<b>53,537</b>
<b>Operating EBITDA</b>	<b>5,567</b>	<b>9,663</b>	<b>12,793</b>	<b>14,726</b>	<b>16,150</b>
Depreciation And Amortisation	(1,027)	(1,047)	(1,046)	(1,234)	(1,421)
<b>Operating EBIT</b>	<b>4,540</b>	<b>8,616</b>	<b>11,746</b>	<b>13,492</b>	<b>14,729</b>
Financial Income/(Expense)	(107)	(131)	(138)	(145)	(152)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	1,596	1,795	1,808	2,161	2,566
<b>Profit Before Tax (pre-EI)</b>	<b>6,029</b>	<b>10,279</b>	<b>13,417</b>	<b>15,509</b>	<b>17,143</b>
Exceptional Items					
<b>Pre-tax Profit</b>	<b>6,029</b>	<b>10,279</b>	<b>13,417</b>	<b>15,509</b>	<b>17,143</b>
Taxation	(1,918)	(2,682)	(3,555)	(4,110)	(4,543)
Exceptional Income - post-tax	1,213	2,703			
<b>Profit After Tax</b>	<b>5,325</b>	<b>10,300</b>	<b>9,861</b>	<b>11,399</b>	<b>12,600</b>
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>5,325</b>	<b>10,300</b>	<b>9,861</b>	<b>11,399</b>	<b>12,600</b>
Recurring Net Profit	4,112	7,597	9,861	11,399	12,600
<b>Fully Diluted Recurring Net Profit</b>	<b>4,112</b>	<b>7,597</b>	<b>9,861</b>	<b>11,399</b>	<b>12,600</b>

Cash Flow

(Rs mn)	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
<b>EBITDA</b>	<b>5,567</b>	<b>9,663</b>	<b>12,793</b>	<b>14,726</b>	<b>16,150</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	924	(3,773)	(10,725)	(3,222)	(3,645)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	1,027	1,047	1,046	1,234	1,421
Other Operating Cashflow	2,264	1,951	(813)	(800)	(893)
Net Interest (Paid)/Received	(107)	(131)	(138)	(145)	(152)
Tax Paid	(1,918)	(2,682)	(3,555)	(4,110)	(4,543)
<b>Cashflow From Operations</b>	<b>7,758</b>	<b>6,075</b>	<b>(1,392)</b>	<b>7,684</b>	<b>8,339</b>
Capex	(803)	(1,797)	(2,500)	(2,500)	(2,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	1,075	1,519	1,575	1,727	2,037
<b>Cash Flow From Investing</b>	<b>272</b>	<b>(278)</b>	<b>(925)</b>	<b>(773)</b>	<b>(463)</b>
Debt Raised/(repaid)	(264)	47			
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(1,060)	(1,231)	(1,354)	(1,489)	(1,638)
Preferred Dividends					
Other Financing Cashflow					
<b>Cash Flow From Financing</b>	<b>(1,324)</b>	<b>(1,184)</b>	<b>(1,354)</b>	<b>(1,489)</b>	<b>(1,638)</b>
Total Cash Generated	6,706	4,613	(3,671)	5,421	6,238
<b>Free Cashflow To Equity</b>	<b>7,765</b>	<b>5,844</b>	<b>(2,317)</b>	<b>6,911</b>	<b>7,877</b>
<b>Free Cashflow To Firm</b>	<b>8,137</b>	<b>5,928</b>	<b>(2,180)</b>	<b>7,055</b>	<b>8,028</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**BY THE NUMBERS...cont'd**

<b>Balance Sheet</b>					
<b>(Rs mn)</b>	<b>Dec-21A</b>	<b>Dec-22A</b>	<b>Dec-23F</b>	<b>Dec-24F</b>	<b>Dec-25F</b>
Total Cash And Equivalents	26,877	31,491	27,820	33,241	39,479
Total Debtors	18,838	20,930	28,140	32,247	36,410
Inventories	10,091	14,207	14,479	16,584	18,747
Total Other Current Assets	14,442	15,967	21,467	24,600	27,776
<b>Total Current Assets</b>	<b>70,248</b>	<b>82,594</b>	<b>91,906</b>	<b>106,672</b>	<b>122,412</b>
Fixed Assets	8,939	9,689	11,143	12,409	13,488
Total Investments					
Intangible Assets					
Total Other Non-Current Assets	1,540	898	898	898	898
<b>Total Non-current Assets</b>	<b>10,479</b>	<b>10,588</b>	<b>12,041</b>	<b>13,307</b>	<b>14,386</b>
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	19,613	23,282	32,868	37,664	42,527
Other Current Liabilities	19,930	20,221	12,893	14,219	15,213
<b>Total Current Liabilities</b>	<b>39,543</b>	<b>43,503</b>	<b>45,761</b>	<b>51,883</b>	<b>57,740</b>
Total Long-term Debt	238	285	285	285	285
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	495				
<b>Total Non-current Liabilities</b>	<b>732</b>	<b>285</b>	<b>285</b>	<b>285</b>	<b>285</b>
Total Provisions					
<b>Total Liabilities</b>	<b>40,276</b>	<b>43,788</b>	<b>46,046</b>	<b>52,168</b>	<b>58,025</b>
Shareholders Equity	40,452	49,394	57,902	67,811	78,773
Minority Interests					
<b>Total Equity</b>	<b>40,452</b>	<b>49,394</b>	<b>57,902</b>	<b>67,811</b>	<b>78,773</b>

<b>Key Ratios</b>					
	<b>Dec-21A</b>	<b>Dec-22A</b>	<b>Dec-23F</b>	<b>Dec-24F</b>	<b>Dec-25F</b>
Revenue Growth	19.2%	23.8%	34.4%	14.6%	12.9%
Operating EBITDA Growth	101.8%	73.6%	32.4%	15.1%	9.7%
Operating EBITDA Margin	8.1%	11.4%	11.2%	11.2%	10.9%
Net Cash Per Share (Rs)	125.72	147.27	129.94	155.53	184.97
BVPS (Rs)	190.90	233.10	273.25	320.01	371.75
Gross Interest Cover	42.43	65.72	85.33	93.35	97.05
Effective Tax Rate	31.8%	26.1%	26.5%	26.5%	26.5%
Net Dividend Payout Ratio	25.8%	16.2%	13.7%	13.1%	13.0%
Accounts Receivables Days	122.96	80.47	75.54	68.14	67.80
Inventory Days	85.31	77.32	57.25	54.09	55.30
Accounts Payables Days	184.40	138.38	128.61	118.75	119.15
ROIC (%)	21.6%	35.0%	28.4%	28.5%	27.4%
ROCE (%)	11.7%	21.3%	26.6%	26.6%	24.9%
Return On Average Assets	5.1%	9.2%	11.6%	12.1%	11.9%

<b>Key Drivers</b>					
	<b>Dec-21A</b>	<b>Dec-22A</b>	<b>Dec-23F</b>	<b>Dec-24F</b>	<b>Dec-25F</b>
Order inflow (Rs m)	76,660	100,270	117,294	128,590	139,201
yoy growth (%)	29	31	17	10	8
Order backlog (Rs m)	48,951	64,373	70,262	71,252	66,431
yoy growth (%)	19	32	9	1	(7)
Revenue (Rs m)	70,026	87,032	113,341	129,815	146,517
Robotics & Discrete Automation	2,553	2,333	3,546	4,237	5,041
Motion	25,917	33,671	37,905	45,030	52,442
Electrification products	27,522	35,297	45,751	49,965	52,424
Industrial Automation	14,034	15,732	26,139	30,583	36,611

SOURCE: INCRED RESEARCH, COMPANY REPORTS



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