

India

**ADD** (no change)

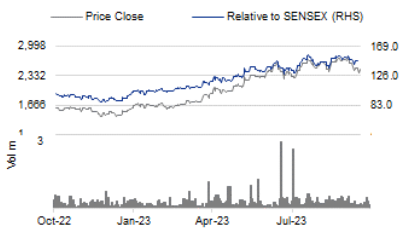
Consensus ratings\*: Buy 11 Hold 4 Sell 0

|                              |            |
|------------------------------|------------|
| Current price:               | Rs2,470    |
| Target price:                | Rs2,728    |
| Previous target:             | Rs2,598    |
| Up/downside:                 | 10.4%      |
| InCred Research / Consensus: | 2.7%       |
| Reuters:                     | KEIN.NS    |
| Bloomberg:                   | KEII IN    |
| Market cap:                  | US\$2,676m |
|                              | Rs222,905m |
| Average daily turnover:      | US\$9.2m   |
|                              | Rs762.6m   |
| Current shares o/s:          | 90.2m      |
| Free float:                  | 62.9%      |

\*Source: Bloomberg

**Key changes in this note**

- FY24F/25F revenue raised by 0.6%/1%.
- FY24F/25F EBITDA cut by 3.4%/1.9%.
- FY24F/25F PAT cut by 3.4%/3.7%.



Source: Bloomberg

| Price performance | 1M    | 3M  | 12M  |
|-------------------|-------|-----|------|
| Absolute (%)      | (6.9) | 4.1 | 54.4 |
| Relative (%)      | (3.6) | 7.7 | 47.8 |

| Major shareholders  | % held |
|---------------------|--------|
| Promoters           | 37.1   |
| Smallcap World Fund | 4.0    |
| Canara Robeco MF    | 2.4    |

**Analyst(s)**



**Rahul AGARWAL**

T (91) 22 4161 1553  
E rahul.agarwal@incredcapital.com

**Harshit SARAWAGI**

T (91) 22 4161 0000  
E harshit.sarawagi@incredcapital.com

# KEI Industries

## More brownfield capex to support growth

- 2QFY24 results were in line with expectations. Total revenue grew 21% yoy, largely led by sales volume. The EBITDA margin was stable at 10.5%.
- Nearly Rs2.5bn of brownfield expansion (Rs20bn sales potential) for LT cables and housing wires has been undertaken and it will be completed by Jun 2024F.
- We expect an EPS CAGR of 20% over FY23-26F. Market share gains, margin expansion & debt-free balance sheet could expand P/E multiple. Retain ADD.

### Yet another quarter of steady performance

KEI Industries posted 2QFY24 revenue/EBITDA/PAT of Rs19.5bn/Rs2.0bn/Rs1.4bn, +21%/27%/31% yoy, respectively, in line with InCred & Bloomberg consensus estimates. Consolidated gross margin/EBITDA margin stood at 25.2%/10.5%, +43bp/+49bp yoy, respectively. Cable revenue grew to Rs17.7bn, +23% yoy. LT/HT cable sales stood at Rs 7.4bn/Rs 2.6bn, +9%/13% yoy, respectively. The EHV segment grew by 306% yoy to Rs 1.9bn, aided by dispatches that were delayed from 1Q. House wire sales stood at Rs5.9bn, +21% yoy, contributing 31% to total sales. Overall B2C sales (LT/HT/HW) grew by 21% yoy to Rs9.2bn, contributing 47% to total sales. Winding wire sales (~Rs500m/qtr) have been reclassified as B2C sales from 2QFY24. Exports witnessed strong growth and stood at Rs2.5bn, +79% yoy, contributing 13% to total sales. The net working capital cycle was stable at 90 days of TTM sales and net cash stood at Rs2.9bn (excl. acceptances) as of Sep 2023-end.

### Nearly Rs13bn capex to be incurred over FY24F-26F

KEI Industries expanded its brownfield expansion project to nearly Rs2.5bn at its Silvassa and Bhiwadi manufacturing plants for LT cables & housing wires. The expansion is underway and will be completed in phases over Sep 2023 to Jun 2024F. The peak revenue potential from this capex is estimated at ~Rs20bn. Land acquisition for the greenfield plant at Sanand in Gujarat has been completed & the company sees total capex outlay at ~Rs10bn (peak revenue potential: Rs45bn) for the project. The first phase is likely to start commercial production by Mar 2025F. A revenue CAGR of 16% is likely over FY23-26F.

### Change in our estimates

We retain our revenue estimates but reduce the EBITDA margin by 20-40bp, leading to EBITDA/PAT cut of 2-4% over FY24F-25F. We account for higher opex & capex related to multiple capacity expansions leading to lower treasury income on lower free cash flow over FY24-26F. We expect equal cumulative OCF & capex of ~Rs13bn over FY24F-26F.

### Consistent performance could lead to a higher exit P/E multiple

Market share gains, scope for higher margins, disciplined working capital management and internally funded capex are key positives. We retain ADD rating on the stock with a higher target price of Rs2,728 (Rs2,598 earlier) based on a higher exit P/E of 36x (10% premium to five-year mean +2SD) FY25F EPS. Downside risks: Customer deferments, capex delay and a sharp rise/fall in copper/aluminium prices.

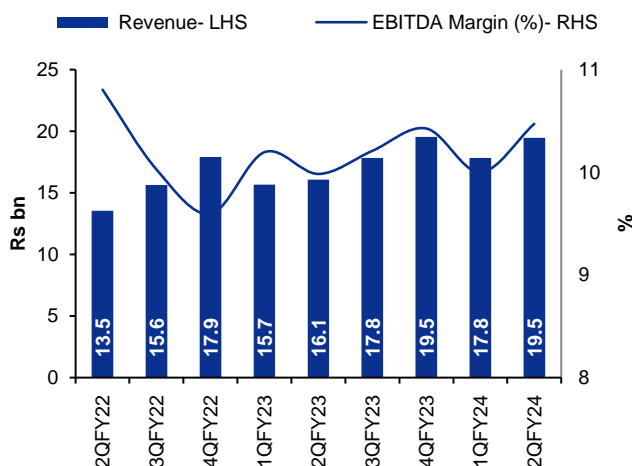
| Financial Summary                 | Mar-22A | Mar-23A | Mar-24F | Mar-25F  | Mar-26F |
|-----------------------------------|---------|---------|---------|----------|---------|
| Revenue (Rsm)                     | 57,266  | 69,123  | 81,219  | 94,581   | 108,724 |
| Operating EBITDA (Rsm)            | 5,887   | 7,062   | 8,430   | 10,190   | 12,325  |
| Net Profit (Rsm)                  | 3,762   | 4,773   | 5,792   | 6,835    | 8,198   |
| Core EPS (Rs)                     | 41.7    | 53.0    | 64.3    | 75.8     | 90.9    |
| Core EPS Growth                   | 37.3%   | 26.9%   | 21.3%   | 17.9%    | 19.9%   |
| FD Core P/E (x)                   | 59.16   | 46.63   | 38.44   | 32.59    | 27.18   |
| DPS (Rs)                          | 2.5     | 3.0     | 4.0     | 5.0      | 6.0     |
| Dividend Yield                    | 0.10%   | 0.12%   | 0.16%   | 0.20%    | 0.24%   |
| EV/EBITDA (x)                     | 37.76   | 30.95   | 26.32   | 21.85    | 17.91   |
| P/FCFE (x)                        | 145.12  | 110.14  | (88.72) | (345.01) | 110.13  |
| Net Gearing                       | (1.3%)  | (15.5%) | (2.6%)  | (0.3%)   | (4.4%)  |
| P/BV (x)                          | 10.42   | 8.60    | 7.11    | 5.91     | 4.91    |
| ROE                               | 19.2%   | 20.2%   | 20.2%   | 19.8%    | 19.7%   |
| % Change In Core EPS Estimates    |         |         | (3.42%) | (3.75%)  |         |
| InCred Research/Consensus EPS (x) |         |         |         |          |         |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## 2QFY24 earnings-call takeaways

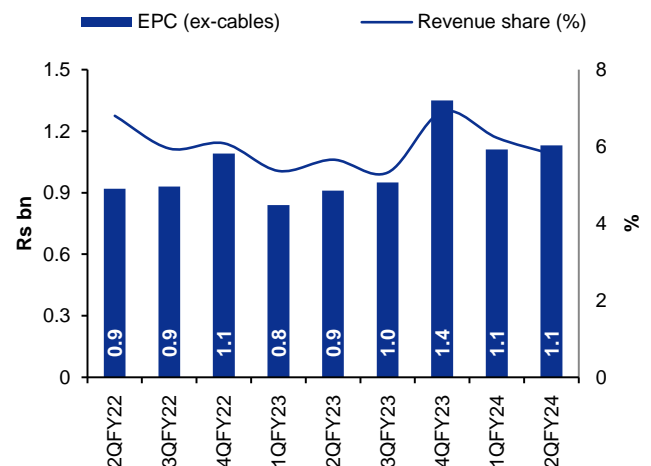
- Management guidance:** KEI Industries' management maintained its revenue growth guidance of 16-17% yoy for FY24F and 15-16% yoy for FY25F. The EBITDA margin guidance was also maintained at 10.5-11% for the current year and next fiscal.
- Sales volume growth:** Based on raw material consumption for the quarter, the sales volume growth stood at 26% yoy for the cable segment in 1HFY24.
- Unexecuted order backlog:** The unexecuted order book stood at Rs33.6bn, at the end of Sep 2023. The segment-wise order book breakup is - EPC Rs8.0bn, EHV cable Rs7.2bn, domestic cable and wire Rs15.5bn, and cable exports at Rs2.9bn.
- Exports:** KEI Industries exports witnessed a strong quarter, with revenue at Rs2.5bn, contributing 12% to total sales in 2QFY24. Major export markets include Australia, Middle East (particularly Kuwait and Abu Dhabi) and Africa (particularly Nigeria and Ghana). Management expects the export sales growth to sustain and intends to achieve the level of 15% of total sales over the next three years.
- EHV segment update:** Segment revenue grew by 306% yoy and 275% qoq to Rs1.9bn, contributing 10% to total sales during the quarter. The sharp uptick was due to delayed dispatches from 1Q. Management maintained its FY24F EHV sales guidance of Rs5.5-6bn.
- B2C sales reclassification:** The company has reclassified ~Rs500m/qtr of winding wire sales as sales through dealer/distributor (B2C) from 2QFY24 onwards. The yoy and qoq segment sales have also been restated.
- Capex:** The company incurred a capex of Rs2.2bn, including land acquisition, for its greenfield plant at Sanand in Gujarat in 1HFY24. The company increased its capex for the Silvassa plant to Rs1.1bn from Rs500m earlier. This will help to increase the capacity for house wires and low tension (LT) power cables having a peak revenue potential of Rs8-9bn at full capacity utilization. The Bhiwadi plant capex stands at Rs1.1bn and the plant is likely to be completed by Jun 2024F, which could add peak estimated revenue of Rs8-9bn/year. The Gujarat greenfield capex is on track and the first phase is expected to start commercial production in 4QFY25F. Cumulatively, the company plans to incur a capex of Rs13bn+ over FY24F-26F.
- Cash flow:** Net working capital stood at 90 days of TTM sales at the end of Sep 2023 (as compared to 97 days at the end of Jun 2023 and 87 days at the end of Mar 2023). Net cash (including equivalents) stood at Rs2.9bn at the end of Sep 2023. 1HFY24 OCF/FCF stood at Rs1.1bn/Rs344m, respectively.

Figure 1: Quarterly sales & EBITDA margin trend



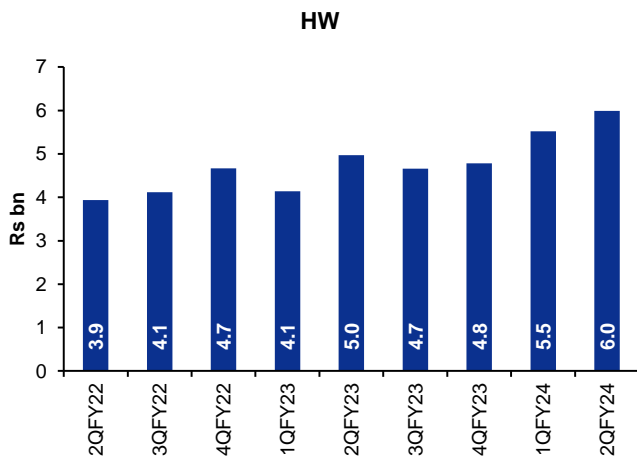
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: EPC (ex-cables) revenue trend



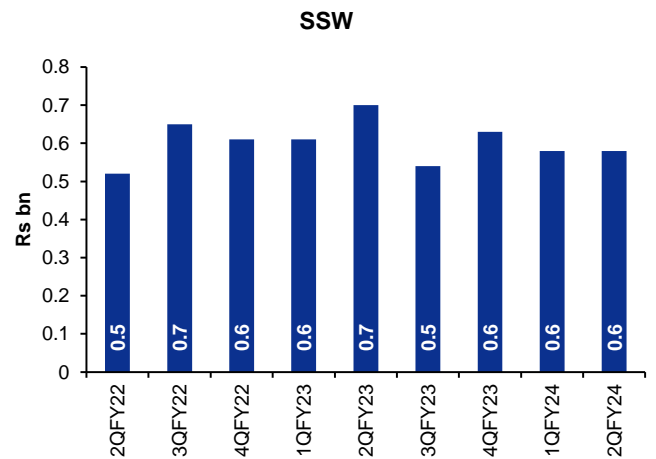
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Housing wire sales trend



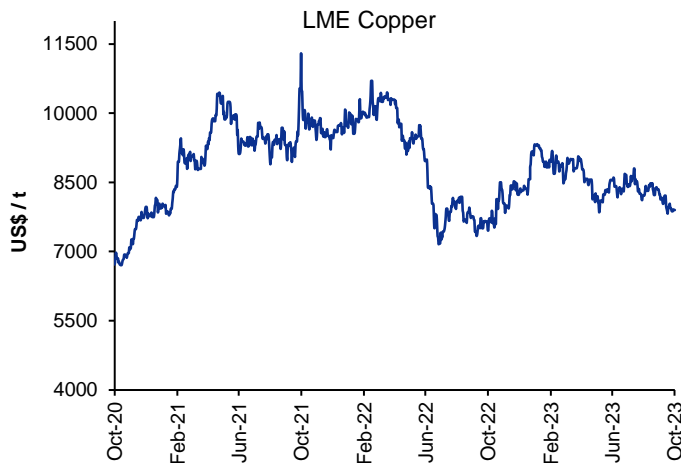
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Stainless steel wire sales trend



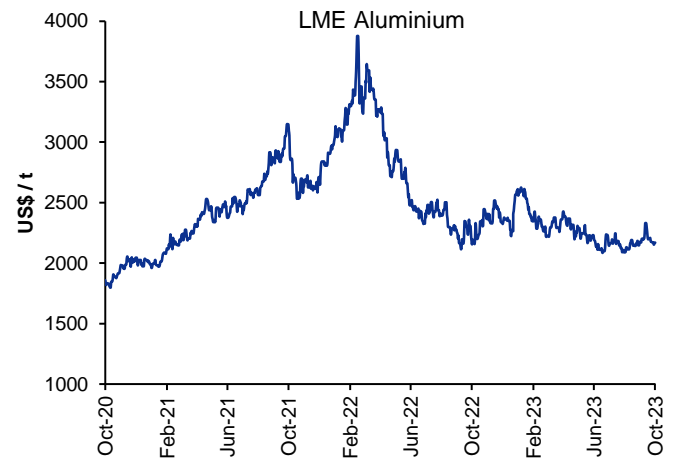
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: Copper price trend



SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 6: Aluminum price trend



SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 7: 2QFY24 results snapshot

| Y/E Mar (Rs m)    | 2QFY24 | 2QFY23 | yoy (%) | 1QFY24 | qoq (%) | 1HFY24 | 1HFY23 | yoy (%) |
|-------------------|--------|--------|---------|--------|---------|--------|--------|---------|
| Revenue           | 19,466 | 16,081 | 21.1    | 17,826 | 9.2     | 37,291 | 31,735 | 17.5    |
| EBITDA            | 2,039  | 1,606  | 27.0    | 1,783  | 14.4    | 3,821  | 3,202  | 19.3    |
| EBITDA margin (%) | 10.5   | 10.0   | 49 bp   | 10.0   | 47 bp   | 10.2   | 10.1   | 16 bp   |
| Adj. PAT          | 1,402  | 1,069  | 31.2    | 1,214  | 15.5    | 2,616  | 2,106  | 24.2    |
| Diluted EPS (Rs)  | 15.5   | 11.9   |         | 13.5   |         | 29.0   | 23.4   |         |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: 2QFY24 segment-wise results snapshot

| Y/E Mar (Rs m)         | 2QFY24        | 2QFY23        | yoy (%)       | 1QFY24        | qoq (%)       | H1FY24        | H1FY23        | yoy (%)      |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| <b>Revenue</b>         |               |               |               |               |               |               |               |              |
| Cables                 | 17,755        | 14,445        | 22.9          | 16,119        | 10.1          | 33,875        | 28,651        | 18.2         |
| Stainless Steel Wires  | 591           | 735           | (19.6)        | 590           | 0.1           | 1,181         | 1,345         | (12.2)       |
| EPC Projects           | 1,120         | 901           | 24.3          | 1,116         | 0.3           | 4,977         | 2,594         | 91.8         |
| <b>Total</b>           | <b>19,466</b> | <b>16,081</b> | <b>21.1</b>   | <b>17,826</b> | <b>9.2</b>    | <b>40,033</b> | <b>32,590</b> | <b>22.8</b>  |
| <b>EBIT</b>            |               |               |               |               |               |               |               |              |
| Cables                 | 1,919         | 1,261         | 52.2          | 1,415         | 35.7          | 3,334         | 2,535         | 31.5         |
| Stainless Steel Wires  | 36            | 45            | (19.1)        | 31            | 15.5          | 67            | 75            | (10.2)       |
| EPC Projects           | 180           | 190           | (4.9)         | 271           | (33.4)        | 451           | 336           | 34.3         |
| <b>Total</b>           | <b>2,135</b>  | <b>1,495</b>  | <b>42.8</b>   | <b>1,716</b>  | <b>24.4</b>   | <b>3,852</b>  | <b>2,945</b>  | <b>30.8</b>  |
| <b>EBIT margin (%)</b> |               |               |               |               |               |               |               |              |
| Cables                 | 10.8          | 8.7           | 208 bp        | 8.8           | 203 bp        | 9.8           | 8.8           | 99 bp        |
| Stainless Steel Wires  | 6.1           | 6.1           | 4 bp          | 5.3           | 82 bp         | 5.7           | 5.6           | 13 bp        |
| EPC Projects           | 5.8           | 17.9          | -1,215 bp     | 14.6          | -889 bp       | 9.1           | 12.9          | -389 bp      |
| <b>Total</b>           | <b>11.0</b>   | <b>9.3</b>    | <b>167 bp</b> | <b>9.6</b>    | <b>134 bp</b> | <b>9.6</b>    | <b>9.0</b>    | <b>58 bp</b> |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 9: Actuals vs. our estimates

| Rs m              | 2QFY24 | 2QFY24F | Var (%) |
|-------------------|--------|---------|---------|
| Revenue           | 19,466 | 18,942  | 2.8     |
| EBITDA            | 2,039  | 1,960   | 4.0     |
| EBITDA margin (%) | 10.5   | 10.4    | 12 bp   |
| Adj. PAT          | 1,402  | 1,343   | 4.4     |

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 10: Actuals vs. Bloomberg consensus

| Rs m              | 2QFY24 | 2QFY24C | Var (%) |
|-------------------|--------|---------|---------|
| Revenue           | 19,466 | 18,864  | 3.2     |
| EBITDA            | 2,039  | 1,949   | 4.6     |
| EBITDA margin (%) | 10.5   | 10.3    | 14 bp   |
| Adj. PAT          | 1,402  | 1,342   | 4.4     |

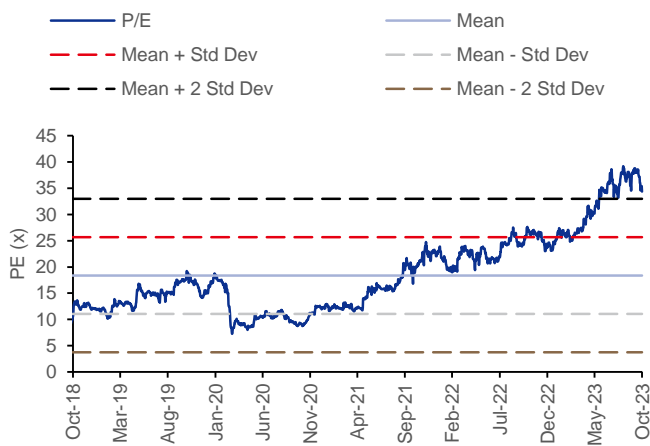
SOURCE: INCRED RESEARCH, COMPANY REPORTS, BLOOMBERG

Figure 11: Our revised earnings estimates

|                      | New estimates |        |          | Old estimates |        |       | Change (%) |        |       |
|----------------------|---------------|--------|----------|---------------|--------|-------|------------|--------|-------|
|                      | FY24F         | FY25F  | FY26F    | FY24F         | FY25F  | FY26F | FY24F      | FY25F  | FY26F |
| Revenue              | 81,219        | 94,581 | 1,08,724 | 80,740        | 93,640 | NA    | 0.6        | 1.0    | NA    |
| EBITDA               | 8,430         | 10,190 | 12,325   | 8,726         | 10,389 | NA    | -3.4       | -1.9   | NA    |
| Adjusted consol. PAT | 5,792         | 6,835  | 8,198    | 5,994         | 7,094  | NA    | -3.4       | -3.7   | NA    |
| EPS                  | 64.3          | 75.8   | 90.9     | 66.5          | 78.7   | NA    | -3.4       | -3.7   | NA    |
| EBITDA margin (%)    | 10.4          | 10.8   | 11.3     | 10.8          | 11.0   | NA    | -41 bp     | -20 bp | NA    |

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 12: P/E standard deviation



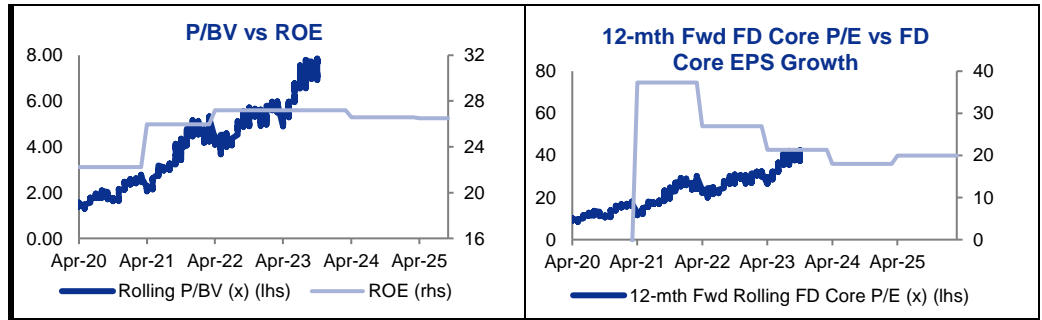
SOURCES: INCRED RESEARCH, COMPANY REPORTS, BLOOMBERG

Figure 13: P/E band (one-year forward earnings)



SOURCES: INCRED RESEARCH, COMPANY REPORTS, BLOOMBERG

BY THE NUMBERS



Profit & Loss

| (Rs mn)                                   | Mar-22A       | Mar-23A       | Mar-24F       | Mar-25F       | Mar-26F        |
|---|---------------|---------------|---------------|---------------|----------------|
| <b>Total Net Revenues</b>                 | <b>57,266</b> | <b>69,123</b> | <b>81,219</b> | <b>94,581</b> | <b>108,724</b> |
| <b>Gross Profit</b>                       | <b>15,124</b> | <b>17,400</b> | <b>20,630</b> | <b>24,402</b> | <b>28,268</b>  |
| <b>Operating EBITDA</b>                   | <b>5,887</b>  | <b>7,062</b>  | <b>8,430</b>  | <b>10,190</b> | <b>12,325</b>  |
| Depreciation And Amortisation             | (555)         | (571)         | (631)         | (892)         | (1,232)        |
| <b>Operating EBIT</b>                     | <b>5,332</b>  | <b>6,491</b>  | <b>7,799</b>  | <b>9,298</b>  | <b>11,093</b>  |
| Financial Income/(Expense)                | (384)         | (192)         | (129)         | (234)         | (205)          |
| Pretax Income/(Loss) from Assoc.          |               |               |               |               |                |
| Non-Operating Income/(Expense)            | 128           | 121           | 105           | 110           | 116            |
| <b>Profit Before Tax (pre-EI)</b>         | <b>5,077</b>  | <b>6,420</b>  | <b>7,775</b>  | <b>9,174</b>  | <b>11,003</b>  |
| Exceptional Items                         |               |               |               |               |                |
| <b>Pre-tax Profit</b>                     | <b>5,077</b>  | <b>6,420</b>  | <b>7,775</b>  | <b>9,174</b>  | <b>11,003</b>  |
| Taxation                                  | (1,315)       | (1,647)       | (1,983)       | (2,339)       | (2,806)        |
| Exceptional Income - post-tax             |               |               |               |               |                |
| <b>Profit After Tax</b>                   | <b>3,762</b>  | <b>4,773</b>  | <b>5,792</b>  | <b>6,835</b>  | <b>8,198</b>   |
| Minority Interests                        |               |               |               |               |                |
| Preferred Dividends                       |               |               |               |               |                |
| FX Gain/(Loss) - post tax                 |               |               |               |               |                |
| Other Adjustments - post-tax              |               |               |               |               |                |
| <b>Net Profit</b>                         | <b>3,762</b>  | <b>4,773</b>  | <b>5,792</b>  | <b>6,835</b>  | <b>8,198</b>   |
| Recurring Net Profit                      | 3,762         | 4,773         | 5,792         | 6,835         | 8,198          |
| <b>Fully Diluted Recurring Net Profit</b> | <b>3,762</b>  | <b>4,773</b>  | <b>5,792</b>  | <b>6,835</b>  | <b>8,198</b>   |

Cash Flow

| (Rs mn)                          | Mar-22A      | Mar-23A        | Mar-24F        | Mar-25F        | Mar-26F        |
|----------------------------------|--------------|----------------|----------------|----------------|----------------|
| <b>EBITDA</b>                    | <b>5,887</b> | <b>7,062</b>   | <b>8,430</b>   | <b>10,190</b>  | <b>12,325</b>  |
| Cash Flow from Invt. & Assoc.    |              |                |                |                |                |
| Change In Working Capital        | (2,555)      | (349)          | (3,884)        | (3,340)        | (3,535)        |
| (Incr)/Decr in Total Provisions  |              |                |                |                |                |
| Other Non-Cash (Income)/Expense  |              |                |                |                |                |
| Other Operating Cashflow         | (162)        | (1,497)        | (24)           | (124)          | (89)           |
| Net Interest (Paid)/Received     | 384          | 508            | 129            | 234            | 205            |
| Tax Paid                         | (1,247)      | (349)          | (1,983)        | (2,339)        | (2,806)        |
| <b>Cashflow From Operations</b>  | <b>2,307</b> | <b>5,374</b>   | <b>2,668</b>   | <b>4,621</b>   | <b>6,099</b>   |
| Capex                            | (597)        | (977)          | (5,385)        | (4,626)        | (3,471)        |
| Disposals Of FAs/subsidiaries    | 1            |                |                |                |                |
| Acq. Of Subsidiaries/Investments | (6)          | (550)          |                | (750)          | (750)          |
| Other Investing Cashflow         | 19           | 155            | 207            | 109            | 145            |
| <b>Cash Flow From Investing</b>  | <b>(584)</b> | <b>(1,371)</b> | <b>(5,178)</b> | <b>(5,266)</b> | <b>(4,076)</b> |
| Debt Raised/(repaid)             | (191)        | (1,982)        |                |                |                |
| Proceeds From Issue Of Shares    | 56           | 20             |                |                |                |
| Shares Repurchased               |              |                |                |                |                |
| Dividends Paid                   | 225          | (271)          | (361)          | (451)          | (541)          |
| Preferred Dividends              |              |                |                |                |                |
| Other Financing Cashflow         | (404)        | (326)          | (337)          | (343)          | (350)          |
| <b>Cash Flow From Financing</b>  | <b>(314)</b> | <b>(2,559)</b> | <b>(697)</b>   | <b>(794)</b>   | <b>(891)</b>   |
| Total Cash Generated             | 1,409        | 1,444          | (3,207)        | (1,440)        | 1,132          |
| <b>Free Cashflow To Equity</b>   | <b>1,532</b> | <b>2,021</b>   | <b>(2,509)</b> | <b>(646)</b>   | <b>2,023</b>   |
| <b>Free Cashflow To Firm</b>     | <b>1,319</b> | <b>3,656</b>   | <b>(2,846)</b> | <b>(989)</b>   | <b>1,673</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           | 3,600          | 5,372          | 2,165          | 1,475          | 3,357          |
| Total Debtors                        | 13,955         | 13,878         | 15,576         | 18,139         | 20,851         |
| Inventories                          | 10,794         | 11,023         | 14,464         | 16,843         | 19,362         |
| Total Other Current Assets           | 1,261          | 1,341          | 1,805          | 2,102          | 2,416          |
| <b>Total Current Assets</b>          | <b>29,611</b>  | <b>31,613</b>  | <b>34,010</b>  | <b>38,559</b>  | <b>45,986</b>  |
| Fixed Assets                         | 4,760          | 4,855          | 5,820          | 11,989         | 14,728         |
| Total Investments                    | 20             | 13             | 13             | 13             | 13             |
| Intangible Assets                    |                |                |                |                |                |
| Total Other Non-Current Assets       | 880            | 1,220          | 5,010          | 2,575          | 2,075          |
| <b>Total Non-current Assets</b>      | <b>5,660</b>   | <b>6,088</b>   | <b>10,842</b>  | <b>14,576</b>  | <b>16,815</b>  |
| Short-term Debt                      | 3,314          | 1,353          | 1,353          | 1,353          | 1,353          |
| Current Portion of Long-Term Debt    |                |                |                |                |                |
| Total Creditors                      | 2,353          | 2,341          | 2,751          | 3,204          | 3,683          |
| Other Current Liabilities            | 7,626          | 7,482          | 8,791          | 10,237         | 11,768         |
| <b>Total Current Liabilities</b>     | <b>13,293</b>  | <b>11,176</b>  | <b>12,894</b>  | <b>14,793</b>  | <b>16,803</b>  |
| Total Long-term Debt                 |                |                |                |                |                |
| Hybrid Debt - Debt Component         |                |                |                |                |                |
| Total Other Non-Current Liabilities  | 328            | 368            | 368            | 368            | 368            |
| <b>Total Non-current Liabilities</b> | <b>328</b>     | <b>368</b>     | <b>368</b>     | <b>368</b>     | <b>368</b>     |
| Total Provisions                     | 294            | 266            | 266            | 266            | 266            |
| <b>Total Liabilities</b>             | <b>13,915</b>  | <b>11,810</b>  | <b>13,529</b>  | <b>15,428</b>  | <b>17,437</b>  |
| Shareholders Equity                  | 21,355         | 25,892         | 31,323         | 37,707         | 45,363         |
| Minority Interests                   |                |                |                |                |                |
| <b>Total Equity</b>                  | <b>21,355</b>  | <b>25,892</b>  | <b>31,323</b>  | <b>37,707</b>  | <b>45,363</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            | 36.9%          | 20.7%          | 17.5%          | 16.5%          | 15.0%          |
| Operating EBITDA Growth   | 27.8%          | 20.0%          | 19.4%          | 20.9%          | 21.0%          |
| Operating EBITDA Margin   | 10.3%          | 10.2%          | 10.4%          | 10.8%          | 11.3%          |
| Net Cash Per Share (Rs)   | 3.18           | 44.61          | 9.01           | 1.36           | 22.23          |
| BVPS (Rs)                 | 237.00         | 287.35         | 347.46         | 418.07         | 502.96         |
| Gross Interest Cover      | 13.20          | 18.70          | 23.16          | 27.09          | 31.71          |
| Effective Tax Rate        | 25.9%          | 25.6%          | 25.5%          | 25.5%          | 25.5%          |
| Net Dividend Payout Ratio | 4.4%           | 4.2%           | 4.6%           | 4.9%           | 4.9%           |
| Accounts Receivables Days | 87.48          | 73.49          | 66.18          | 65.06          | 65.45          |
| Inventory Days            | 80.01          | 76.98          | 76.77          | 81.41          | 82.12          |
| Accounts Payables Days    | 16.56          | 16.56          | 15.34          | 15.49          | 15.62          |
| ROIC (%)                  | 28.0%          | 30.0%          | 34.7%          | 29.9%          | 29.0%          |
| ROCE (%)                  | 23.3%          | 25.3%          | 26.5%          | 26.0%          | 26.0%          |
| Return On Average Assets  | 16.7%          | 18.1%          | 19.1%          | 19.2%          | 19.3%          |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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