

India

HOLD (no change)

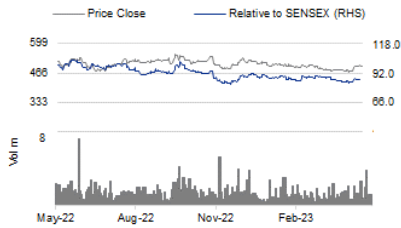
Consensus ratings*: Buy 26 Hold 13 Sell 3

| | |
|------------------------------|--------------------------|
| Current price: | Rs494 |
| Target price: | Rs520 |
| Previous target: | Rs545 |
| Up/downside: | 5.3% |
| InCred Research / Consensus: | -5.1% |
| Reuters: | MRCO.NS |
| Bloomberg: | MRCO IN |
| Market cap: | US\$7,803m Rs638,266m |
| Average daily turnover: | US\$8.5m Rs694.8m |
| Current shares o/s: | 1,291.2m |
| Free float: | 40.5% |

*Source: Bloomberg

Key changes in this note

- Lower target price to Rs520.
- Lower FY24F/25F EPS by 2-3%.

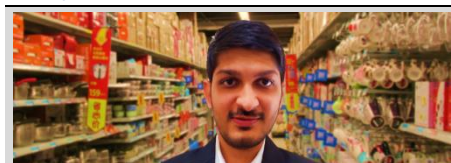


Source: Bloomberg

| Price performance | 1M | 3M | 12M |
|-------------------|-----|-------|--------|
| Absolute (%) | 2.3 | (0.1) | (5.0) |
| Relative (%) | 0.3 | (0.7) | (14.7) |

| Major shareholders | % held |
|------------------------------|--------|
| Promoter | 59.5 |
| First State Investments ICVC | 5.5 |
| LIC | 3.6 |

Analyst(s)



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Marico Ltd

Pricing to drag FY24F India sales growth

- Marico's 4QFY23 consol. sales grew 3.7% yoy. Domestic sales grew 1%/5% in value/volume terms. Reported growth in IBD was at 10% (16% in CC terms).
- FY24F gross margin/EBITDA margin likely to improve by 200-250bp/100bp yoy, respectively, notwithstanding the rise in advertising spends (up 50bp+).
- Maintain HOLD rating on the stock with a lower target price of Rs520.

FY24F domestic sales growth outlook not promising

Marico's 4QFY23 domestic value/volume growth was led by 1) VAHO, which reported a volume-driven value growth of 13%, and 2) the foods portfolio, which registered 19% sales growth led by oats. Parachute rigids' volume growth of 9% was offset by pricing corrections leading to 3% value growth, while Saffola edible oils declined by c.6%/14% in volume/value terms, respectively. The management commentary for domestic sales growth for FY24F did not sound promising for double-digit sales growth. Parachute rigids/Saffola are expected to deliver volume growth in line with medium-term aspirations while price corrections (both copra and edible oil) will lead to subdued value growth. Based on management guidance, we estimate more than 50% of FY24's domestic sales growth to be contributed by foods, premium personal care and digital-first brands put together (combined salience is expected to increase from 15% in FY23 to 20% in FY24F, entailing 40%+ revenue growth), which underscores the need for impeccable execution.

Bangladesh drags IBD's performance

The international business division or IBD posted 16% constant currency (CC) growth in 4QFY23. Bangladesh reported the second consecutive quarter of single-digit growth, clocking a 9% CC growth while reported growth would have been lower owing to currency depreciation. Vietnam grew 16% yoy in CC terms, while South Africa and the MENA region grew 21%/37% yoy in CC terms, respectively. Management is confident of driving double-digit CC growth for the IBD. Reported sales might be affected by currency depreciation.

FY24F margin outlook aided by benign input cost

With raw material pressure easing (copra/rice bran prices down 7%/19% yoy, respectively) management expects healthier gross margin in FY24F. Consolidated gross margin/EBITDA margin expanded 290bp/150bp yoy to 47.4%/17.5% in 4Q and expanded 230bp/90bp to 45.2%/18.5% in FY23, respectively. For FY24F, management expects a 200-250bp yoy expansion at the gross margin level owing to benign input cost and c.100bp yoy expansion in EBITDA margin notwithstanding the rise in advertising expenses (50bp+).

Maintain HOLD rating with a lower target price of Rs520

Management's guidance on FY24F domestic sales growth entails heavy lifting to be done by foods, personal care and D2C portfolios, which involves execution risk. We maintain a HOLD rating on the stock with a lower target price of Rs520 (40x Mar 2025F EPS) from Rs545 earlier. Downside risks: Input cost volatility, and slower-than-expected ramp-up in food, personal care & D2C portfolios. Upside risk: Faster recovery in rural markets.

| Financial Summary | Mar-21A | Mar-22A | Mar-23A | Mar-24F | Mar-25F |
|-----------------------------------|---------|---------|---------|---------|---------|
| Revenue (Rsm) | 80,480 | 95,120 | 97,640 | 106,782 | 118,408 |
| Operating EBITDA (Rsm) | 15,920 | 16,810 | 18,100 | 20,993 | 23,714 |
| Net Profit (Rsm) | 11,620 | 11,270 | 13,020 | 14,993 | 16,814 |
| Core EPS (Rs) | 9.0 | 8.7 | 10.1 | 11.6 | 13.0 |
| Core EPS Growth | 10.7% | (3.0%) | 15.5% | 15.2% | 12.1% |
| FD Core P/E (x) | 54.80 | 56.50 | 48.91 | 42.47 | 37.87 |
| DPS (Rs) | 6.0 | 6.0 | 6.0 | 6.8 | 7.6 |
| Dividend Yield | 1.41% | 1.41% | 1.43% | 1.62% | 1.79% |
| EV/EBITDA (x) | 39.24 | 37.39 | 34.79 | 29.42 | 25.80 |
| P/FCFE (x) | 35.16 | 67.31 | 46.55 | 31.85 | 44.16 |
| Net Gearing | (37.6%) | (25.7%) | (21.9%) | (47.3%) | (54.2%) |
| P/BV (x) | 19.65 | 19.02 | 16.89 | 15.05 | 13.42 |
| ROE | 37.1% | 34.2% | 36.6% | 37.8% | 37.6% |
| % Change In Core EPS Estimates | | | | (2.45%) | (1.75%) |
| InCred Research/Consensus EPS (x) | | | | | |

SOURCES: INCRED RESEARCH, COMPANY REPORTS

Pricing to drag FY24F India sales growth

Key takeaways from the earnings call

Demand and operating environment

- Over the last nine months, there has been a moderation in key commodity prices and retail inflation, which led to a gradual recovery in FMCG consumption.
- **Prospects of sustained recovery improve:** Urban markets were steady while rural showed signs of having bottomed out.
- **Channel performance: General trade declined in low single digits owing to 1) higher skewed in innovation towards digital and more urban-focused segments, and 2) consumption stress in rural markets.** Modern trade and e-commerce channels grew in double digits, contributing 29% to domestic sales in FY23.
- **Industry trends:** Foods segment has an urban skew and top-down MT/E-com skew. Conversion is unbranded to branded along with trends like healthy snacking, etc has aided sales growth. Home and personal care or **HPC is more secular across income classes and hence, in times of higher stress, HPC gets more impacted than the food segment.** HPC also has a higher penetration and thus premiumization leads to shrinkflation. **Slowly, HPC will come out of the lull. The headroom for foods is slightly higher than that for HPC.**

India business

- **Parachute:** Strong volume growth driven by the pick-up from loose to branded conversions and penetration gains. Stable copra prices and pricing actions aided growth. Copra prices are likely to remain at a comfortable level. The volume next year is expected to be in line with the medium-term outlook.
- **Saffola Edible Oils:**
 - Saffola edible oil declined by c.6%/14% in volume/value terms while Foods business grew by 19% yoy in 4Q clocking c5.92bn sales, based on our estimates.
 - The global vegetable oil market is stable and is expected to be stable next year as well. **If the environment is stable, management believes Saffola edible oils can deliver mid-single digit growth in FY24F** and maintain threshold margin levels.
- **VAHO:**
 - **Mid and premium segments fared better in 4Q**, leading to a 13% value growth owing to a combination of the focus on 1) bottom of pyramid, 2) growth in mid-pyramid brands, 3) innovations (aloe, mustard oil, etc.), and 4) participation across price points vs. peers who have seen growth at either top or bottom-end of the pyramid brands. Recovery in growth is expected to be broad-based. Going ahead, the premium segment is also expected to recover, leading to volume and value growth. Onion oil will be expanded to GT channels.
 - **Dissecting VAHO growth:** Till Dec 2022, significant growth was seen in Rs10-20 packs across mustard and other LUPs. In Nov-Dec 2022, lot of competitors were not taking price hikes, despite input cost inflation, but eventually took price hikes later. Also, players moved to trade schemes/activations (Below-the-line) vs. ad spends (Above-the-line) to protect margins vs creating brand equity, which has now reversed, leading to growth in other price points (ex-LUPs).
 - **VAHO outperformance vs. peers:** Marico's brands under VAHO (Shanti Amla, Jasmine, Hair Care, Nihar Amla, Aloe) operate between 0.7-1.6

- Relative price index (RPI). Marico grew across all these RPI tiers vs. peers, who only grew in lower RPI and declined in higher RPI categories (or vice versa).
- **Outlook: If rural markets stage a comeback, they can deliver double-digit growth.** Management believes there is more sanity in the category now. The aspiration is to hit double-digit growth in the next three years.
 - **Foods:** Oats recorded 43% value market share (reach of 200,000 outlets; most distributed food brand for Marico). Topped c.Rs6bn in FY23 led by Go-t-market (GTM) expansion and the focus on the value-added foods segment. Expected to close above Rs8.5bn in revenue in FY24F. Earlier, the food segment was not aligned for GT, which will now be a focus area. Now, there are around 10k food GTM outlets, which will be in the limelight. Food has a lower shelf life and hence, supply chain, replenishment, etc. is different. Hence, Marico is more careful about scaling up.
 - **Premium personal care:** Clocked a revenue of Rs3.5bn in FY23.
 - **Digital-first brands:** The current portfolio expected to have an exit ARR of Rs4bn (ex-acquisitions).

International business

- **Bangladesh** was resilient. Shampoo and baby care segments are seeing healthy traction. Marico is among the top 2 players in Bangladesh. The playbook will be replicated in Vietnam and MENA region.
 - Inflation moderated slightly.
 - **Reduction of dependence on coconut oil from 90% to below 60%** has also aided the growth in Bangladesh.
 - **Macros are not deteriorating.** Management believes the structural growth opportunity is intact.
- **MENA region** delivered a 37% growth in CC terms. Prospects of high growth opportunities.
- **South Africa** continued its strong journey, growing 21% yoy in CC terms.

Input cost and margins

- Employee cost in FY23 was higher (11% yoy) due to consolidation of acquisitions. Excluding these, it was c.7-8% yoy.
- Copra prices are likely to remain at a comfortable level in FY24F.

Outlook for FY24F

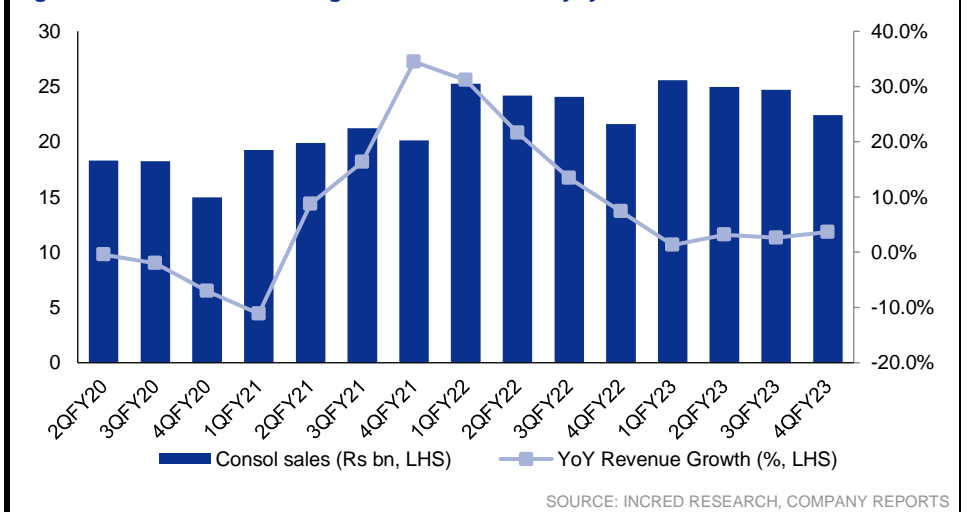
- Revenue is expected to inch up in FY24F led by growth in core segments. Volume is expected to be relatively better in FY24F compared to FY23.
- The diversification journey (Foods, premium personal care and D2C brands combined) led to a shift from 11% sales contribution in FY22 to 15% in FY23 and is expected to touch 20% in FY24F led by new launches.
- Will improve profitability in the food portfolio in FY24F as it has achieved significant scale.
- Gross margin is expected to expand by 200-250bp yoy in FY24F.
- A&P spending will remain a key thrust as the company will continue to invest in its brands.
- Operating margin is expected to expand by 100bp yoy in FY24F.
- Confident of posting an improvement across volume, revenue and operating margins in FY24F, albeit on a low base of FY23.
- **On competitive intensity from new entrants in the coconut oil space:** Over the last three-to-four years, Marico hasn't lost market share. Management is confident that market share will be protected.

Figure 1: Quarterly summary - Consolidated

| Y/E, Mar (Rs. M) | 4QFY22 | 3QFY23 | 4QFY23 | YoY (%) | QoQ (%) | FY22 | FY23 | Gr (%) |
|---------------------------------|---------------|---------------|---------------|-----------------|-----------------|---------------|---------------|-------------|
| Revenue | 21,610 | 24,700 | 22,400 | 3.7 | -9.3 | 95,120 | 97,640 | 2.6 |
| Expenditure | 18,150 | 20,140 | 18,470 | 1.8 | -8.3 | 78,310 | 79,540 | 1.6 |
| Consumption of RM | 12,000 | 13,600 | 11,780 | -1.8 | -13.4 | 54,360 | 53,510 | -1.6 |
| as % of sales | 55.5 | 55.1 | 52.6 | | | 57.1 | 54.8 | |
| Employee Cost | 1,390 | 1,600 | 1,710 | 23.0 | 6.9 | 5,860 | 6,530 | 11.4 |
| as % of sales | 6.4 | 6.5 | 7.6 | | | 6.2 | 6.7 | |
| Other expenditure | 4,760 | 4,940 | 4,980 | 4.6 | 0.8 | 18,090 | 19,500 | 7.8 |
| as % of sales | 22.0 | 20.0 | 22.2 | | | 19.0 | 20.0 | |
| EBITDA | 3,460 | 4,560 | 3,930 | 13.6 | -13.8 | 16,810 | 18,100 | 7.7 |
| Depreciation | 370 | 390 | 430 | 16.2 | 10.3 | 1,390 | 1,550 | 11.5 |
| EBIT | 3,090 | 4,170 | 3,500 | 13.3 | -16.1 | 15,420 | 16,550 | 7.3 |
| Other Income | 240 | 400 | 680 | 183.3 | 70.0 | 980 | 1,440 | 46.9 |
| Interest | 110 | 140 | 170 | 54.5 | 21.4 | 390 | 560 | 43.6 |
| PBT | 3,220 | 4,430 | 4,010 | 24.5 | -9.5 | 16,010 | 17,430 | 8.9 |
| Total Tax | 650 | 1,100 | 960 | 47.7 | -12.7 | 3,460 | 4,210 | 21.7 |
| PAT | 2,570 | 3,330 | 3,050 | 18.7 | -8.4 | 12,550 | 13,220 | 5.3 |
| (Profit)/loss from JV's/Ass./MI | 60 | 50 | 30 | NA | -40.0 | 290 | 200 | -31.0 |
| APAT after MI | 2,510 | 3,280 | 3,020 | 20.3 | -7.9 | 12,260 | 13,020 | 6.2 |
| Extra ordinary items | 0 | 0 | 0 | NA | NA | 0 | 0 | NA |
| Reported PAT | 2,510 | 3,280 | 3,020 | 20.3 | -7.9 | 12,260 | 13,020 | 6.2 |
| EPS | 1.9 | 2.5 | 2.3 | 20.3 | -7.9 | 9.5 | 10.1 | 6.2 |
| Margins (%) | 4QFY22 | 3QFY23 | 4QFY23 | YoY (bp) | QoQ (bp) | FY22 | FY23 | (bp) |
| Gross margin | 44.5 | 44.9 | 47.4 | 290 | 250 | 42.9 | 45.2 | 230 |
| EBITDA | 16.0 | 18.5 | 17.5 | 150 | -90 | 17.7 | 18.5 | 90 |
| EBIT | 14.3 | 16.9 | 15.6 | 130 | -130 | 16.2 | 17.0 | 70 |
| EBT | 14.9 | 17.9 | 17.9 | 300 | 0 | 16.8 | 17.9 | 100 |
| PAT | 11.9 | 13.5 | 13.6 | 170 | 10 | 13.2 | 13.5 | 30 |
| Effective Tax rate | 20.2 | 24.8 | 23.9 | 380 | -90 | 21.6 | 24.2 | 250 |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Consolidated sales growth stood at 3.7% yoy in 4QFY23



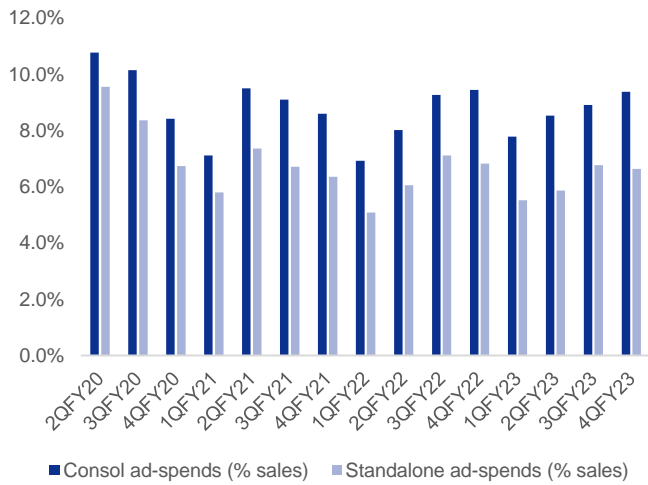
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Consolidated sales growth stood at 3.7% yoy in 4QFY23

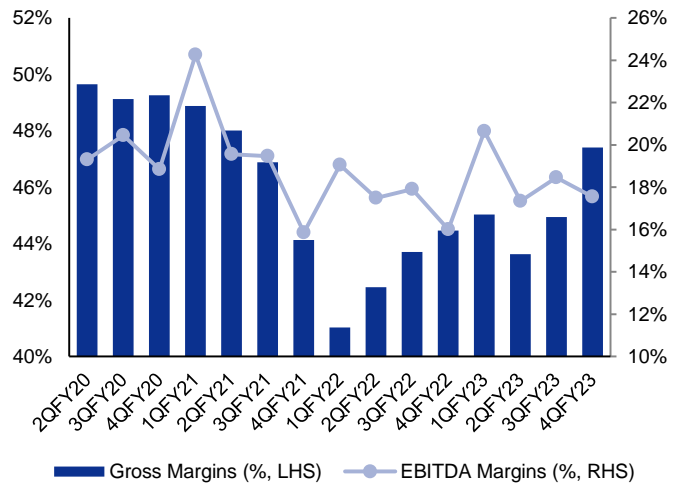


SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Consolidated/standalone ad spends stood at 9.4%/6.6%, respectively, of sales in 4QFY23 **Figure 5: Gross margin expanded by 290bp yoy to 47.4% in 4QFY23**

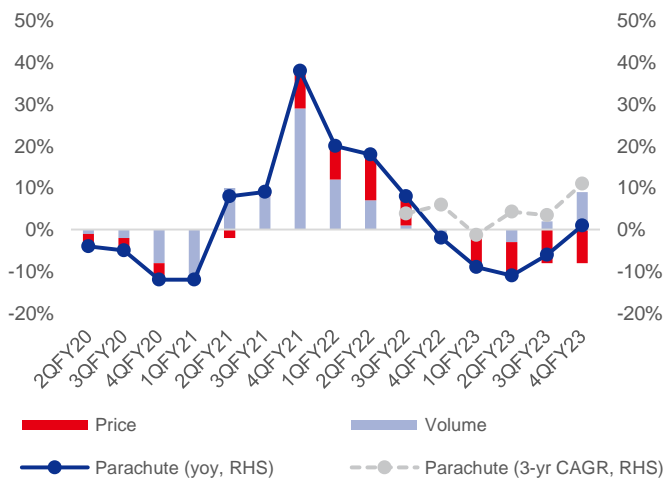


SOURCE: INCRED RESEARCH, COMPANY REPORTS



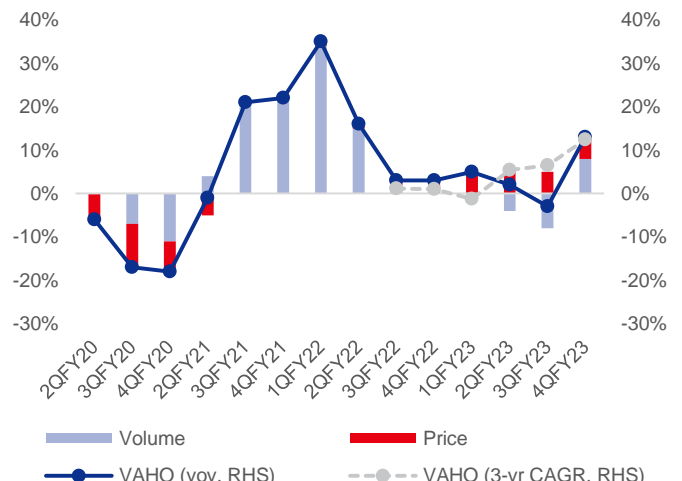
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: Parachute grew 9% in volume terms in 4QFY23, led by price cuts taken during the year



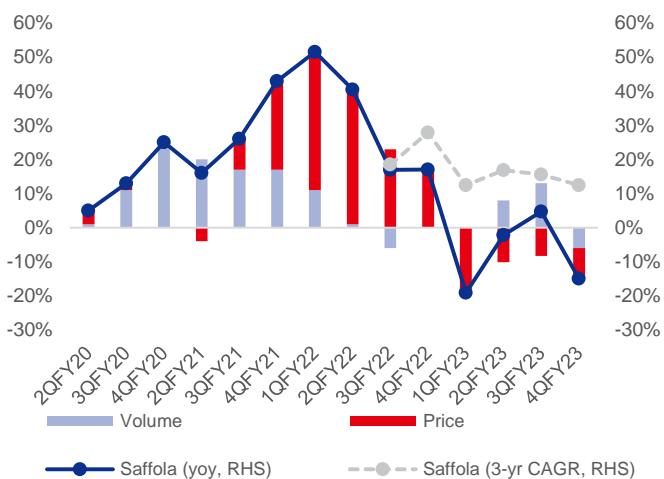
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: VAHO volume turned positive for the first time in FY23, during 4QFY23



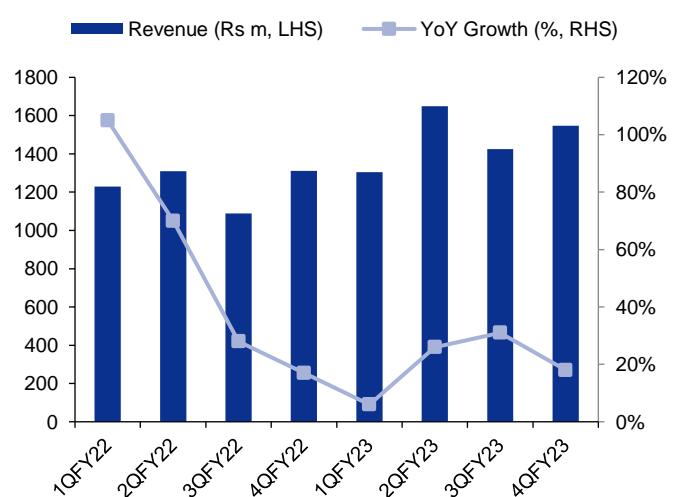
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: Saffola volume declined by 6% yoy in 4QFY23



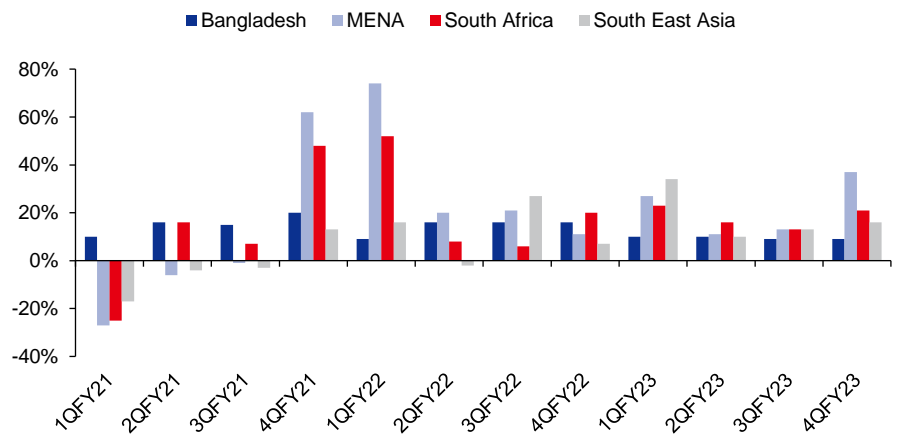
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 9: Food segment revenue grew 18% yoy to Rs.1.5bn in 4QFY23



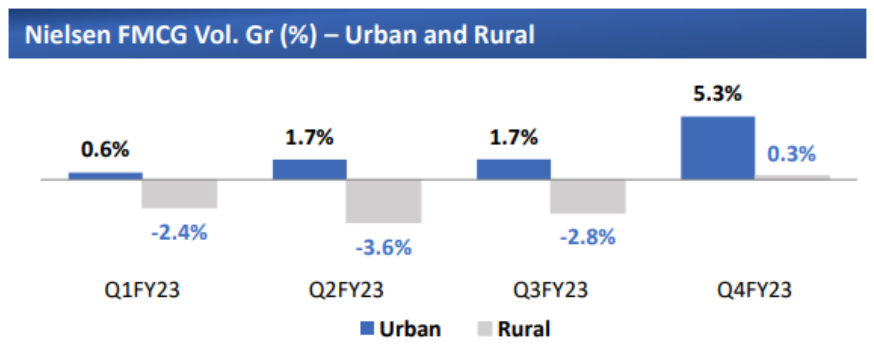
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 10: International business grew 16% yoy in constant currency terms in 4QFY23



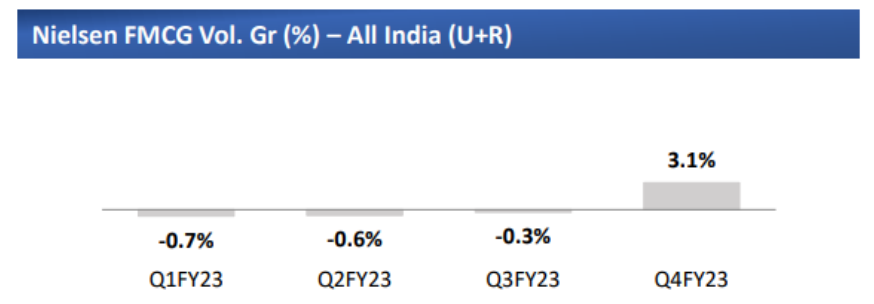
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 11: Urban markets grew 5.3% yoy in FMCG volumes while rural markets grew 0.3% yoy in 4QFY23



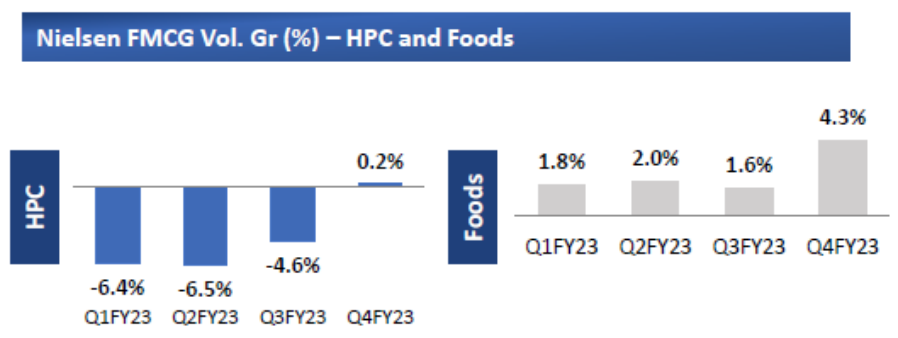
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 12: All India (urban + rural) FMCG volumes were up 3.1% yoy in 4QFY23 after three consecutive quarters of negative growth



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 13: FMCG industry volumes grew 0.2%/4.3% yoy for HPC/Foods respectively



SOURCES: INCRED RESEARCH, COMPANY REPORTS

Figure 14: All round improvement expected in FY24F across key parameters

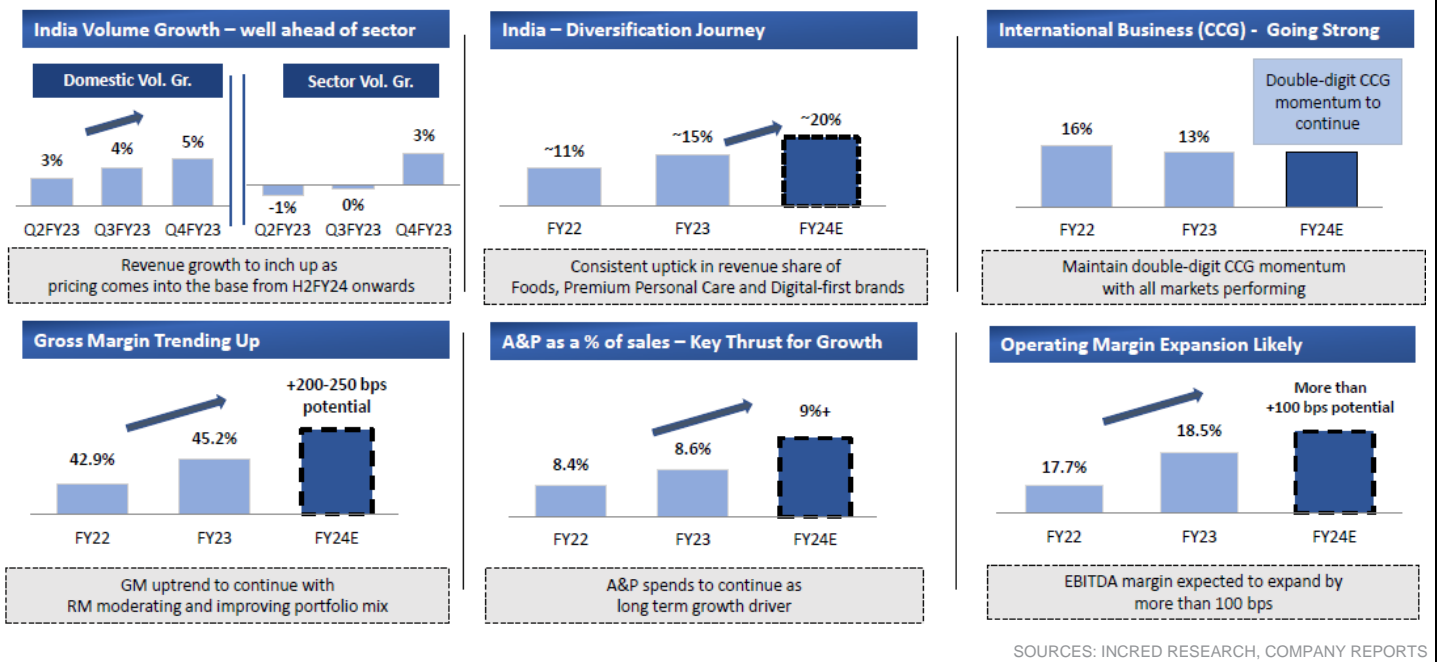
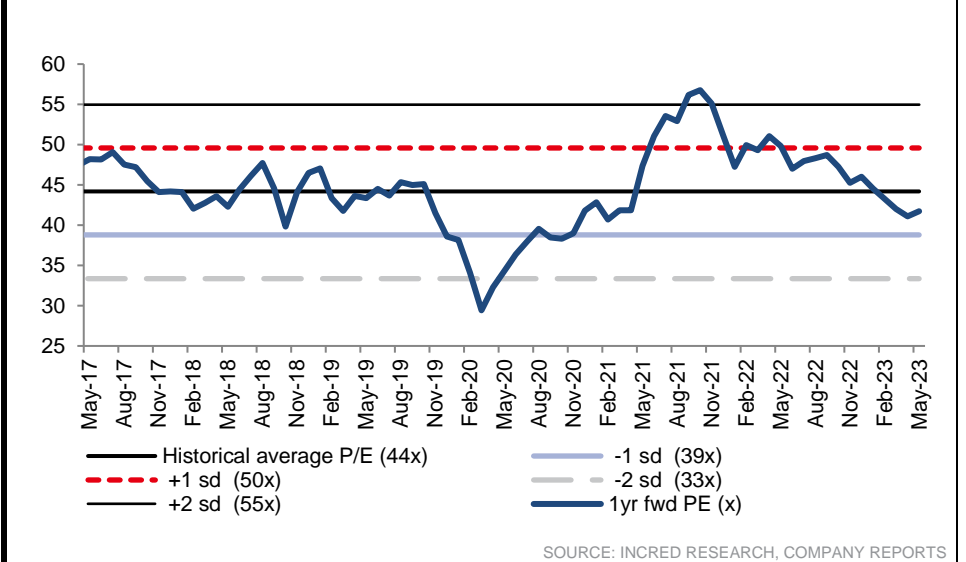


Figure 15: Our revised earnings estimates

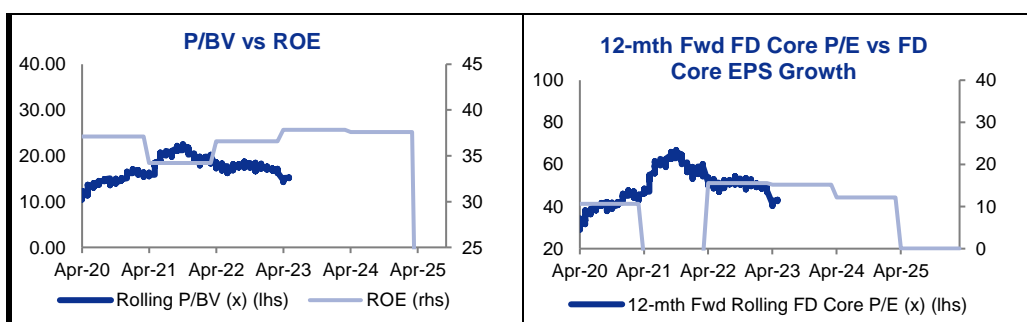
| Y/E, Mar (Rs. m) | FY24F | | | FY25F | | |
|-------------------|----------|----------|----------|----------|----------|----------|
| | Earlier | Revised | % Change | Earlier | Revised | % Change |
| Net Sales | 1,08,382 | 1,06,782 | -1.5 | 1,19,497 | 1,18,408 | -0.9 |
| EBITDA | 20,690 | 20,993 | 1.5 | 23,261 | 23,714 | 1.9 |
| EBITDA Margin (%) | 19.1 | 19.7 | 60 bp | 19.5 | 20.0 | 50 bp |
| APAT | 15,370 | 14,993 | -2.5 | 17,113 | 16,814 | -1.7 |
| EPS | 11.9 | 11.6 | -2.5 | 13.3 | 13.0 | -1.7 |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 16: Marico's one-year forward P/E trades between its historical average P/E and -1SD P/E



BY THE NUMBERS



Profit & Loss

| (Rs mn) | Mar-21A | Mar-22A | Mar-23A | Mar-24F | Mar-25F |
|---|---------------|---------------|---------------|----------------|----------------|
| Total Net Revenues | 80,480 | 95,120 | 97,640 | 106,782 | 118,408 |
| Gross Profit | 37,780 | 40,760 | 44,130 | 50,872 | 57,438 |
| Operating EBITDA | 15,920 | 16,810 | 18,100 | 20,993 | 23,714 |
| Depreciation And Amortisation | (1,390) | (1,390) | (1,550) | (1,860) | (2,169) |
| Operating EBIT | 14,530 | 15,420 | 16,550 | 19,133 | 21,545 |
| Financial Income/(Expense) | 600 | (390) | 880 | 1,120 | 1,288 |
| Pretax Income/(Loss) from Assoc. | | | | | |
| Non-Operating Income/(Expense) | | | | | |
| Profit Before Tax (pre-EI) | 15,130 | 15,030 | 17,430 | 20,253 | 22,833 |
| Exceptional Items | | | | | |
| Pre-tax Profit | 15,130 | 15,030 | 17,430 | 20,253 | 22,833 |
| Taxation | (3,240) | (3,460) | (4,210) | (4,960) | (5,720) |
| Exceptional Income - post-tax | | | | | |
| Profit After Tax | 11,890 | 11,570 | 13,220 | 15,293 | 17,114 |
| Minority Interests | (270) | (300) | (200) | (300) | (300) |
| Preferred Dividends | | | | | |
| FX Gain/(Loss) - post tax | | | | | |
| Other Adjustments - post-tax | | | | | |
| Net Profit | 11,620 | 11,270 | 13,020 | 14,993 | 16,814 |
| Recurring Net Profit | 11,620 | 11,270 | 13,020 | 14,993 | 16,814 |
| Fully Diluted Recurring Net Profit | 11,620 | 11,270 | 13,020 | 14,993 | 16,814 |

Cash Flow

| (Rs mn) | Mar-21A | Mar-22A | Mar-23A | Mar-24F | Mar-25F |
|----------------------------------|-----------------|-----------------|----------------|-----------------|-----------------|
| EBITDA | 15,920 | 16,810 | 18,100 | 20,993 | 23,714 |
| Cash Flow from Invt. & Assoc. | | | | | |
| Change In Working Capital | 6,580 | (3,720) | (1,670) | 7,706 | 85 |
| (Incr)/Decr in Total Provisions | | | | | |
| Other Non-Cash (Income)/Expense | | | | | |
| Other Operating Cashflow | 940 | 980 | 1,440 | 1,580 | 1,748 |
| Net Interest (Paid)/Received | (340) | (390) | (560) | (460) | (460) |
| Tax Paid | (3,240) | (3,460) | (4,210) | (4,960) | (5,720) |
| Cashflow From Operations | 19,860 | 10,220 | 13,100 | 24,859 | 19,369 |
| Capex | (540) | (1,020) | 3,260 | (1,868) | (1,950) |
| Disposals Of FAs/subsidiaries | | | | | |
| Acq. Of Subsidiaries/investments | | | | | |
| Other Investing Cashflow | (1,210) | 260 | (2,680) | (3,000) | (3,000) |
| Cash Flow From Investing | (1,750) | (760) | 580 | (4,868) | (4,950) |
| Debt Raised/(repaid) | | | | | |
| Proceeds From Issue Of Shares | | | | | |
| Shares Repurchased | | | | | |
| Dividends Paid | (10,290) | (12,170) | (5,820) | (10,284) | (11,413) |
| Preferred Dividends | | | | | |
| Other Financing Cashflow | | | | | |
| Cash Flow From Financing | (10,290) | (12,170) | (5,820) | (10,284) | (11,413) |
| Total Cash Generated | 7,820 | (2,710) | 7,860 | 9,707 | 3,006 |
| Free Cashflow To Equity | 18,110 | 9,460 | 13,680 | 19,991 | 14,419 |
| Free Cashflow To Firm | 18,450 | 9,850 | 14,240 | 20,451 | 14,879 |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

| Balance Sheet | | | | | |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|
| (Rs mn) | Mar-21A | Mar-22A | Mar-23A | Mar-24F | Mar-25F |
| Total Cash And Equivalents | 15,720 | 12,200 | 13,340 | 25,487 | 31,316 |
| Total Debtors | 3,880 | 6,520 | 10,150 | 4,853 | 5,380 |
| Inventories | 11,260 | 14,120 | 12,250 | 16,065 | 16,577 |
| Total Other Current Assets | 3,760 | 3,290 | 4,640 | 3,983 | 4,414 |
| Total Current Assets | 34,620 | 36,130 | 40,380 | 51,023 | 58,180 |
| Fixed Assets | 7,930 | 12,930 | 5,580 | 5,600 | 5,381 |
| Total Investments | 2,260 | 1,870 | 5,180 | 5,180 | 5,180 |
| Intangible Assets | 8,430 | 3,060 | 5,600 | 5,588 | 5,588 |
| Total Other Non-Current Assets | 780 | 730 | 1,480 | 1,480 | 1,480 |
| Total Non-current Assets | 19,400 | 18,590 | 17,840 | 17,848 | 17,629 |
| Short-term Debt | 3,400 | 3,450 | 4,730 | 4,730 | 4,730 |
| Current Portion of Long-Term Debt | | | | | |
| Total Creditors | 11,340 | 13,440 | 14,520 | 20,425 | 21,967 |
| Other Current Liabilities | 4,950 | | | | |
| Total Current Liabilities | 19,690 | 16,890 | 19,250 | 25,155 | 26,697 |
| Total Long-term Debt | 80 | | 20 | 20 | 20 |
| Hybrid Debt - Debt Component | | | | | |
| Total Other Non-Current Liabilities | 1,460 | | | | |
| Total Non-current Liabilities | 1,540 | | 20 | 20 | 20 |
| Total Provisions | 210 | 220 | 480 | 141 | 156 |
| Total Liabilities | 21,440 | 17,110 | 19,750 | 25,317 | 26,873 |
| Shareholders Equity | 32,400 | 33,480 | 37,690 | 42,303 | 47,435 |
| Minority Interests | 180 | 570 | 1,570 | 1,570 | 1,570 |
| Total Equity | 32,580 | 34,050 | 39,260 | 43,873 | 49,005 |

| Key Ratios | | | | | |
|---------------------------|----------------|----------------|----------------|----------------|----------------|
| | Mar-21A | Mar-22A | Mar-23A | Mar-24F | Mar-25F |
| Revenue Growth | 10.0% | 18.2% | 2.6% | 9.4% | 10.9% |
| Operating EBITDA Growth | 8.4% | 5.6% | 7.7% | 16.0% | 13.0% |
| Operating EBITDA Margin | 19.8% | 17.7% | 18.5% | 19.7% | 20.0% |
| Net Cash Per Share (Rs) | 9.49 | 6.78 | 6.66 | 16.08 | 20.59 |
| BVPS (Rs) | 25.12 | 25.95 | 29.22 | 32.79 | 36.77 |
| Gross Interest Cover | 42.73 | 39.54 | 29.55 | 41.59 | 46.84 |
| Effective Tax Rate | 21.4% | 23.0% | 24.2% | 24.5% | 25.0% |
| Net Dividend Payout Ratio | 77.5% | 79.7% | 69.9% | 68.6% | 67.9% |
| Accounts Receivables Days | 21.02 | 19.95 | 31.16 | 25.64 | 15.77 |
| Inventory Days | 107.11 | 85.21 | 89.94 | 92.43 | 97.71 |
| Accounts Payables Days | 90.27 | 83.19 | 95.36 | 114.07 | 126.89 |
| ROIC (%) | 73.6% | 56.7% | 65.7% | 109.0% | 124.8% |
| ROCE (%) | 41.6% | 41.9% | 40.6% | 41.5% | 42.0% |
| Return On Average Assets | 21.7% | 22.0% | 21.9% | 22.5% | 21.9% |

| Key Drivers | | | | | |
|-------------------------|----------------|----------------|----------------|----------------|----------------|
| | Mar-21A | Mar-22A | Mar-23A | Mar-24F | Mar-25F |
| Domestic revenue growth | 8.3% | 18.4% | (0.3%) | 9.0% | 10.8% |
| EBIDTA margin | 19.8% | 17.7% | 18.5% | 19.7% | 20.0% |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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