

India

**ADD** (no change)

Consensus ratings\*: Buy 9 Hold 1 Sell 1

Current price:	Rs3,942
Target price: ▲	Rs5,000
Previous target:	Rs2,970
Up/downside:	26.8%
InCred Research / Consensus:	22.9%
Reuters:	HIAE.NS
Bloomberg:	HNAL IN
Market cap:	US\$15,934m
	Rs1,318,072m
Average daily turnover:	US\$60.7m
	Rs5024.0m
Current shares o/s:	334.4m
Free float:	24.9%

\*Source: Bloomberg

**Key changes in this note**

- Introduce FY26F financials.
- Raise FY24F-25F sales by 4-5%.
- Roll forward target price to Sep 2025F EPS.

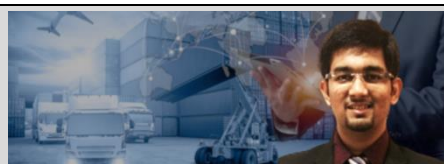


Source: Bloomberg

<b>Price performance</b>	1M	3M	12M
Absolute (%)	5.1	24.4	66.4
Relative (%)	5.7	19.0	49.6

<b>Major shareholders</b>	% held
Promoter	75.2
HDFC Mutual Fund	3.8
LIC	2.9

**Analyst(s)**



**Dipen VAKIL**

T (91) 22 4161 1551

E dipen.vakil@incredcapital.com

# Hindustan Aeronautics Ltd

## FY23 annual report highlights

- HAL produced 22 aircraft/helicopters in FY23 and incurred a capex of ~Rs21bn for modernizing its facilities and expanding production capabilities.
- The annual report gives more insights into the higher capex and R&D expenses, which bode well for the growth of the manufacturing segment.
- We raise EPS estimates by 10% for FY25F as we feel the stock will sustain superior P/E multiple. Retain ADD rating with a higher target price of Rs5,000.

### Annual report highlights

Hindustan Aeronautics or HAL produced 22 aircraft and helicopters, and 51 engines in FY23. Exports accounted for just Rs2.9bn (~1% of FY23 sales) during the year. HAL indigenized ~1,300 items, enabling forex savings of ~Rs1.6bn. The company incurred a capex of Rs20.8bn for modernizing its facilities and expanding production capabilities. HAL incurred R&D expenses of Rs24.9bn in FY23, accounting for 9.5% of its sales. This R&D spending was focused on developing futuristic projects.

### Order pipeline provides long-term revenue and earnings visibility

HAL expects manufacturing order inflow worth over Rs480bn in FY24F, which includes 240 AL-31 FP engines worth Rs260bn, 12 Sukhoi Su-30MKI worth Rs120bn, 25 advanced light helicopter (ALH) units worth Rs35bn, 12 light utility helicopter (LUH) units worth Rs25bn, and 80 RD-33 engines worth Rs45bn. HAL expects another Rs350bn worth of orders for which the Acceptance of Necessity (AoN) has been approved and Rs650bn worth of orders for which the AoN is expected in the next two-to-five years. The order pipeline includes 145 LCH, 175 LUH, 69 utility helicopter maritime (UHM), 36 HTT-40 and 60 Dornier (Do-228) upgradation orders over the next three-to-five years.

### RoH segment to be key growth driver in FY24F

The Repair & Overhaul (RoH) segment has been a growth driver for the last few years as it enjoys a higher margin, accounting for 70% of FY23 revenue (63% of FY22 revenue). HAL expects RoH revenue of ~Rs200bn in FY24F. It has given guidance of ~5-6% growth in RoH and spare parts segments and increased the EBITDA margin guidance to 26-27%.

### Reiterate ADD rating with a higher target price of Rs5,000

HAL's order pipeline remains solid, but the order finalization timeline is critical to maintaining the growth momentum in FY24F and beyond. We raise our EPS estimates by 10% for FY25F and introduce FY26F financials. Based on Sep 2025F EPS, we raise our target price on HAL to Rs5,000 (from Rs2,970 earlier), implying a P/E of 25x vs. 22x earlier (considering the strong order pipeline, better working capital position and margin profile), and maintain our ADD rating on the stock. Delay in new orders, setback in aircraft delivery timeline and lower margins are key downside risks.

### Financial Summary

	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Revenue (Rsm)	246,202	269,279	297,658	339,237	385,207
Operating EBITDA (Rsm)	54,128	66,630	72,866	86,696	102,116
Net Profit (Rsm)	36,310	42,682	50,782	60,612	71,524
Core EPS (Rs)	108.6	127.6	151.9	181.3	213.9
Core EPS Growth	12.4%	17.5%	19.0%	19.4%	18.0%
FD Core P/E (x)	36.30	30.88	25.96	21.75	18.43
DPS (Rs)	40.0	50.0	43.7	52.2	61.5
Dividend Yield	1.01%	1.27%	1.11%	1.32%	1.56%
EV/EBITDA (x)	21.70	16.73	14.94	12.29	9.90
P/FCFE (x)	(49.24)	42.07	43.53	32.30	17.39
Net Gearing	(74.5%)	(86.4%)	(84.6%)	(80.2%)	(84.0%)
P/BV (x)	6.84	5.61	4.86	4.19	3.61
ROE	21.0%	20.0%	20.1%	20.7%	21.0%

% Change In Core EPS Estimates

InCred Research/Consensus EPS (x)

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## FY23 annual report highlights

### Annual report highlights ➤

- **Production highlights:** HAL produced 22 new aircraft and helicopters in FY23, including the Light Combat Aircraft (LCA) Tejas, Dornier Do-228, Advanced Light Helicopter (ALH) Dhruv, Light Combat Helicopter (LCH), and Light Utility Helicopter (LUH). The company also produced 51 new engines and accessories at its various divisions.
- HAL overhauled 216 aircraft & helicopters and 536 engines in FY23. The Government of India has placed orders worth Rs597m for the indigenous development of 26 Line Replaceable Units (LRUs) under the Make-I category and Project Sanction Orders for an additional 36 LRUs under the Make-II category.

**Figure 1: Production highlights**

	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
New aircraft & helicopters	60	36	40	41	31	44	34	22
New engines	94	0	105	98	117	102	80	51
<b>Overhaul</b>								
Aircraft & helicopters	229	197	220	213	201	198	207	216
Engines	446	473	550	540	486	506	506	536
Aerospace structure	143	178	0	0	158	164	0	0

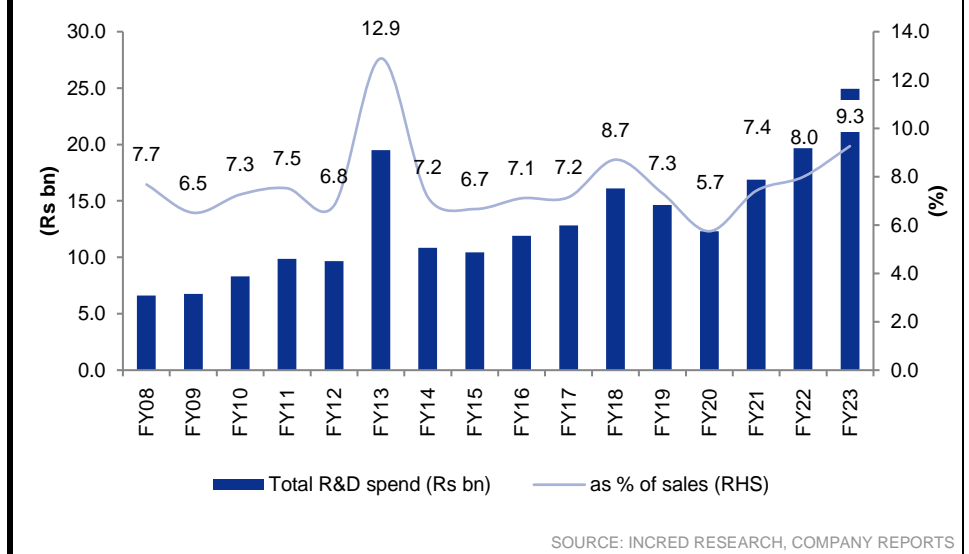
SOURCE: INCRED RESEARCH, COMPANY REPORTS

- **Exports (Rs2.9bn):** Delivered 1 Do-228 (passenger variant) and ALH MkIII helicopter to the Mauritius police force ahead of the contract delivery schedule.
- **Indigenization:** HAL indigenized 1,298 items, which is believed to have led to annual foreign exchange savings of Rs1.6bn in FY23. There has been a creation of indigenization fund - transfer of 3% PAT every year from FY23. Positive indigenization list - 430 imported items are included in the four PILs (PIL-1: 23, PIL-2: 22, PIL-3: 360, PIL-4: 25) issued by the Department of Defence Production (Defence Ministry).
- **Other products - highlights: (1)** Unveiled HTT-40 trainer aircraft in Oct 2022. **(2)** Inducted Light Combat Helicopter (LCH) Prachand in the Indian Air Force or IAF (Oct 2022) and completed the production of all 15 LCH that were ordered, ahead of schedule. **(3)** Delivered the remaining ALH MkIII (maritime role) to the Indian Coast Guard (ICG) in Nov 2022 and received the Letter of Intent (LoI) for nine more ALH MkIII helicopters. **(4)** Conducted the first flight test of LCA Mk1A prototype in May 2022. **(5)** Produced four out of six Do-228 aircraft for IAF and designed and developed the Mission Management System (MMS) for 4 Do-228 aircraft for the Indian Coast Guard. **(6)** Delivered the first set of hardware for the Gaganyaan Mission and the Satellite Bus-structure to ISRO in Apr 2022.
- **Capex:** HAL incurred a capital expenditure (capex) of Rs20.8bn in FY23, an increase of Rs4.6bn from the previous year. The investments are mainly in the following: **(1)** Green Field Helicopter project at Tumakuru. **(2)** Augmentation of facilities for the Light Combat Aircraft (LCA). **(3)** Retro fitment of Sukhoi-30 aircraft. **(4)** Retro fitment of AL-31 FP engines. **(5)** Regular replacement and rationalization of existing facilities.

The capex witnessed a significant increase from the previous year and reflects HAL's commitment to modernizing its facilities and expanding its production capabilities.

- **Research and development (R&D):** HAL incurred R&D expenses of Rs24.9bn in FY23, accounting for 9.5% of its sales. This R&D spending is focused on developing futuristic projects such as the LCA Mk II, AMCA, IMRH, TEDBF, and CATS. These projects will ensure HAL's technological leadership in the coming years and provide good visibility for future platform orders.

Figure 2: Research and development expenditure



Major announcements in FY23:

- Safran Helicopter Engines:** HAL and Safran will form a joint venture (JV) to design, develop, produce, sell, and support helicopter engines for the Indian market and for global customers. The JV will focus on meeting the requirements of the Indian Multi-Role Helicopter (IMRH), a 13 t helicopter that is currently under development.
- Rolls-Royce:** HAL and Rolls-Royce are exploring the opportunity for Rolls-Royce to become the country partner supplier for the MT7 Marine Gas Turbine Package in India. The MT7 is a gas turbine engine that can be used in a variety of applications, including naval ships and offshore platforms.
- Israel Aerospace Industries (IAI):** HAL and IAI are working together to lease, operate, and maintain fixed-wing UAVs for the Indian defence forces. UAVs are unmanned aerial vehicles that can be used for a variety of missions, including surveillance, reconnaissance, and attack.
- GE Aerospace:** In May 2023, GE and HAL signed a Memorandum of Understanding or MoU to produce F414 engines jointly in India to power the LCA Mk2. GE could transfer ~80% of the technology to India and this could lead to a significant increase in the indigenous content for LCA Mk2, reaching ~75%.

Figure 3: Ongoing projects and development

Program	Status
Basic Trainer Aircraft (HTT-40)	The HTT-40, an indigenously designed and developed aircraft by HAL, has seen remarkable progress. This endeavour was initiated with internal funding, resulting in the construction of three prototypes, including two fully operational flying prototypes and a Structural Test Specimen (STS). Notably, HAL secured a significant contract on 6 Mar 2023 for the supply of 70 HTT-40 aircraft.
Light Combat Aircraft Mk1A (LCA Mk1A)	Improved version of the LCA Tejas Mk1, which is currently in service with the IAF. The LCA Mk1A is still under development and has several new features, including an AESA radar, an electronic warfare suite, and an upgraded open architecture computer. Flight testing of the LCA Mk1A commenced in May 2022.
Light Utility Helicopter (LUH)	A 3-tonne single-engine helicopter having glass cockpit with multi-function displays. The LUH is intended to meet different role requirements including high altitude operation. Three flying prototypes have been built and were extensively flight tested. Initial Operational Clearance (IOC) for LUH IAF Version was accorded in Feb 2020 and for the Indian Army in Feb 2021. Integration of Automatic Flight Control System (AFCS) is progressing and will be completed by Dec 2023F. HAL has produced its first LUH Mk-I in Jul 2022 against the Letter of Intent (LoI) for 12 helicopters.
Indian Multi-Role Helicopter (IMRH)	Design and development of 10–15-tonne class IMRH for the defence forces. The naval variant is called Deck-Based Multi-Role Helicopter (DBMRH). IMRH and DBMRH would be designed to meet the requirement of military services and its future extension to the civil market. Currently, the preliminary design activities are under progress. HAL has completed Phase-1 of the wind tunnel testing of IMRH scaled model and the results are satisfactory. Phase-2 of wind tunnel testing is in progress.
25 kN Turbofan Engine (HTFE-25)	It is in the design and development stage. Can be used in basic/advanced military trainers and in small business jets. Large UAV application is under progress at HAL. The engine can be used in a 5-tonne weight class aircraft in single-engine configuration and in aircraft of up to nine- tonne weight class with twin-engine configuration. Two core engines have been produced so far and are undergoing development trials.
1200 kW Turboshaft Engine (HTSE-1200)	Used in 3-6-tonne category helicopters. One technology demonstrator of HTSE-1200 engine has been built and is currently under testing.
HAWK-i	Indigenously upgraded Hawk Mk 132 aircraft with enhanced operational and training capabilities. Hawk-i is now equipped with a new suite of avionics and electronic systems.

SOURCE: INCRED RESEARCH, COMPANY REPORTS

• **Outlook**

- In the near term, India’s defence market will continue to be the main contributor for HAL due to projects like LCA Mk1A, LCH, LUH and HTT - 40. Enhancement of HAL capability is being planned to cater to the above projects. New production lines are being installed for HTT-40 and LCA Mk1A production.
- In the medium term, HAL will diversify and increase its presence in UAV, civil MRO & allied operations, digital solutions and new space segments as strategic initiatives. The company is also expanding its geographical presence and collaborating with Indian industry/global OEMs to boost exports.

• **Corporate action:**

- **Dividend:** HAL announced a total dividend of Rs55 per share (first interim - Rs20, second interim - Rs20 and final dividend - Rs15) in FY23, and the total cash outflow for payment of dividend for FY23 is Rs18.4bn.
- **Offer for sale or OFS (Mar 2023):** The Government of India (GoI) had offered 3.5% equity shares out of its shareholding of 75.15% through OFS. Consequently, GoI shareholding stands at 71.65%.
- **Stock split (Jun 2023, record date – 29 Sep 2023):** The company’s board approved stock split of 2:1 or one equity share of the face value of Rs10 split into two equity shares of the face value of Rs5 each.

- **Operational facility:** HAL has 20 production and 10 R&D centres co-located with its production division.

**Figure 4: HAL’s production units**

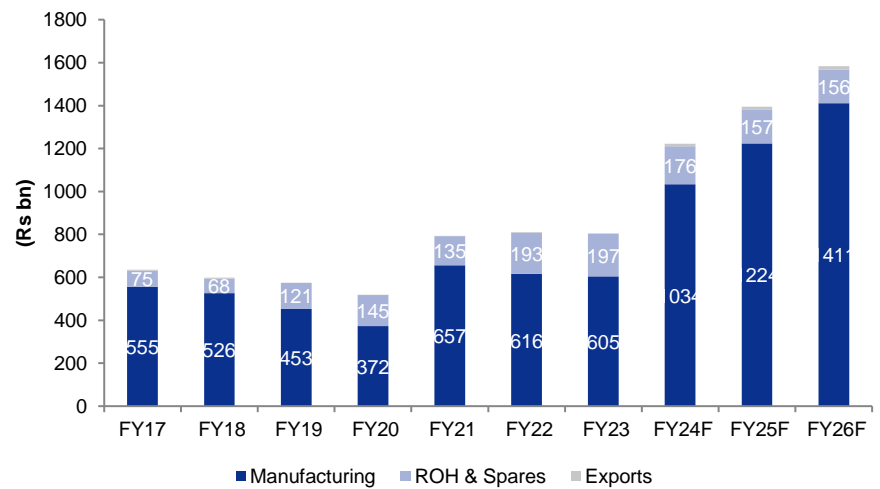
Facility	Description
<b>Existing facility complex</b>	
Bengaluru complex	Production and ROH of fixed-wing aircraft and engines (Indian and Western origin), spacecraft structures, castings, forgings & rolled rings.
MiG complex	Production and ROH of fixed-wing aircraft and engines (mainly Russian origin), civil MRO and UAV projects.
Helicopter complex	Production and ROH of helicopters (Indian and Western origin).
Accessories complex	Production and ROH of transport aircraft, accessories and avionics for fixed-wing and rotary-wing platforms (Indian, Russian and Western origin) and depot-level maintenance of UAVs.
Design complex	R&D of fixed-wing and rotary-wing aircraft, unmanned aerial vehicles (UAV), aeroengines, avionics and accessories.
<b>New facilities</b>	
Bengaluru	Integrated cryogenic engine manufacturing facility (ICMF) catering to the entire rocket engine manufacturing for ISRO and thereby boost self-reliance in the manufacturing of hi-thrust rocket engines.
Tumakuru (Karnataka)	New helicopter facility.
LCA production line - Nashik	In May 2023, HAL inaugurated its third production line for LCA Tejas at Nashik (Maharashtra), which is expected to increase its annual production capacity by 8 aircraft to 24 aircraft per annum.

SOURCE: COMPANY REPORTS, INCRED RESEARCH

**Robust order book to aid growth ➤**

HAL’s order backlog stood at Rs818bn at the end of FY23. Towards the end of 4QFY23, HAL won an order for 70 HTT-40 and six Dornier (Do-228) valued at almost Rs90bn and another Rs8bn of PSLV order from New Space India. This led to a healthy order inflow of ~Rs260bn in FY23. Further, there were repair and overhaul (R&O) orders worth almost Rs180bn.

**Figure 5: Large order finalization over FY21-26F to boost order backlog**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Order pipeline provides long-term revenue & earnings visibility ➤**

HAL expects manufacturing order inflow worth over Rs480bn in FY24F, which includes 240 AL-31 FP engines worth Rs260bn, 12 Sukhoi Su-30MKI worth Rs120bn, 25 advanced light helicopter (ALH) units worth Rs35bn, 12 light utility helicopter (LUH) units worth Rs25bn, and 80 RD-33 engines worth Rs45bn. HAL expects another Rs350bn worth of orders for which the Acceptance of Necessity (AoN) has been approved and Rs650bn worth of orders for which the AoN is expected in the next two-to-five years. The order pipeline includes 145 LCH, 175 LUH, 69 utility helicopter maritime (UHM), 36 HTT-40 and 60 Dornier (Do-228) upgradation orders over three-to-five years.

**Figure 6: Order pipeline in the short term and medium term**

**Order pipeline in the short term**

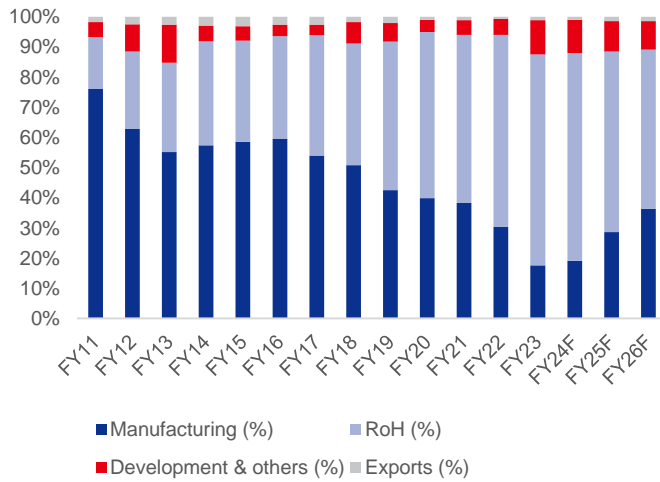
Product	Qty	Amount (Rs bn)
Advanced Light Helicopter (ALH)	25	35
RD-33 Engine	80	45
Light Utility Helicopter (LUH)	12	25
Sukhoi-30 MKI	12	120
AL-31 engine	240	260

**Order pipeline in medium term (2-5 years)**

Light Combat Helicopter (LCH)	145	450
Light Utility Helicopter (LUH)	175	350
Utility Helicopter Marine (UHM)	60	200
HTT-40	36	35
Dornier 228 (Do-228) upgradation	60	NA

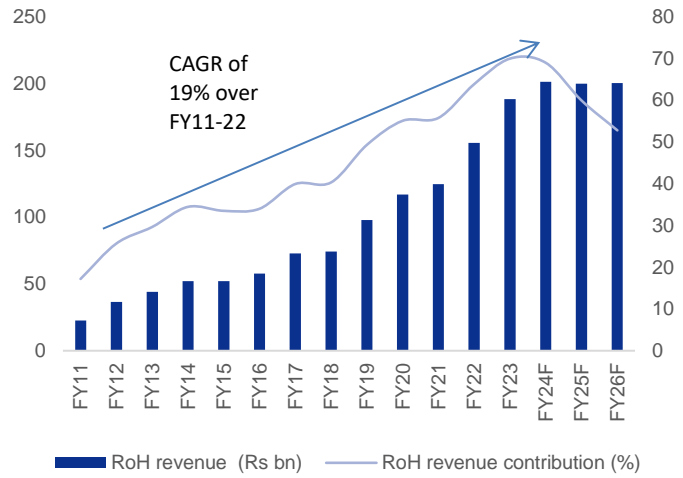
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 7: The falling share of manufacturing revenue in sales is expected to pick up from FY25F; services' revenue share in sales inches up**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 8: Services' revenue in overall sales grew at a 19% CAGR over FY11-22, although the growth may moderate over FY24F**



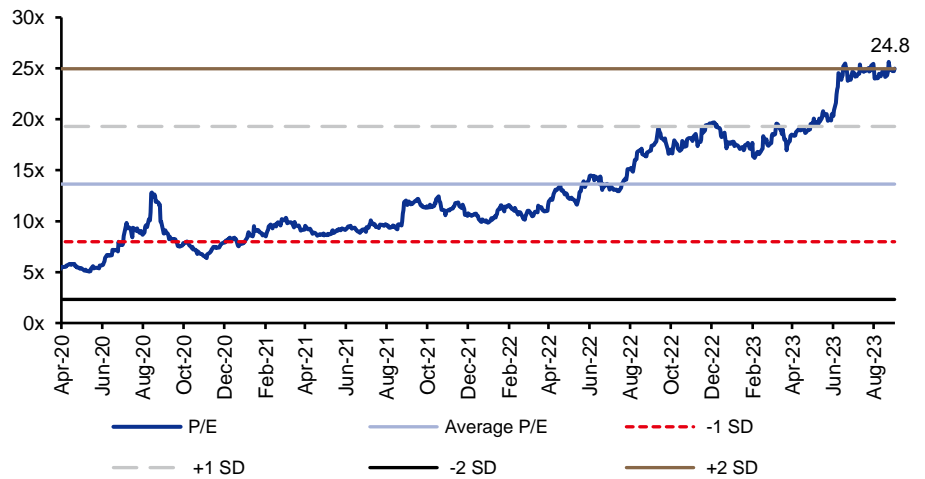
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 9: Earnings revision summary**

(Rs m)	Old estimates		New estimates			Change (%)	
	FY24F	FY25F	FY24F	FY25F	FY26F	FY24F	FY25F
Revenue	2,85,937	3,22,056	2,97,658	3,39,237	3,85,207	4.1%	5.3%
EBITDA	73,780	78,404	72,866	86,696	1,02,116	-1.2%	10.6%
Core PAT	52,085	55,178	50,782	60,612	71,524	-2.5%	9.8%

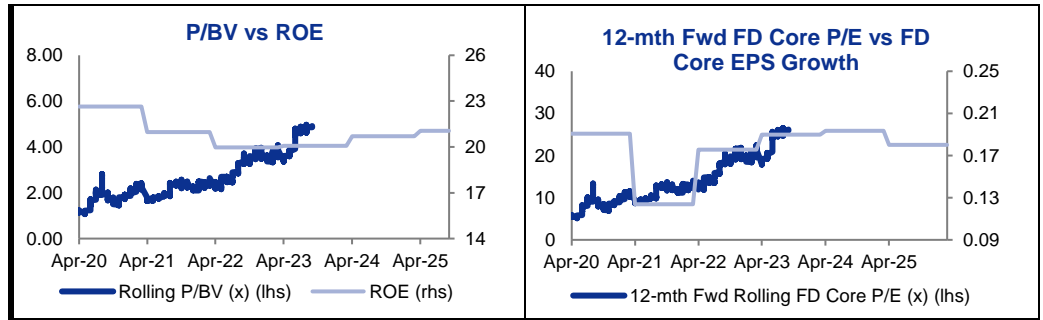
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 10: One-year forward P/E ratio is near +2SD**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
<b>Total Net Revenues</b>	<b>246,202</b>	<b>269,279</b>	<b>297,658</b>	<b>339,237</b>	<b>385,207</b>
<b>Gross Profit</b>	<b>146,160</b>	<b>168,099</b>	<b>178,595</b>	<b>203,542</b>	<b>231,124</b>
<b>Operating EBITDA</b>	<b>54,128</b>	<b>66,630</b>	<b>72,866</b>	<b>86,696</b>	<b>102,116</b>
Depreciation And Amortisation	(11,099)	(17,839)	(15,386)	(16,786)	(18,386)
<b>Operating EBIT</b>	<b>43,030</b>	<b>48,791</b>	<b>57,481</b>	<b>69,910</b>	<b>83,730</b>
Financial Income/(Expense)	(581)	(579)	(579)	(579)	(579)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	7,236	11,023	8,345	8,545	8,745
<b>Profit Before Tax (pre-EI)</b>	<b>49,684</b>	<b>59,235</b>	<b>65,247</b>	<b>77,876</b>	<b>91,896</b>
Exceptional Items					
<b>Pre-tax Profit</b>	<b>49,684</b>	<b>59,235</b>	<b>65,247</b>	<b>77,876</b>	<b>91,896</b>
Taxation	(13,374)	(16,552)	(14,465)	(17,264)	(20,373)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>36,310</b>	<b>42,682</b>	<b>50,782</b>	<b>60,612</b>	<b>71,524</b>
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>36,310</b>	<b>42,682</b>	<b>50,782</b>	<b>60,612</b>	<b>71,524</b>
Recurring Net Profit	36,310	42,682	50,782	60,612	71,524
<b>Fully Diluted Recurring Net Profit</b>	<b>36,310</b>	<b>42,682</b>	<b>50,782</b>	<b>60,612</b>	<b>71,524</b>

Cash Flow

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
<b>EBITDA</b>	<b>54,128</b>	<b>66,630</b>	<b>72,866</b>	<b>86,696</b>	<b>102,116</b>
Cash Flow from Invt. & Assoc.	(1,817)	(1,700)	(7,620)	(8,820)	(10,220)
Change In Working Capital	12,589	4,556	(21,465)	(19,675)	5,296
(Incr)/Decr in Total Provisions	56	149			
Other Non-Cash (Income)/Expense	12,863	23,813	15,386	16,786	18,386
Other Operating Cashflow	37,332	37,190			
Net Interest (Paid)/Received	3,662	14,405	7,766	7,966	8,166
Tax Paid	(10,532)	(27,557)	(14,465)	(17,264)	(20,373)
<b>Cashflow From Operations</b>	<b>100,958</b>	<b>88,677</b>	<b>36,936</b>	<b>49,757</b>	<b>87,040</b>
Capex	(7,989)	(7,823)	(15,000)	(17,500)	(20,000)
Disposals Of FAs/subsidiaries	32	51			
Acq. Of Subsidiaries/Investments	(2,448)	(1,062)			
Other Investing Cashflow	(117,229)	(48,509)	8,345	8,545	8,745
<b>Cash Flow From Investing</b>	<b>(127,634)</b>	<b>(57,343)</b>	<b>(6,655)</b>	<b>(8,955)</b>	<b>(11,255)</b>
Debt Raised/(repaid)	(91)				
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(13,376)	(16,719)	(14,611)	(17,439)	(20,578)
Preferred Dividends					
Other Financing Cashflow	(24)	(594)	(579)	(579)	(579)
<b>Cash Flow From Financing</b>	<b>(13,491)</b>	<b>(17,313)</b>	<b>(15,190)</b>	<b>(18,018)</b>	<b>(21,157)</b>
Total Cash Generated	(40,167)	14,020	15,092	22,784	54,627
<b>Free Cashflow To Equity</b>	<b>(26,767)</b>	<b>31,333</b>	<b>30,281</b>	<b>40,802</b>	<b>75,785</b>
<b>Free Cashflow To Firm</b>	<b>(26,095)</b>	<b>31,912</b>	<b>30,861</b>	<b>41,381</b>	<b>76,364</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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

<b>Balance Sheet</b>					
<b>(Rs mn)</b>	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
Total Cash And Equivalents	143,436	203,062	229,410	252,194	306,821
Total Debtors	46,416	47,191	52,164	59,451	67,507
Inventories	143,636	121,607	134,423	153,200	173,960
Total Other Current Assets	138,826	187,092	206,809	235,698	267,638
<b>Total Current Assets</b>	<b>472,313</b>	<b>558,950</b>	<b>622,807</b>	<b>700,543</b>	<b>815,927</b>
Fixed Assets	92,300	87,112	86,727	87,441	89,055
Total Investments	12,941	13,854	13,854	13,854	13,854
Intangible Assets					
Total Other Non-Current Assets					
<b>Total Non-current Assets</b>	<b>105,242</b>	<b>100,967</b>	<b>100,581</b>	<b>101,295</b>	<b>102,910</b>
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	25,598	31,373	34,680	39,524	44,880
Other Current Liabilities	364,972	404,739	417,474	447,908	508,604
<b>Total Current Liabilities</b>	<b>390,570</b>	<b>436,112</b>	<b>452,154</b>	<b>487,432</b>	<b>553,484</b>
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
<b>Total Non-current Liabilities</b>					
Total Provisions					
<b>Total Liabilities</b>	<b>390,570</b>	<b>436,112</b>	<b>452,154</b>	<b>487,432</b>	<b>553,484</b>
Shareholders Equity	192,640	235,062	271,234	314,407	365,352
Minority Interests					
<b>Total Equity</b>	<b>192,640</b>	<b>235,062</b>	<b>271,234</b>	<b>314,407</b>	<b>365,352</b>

<b>Key Ratios</b>					
	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
Revenue Growth	8.2%	9.4%	10.5%	14.0%	13.6%
Operating EBITDA Growth	1.2%	23.1%	9.4%	19.0%	17.8%
Operating EBITDA Margin	22.0%	24.7%	24.5%	25.6%	26.5%
Net Cash Per Share (Rs)	428.95	607.26	686.06	754.20	917.56
BVPS (Rs)	576.10	702.96	811.14	940.25	1,092.60
Gross Interest Cover	74.01	84.25	99.26	120.72	144.59
Effective Tax Rate	26.9%	27.9%	22.2%	22.2%	22.2%
Net Dividend Payout Ratio	36.8%	39.2%	28.8%	28.8%	28.8%
Accounts Receivables Days	76.21	63.44	60.92	60.05	60.15
Inventory Days	564.12	478.42	392.44	386.83	387.50
Accounts Payables Days	87.67	102.76	101.25	99.80	99.97
ROIC (%)	140.6%	708.2%	205.5%	144.6%	187.4%
ROCE (%)	24.9%	22.8%	22.7%	23.9%	24.6%
Return On Average Assets	6.7%	7.0%	7.4%	8.0%	8.4%

<b>Key Drivers</b>					
	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
Manufacturing	73,750	47,400	55,630	95,360	138,160
RoH	155,359	188,170	201,103	199,640	200,106
Orderbook to sales (x)	4	3	5	5	5
Order backlog	821,540	817,840	1,220,855	1,380,391	1,558,856

SOURCE: INCRED RESEARCH, COMPANY REPORTS



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