



## India

## ADD (no change)

Consensus ratings\*: Buy 19 Hold 1 Sell 9

Current price:	Rs1,405
Target price:	Rs1,595
Previous target:	Rs1,366
Up/downside:	13.5%
InCred Research / Consensus:	34.8%
Reuters:	BFRG.NS
Bloomberg:	BHFC IN
Market cap:	US\$7,833m
	Rs654,222m
Average daily turnover:	US\$17.5m
	Rs1459.8m
Current shares o/s:	465.7m
Free float:	54.8%

\*Source: Bloomberg

## Key changes in this note

- Sales upgrade by 2-5% for FY25F-26F.
- EBITDA raised by 5-8% for FY25F-26F.
- PAT upgrade by ~7% for FY25F-26F.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	19.7	9.6	80.5
Relative (%)	21.7	6.8	51.8

## Major shareholders

	% held
Kalyani Family	45.3
Kotak Mutual Fund	5.6
Dsp Midcap Fund	2.1

## Research Analyst(s)



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## Bharat Forge

## New orders boost defence division's outlook

- The strong standalone EBITDA growth in 4QFY24, aided by the defence division's sales and margins, beat our/Bloomberg consensus estimates.
- While India defence orders are delayed, new products & order wins from new geographies improve visibility on the defence biz's high sales growth.
- We raise our EPS estimates and target price to maintain our high-conviction ADD rating on the stock.

## Industrial division continues to be growth driver

Bharat Forge's 4Q standalone EBITDA rose by 35% yoy but flat qoq at Rs6.6bn, which was 4% above our estimate and 3% above Bloomberg or BB consensus estimate. Better gross margin & strong ASP led to the beat. The strong sales growth was driven by the domestic industrial segment (8% qoq) and passenger car exports (+21% qoq). Lower other income and higher tax led to PAT growth of 41% yoy and 2% qoq to Rs.4bn. The consolidated entity recorded a drop of 7% qoq in normalized PAT to Rs2.4bn while one-off expenses at the US plant impacted reported PAT. The defence division's order book rose sharply to Rs52bn as of Mar 2024-end.

## Defence division's business outlook improves

The defence division's order book spike qoq was driven by new products and geographies, as compared to earlier orders that came mostly from Africa. Management indicated that the order book will be executed in the next three years. FY24 sales stood at Rs15bn. The company plans to start a new plant for defence equipment assembly in FY25F, which may impact standalone profitability in the short-term. The US aluminium plant continues to face challenges in respect of capacity utilization and profitability which, management feels, will turn around in FY25F. As regards commercial vehicle components, management gave guidance of flattish outlook for India sales and exports to the US.

## Consolidated EBITDA upgrade by 5-8% for FY25F-26F

With improved order book visibility for the defence division and strong performance by the castings division, we upgrade the consolidated entity's revenue by 2-5% for FY25F-26F and also EBITDA by 5-8%. The short-term impact of shifting defence components production from the standalone entity to subsidiary KSSL limits standalone EBITDA upgrade to around 3% for FY25F-26F.

## Maintain ADD rating with a higher target price of Rs1,595

The new business verticals, defence products and castings, helped overcome challenges in automobile component sales and highlights the benefits of a diversified revenue stream. We roll forward our DCF-based target price to Rs1,595 (from Rs1,366 earlier) and reiterate our ADD rating on the stock, as the valuation is just near +1SD of the 10-year mean P/E and P/BV. Key downside risks are the global economic slowdown impacting the company's sales and the industrial division's lumpy performance.

## Financial Summary

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	129,103	156,821	184,469	211,587	243,415
Operating EBITDA (Rsm)	17,675	25,579	30,806	34,700	39,920
Net Profit (Rsm)	4,037	9,101	13,657	16,581	20,197
Core EPS (Rs)	10.5	19.7	29.3	35.6	43.4
Core EPS Growth	(53.4%)	87.0%	48.8%	21.4%	21.8%
FD Core P/E (x)	162.09	71.89	47.91	39.46	32.40
DPS (Rs)	8.0	10.0	11.0	11.0	11.0
Dividend Yield	0.57%	0.71%	0.78%	0.78%	0.78%
EV/EBITDA (x)	38.87	27.14	22.19	19.55	16.85
P/FCFE (x)	75.87	56.79	169.96	236.33	184.18
Net Gearing	86.2%	81.4%	44.9%	33.8%	24.7%
P/BV (x)	9.76	9.13	6.13	5.22	4.41
ROE	7.4%	13.2%	15.3%	14.3%	14.7%
% Change In Core EPS Estimates			7.15%	6.53%	
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## New orders boost defence division's outlook

### Management conference-call highlights➤

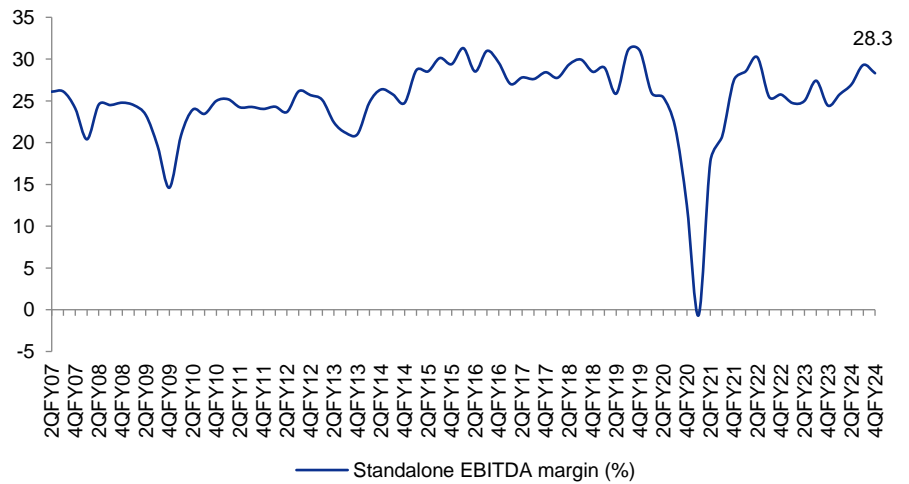
- **Export business:** During the quarter, European operations posted EBITDA of Rs330m while the US operations posted EBITDA loss of Rs340m. Management stated that European business will remain profitable in FY25F with a double-digit EBITDA margin while the US business will turn positive from 2HFY25F, led by demand recovery in the global market.
- **India business:** Domestic business witnessed growth across segments except oil & gas. In FY24, Indian operations secured new orders worth Rs13.5bn across automotive & industrial application segments. This includes a mix of existing and new customers across traditional & new products.
- **Defence business:** It garnered a revenue of Rs15.61bn, a 4x jump vs. FY23, with 80% of the defence business revenue now coming from exports. The company secured new orders worth Rs44.94bn across artillery systems, armoured vehicles and consumables. The order book stands at Rs.51.92bn, which is likely to be executed in the next three-to-four years. Management's endeavour is to produce 200-250 guns and ~1,000 vehicles on annual basis to cater to rising global demand.
- **KSSL:** The defence business will move entirely to the 100% owned subsidiary, KSSL, in 2025F. Once KSSL's new facilities are fully commissioned, the licenses get transferred to its physical facilities. This will involve transfer of manpower and customer contracts from Bharat Forge to KSSL. This transaction will not have any impact at the consolidated level but there will be some change in the standalone entity's earnings.
- **Automotive business:** In the commercial vehicle space, the company aims to grow in line with the industry and is likely to see more activity as the general elections in India conclude and capex accelerates. Rising disposable income is likely to keep the overall premiumization trend intact in the passenger vehicle segment to drive growth in the utility vehicle space. At the exports level, North America's Class 8 truck production is likely to remain flat with a moderately negative bias in CY24F and in the passenger vehicle segment, market share gains, increased geographical footprint and value addition continued to drive growth.
- **Industrial segment:** In FY24, the company secured new orders worth Rs.4.60bn. The segment saw its revenue rising by 72% in FY24, driven by supply of components & products for defence applications. Apart from defence, green shoots in private capex of sugar, cement and steel sectors continue to aid demand for the industrials vertical.
- **Other segments:** Oil & gas segment remains a drag at Rs3bn in FY24 revenue. The aerospace segment contributed a revenue of Rs3bn, which is likely to double in the next three years. Management stated that the company has made initial breakthroughs in two new sunrise sectors, which will be ramped up from next year, but will become meaningful contributors from FY27F.
- **Capex:** India operations incurred a capex of Rs8bn while the overseas subsidiaries incurred a capex of about US\$60m in FY24. For the next year, the capex of overseas entities would be US\$65m, which is mainly towards the US aluminum phase-2 and some maintenance capex in Europe. The phase-2 capex in the US is on track. The current utilization rate in the aluminum business in the US is about 50% in Phase 1 and for Europe, it's about 75%. At a consolidated level, capex for the next one year is likely to be in the range of Rs8-10bn.

Figure 1: Standalone results comparison

Y/E Mar 2024 (Rs m)	4QFY24	4QFY23	yoy % chg	3QFY23	qoq % chg	FY24	FY23	yoy % chg	Comments for the quarter
Revenue	23,286	19,973	16.6	22,634	2.9	89,686	1,04,489	(14.2)	3% below with our estimate.
Raw material costs	9,647	8,678	11.2	9,491	1.6	38,301	43,885	(12.7)	
RM costs as a % of revenue	41.4	43.5	(202)	41.9	(50.3)	42.7	42.0	71	
<b>EBITDA</b>	<b>6,592</b>	<b>4,879</b>	<b>35.1</b>	<b>6,632</b>	<b>(0.6)</b>	<b>24,778</b>	<b>28,421</b>	<b>(12.8)</b>	<b>4% above our estimate.</b>
EBITDA margin %	28.3	24.4	388	29.3	(99)	27.6	27.2	43	182bp above our estimate.
Depreciation & amortization	1,079	1,051	2.7	1,124	(4.0)	4,420	4,800	(7.9)	12% below with our estimate.
EBIT	5,512	3,829	44.0	5,507	0.1	20,357	23,621	(13.8)	
Interest expenses	634	658	(3.6)	630	0.6	2,695	2,426	11.1	8% below our estimate.
Other income	382	391	(2.3)	346	10.5	1,623	1,867	(13.0)	40% below our estimate.
Pre-tax profit	5,261	3,562	47.7	5,223	0.7	19,286	23,063	(16.4)	
Tax	1,231	708	73.7	1,266	(2.8)	4,703	5,420	(13.2)	
Tax rate (%)	23.4	19.9	351	24	(84)	24	24	88	148bp above our estimate.
<b>Normalized net profit</b>	<b>4,030</b>	<b>2,854</b>	<b>41.2</b>	<b>3,957</b>	<b>1.8</b>	<b>14,583</b>	<b>17,643</b>	<b>(17.3)</b>	<b>1% above our estimate</b>
Extraordinary income/expenses	(133)	(408)	nm	(179)	nm	(333)	-	nm	
Reported net profit	3,897	2,445	59.4	3,778	3.1	14,250	17,643	(19.2)	
Normalized EPS (Rs)	8.7	6.1	41.2	8.5	1.8	31.3	37.9	(17.3)	

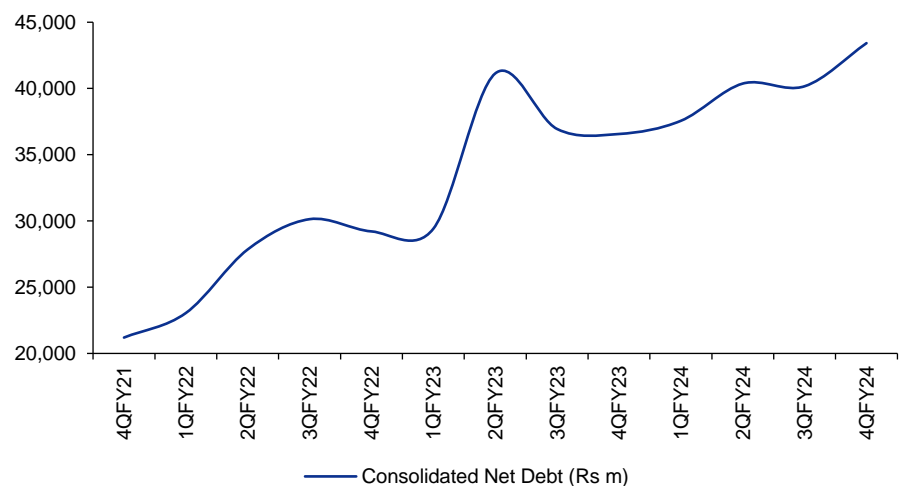
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Standalone EBITDA margin is stable



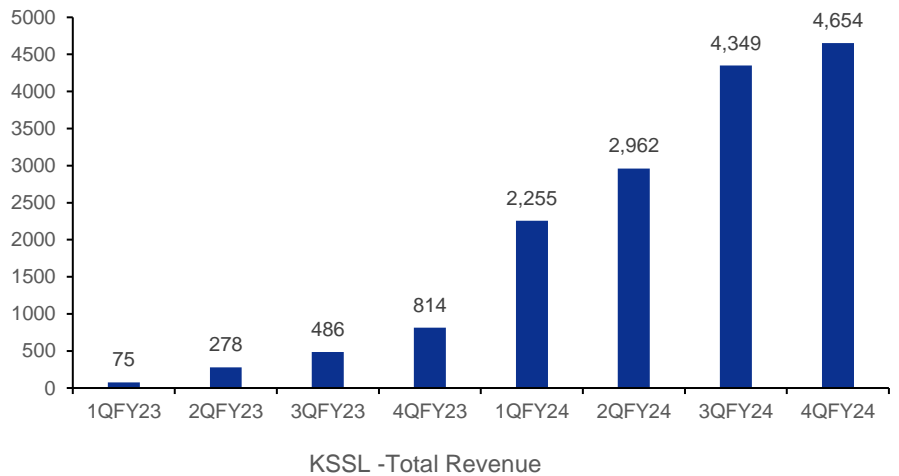
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Net debt remains stable



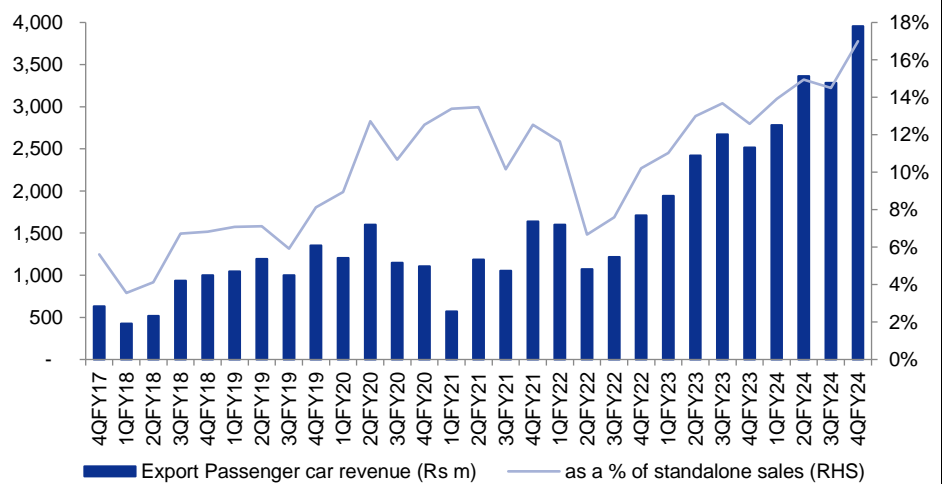
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 4: Significant jump in defence subsidiary KSSL's revenue in recent quarters (Rs m)**



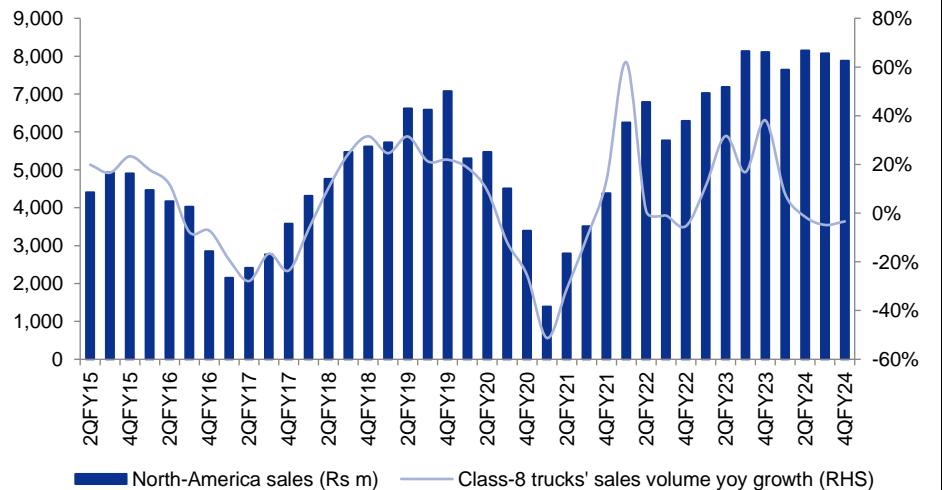
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 5: Bharat Forge's passenger car component exports scale a new high**



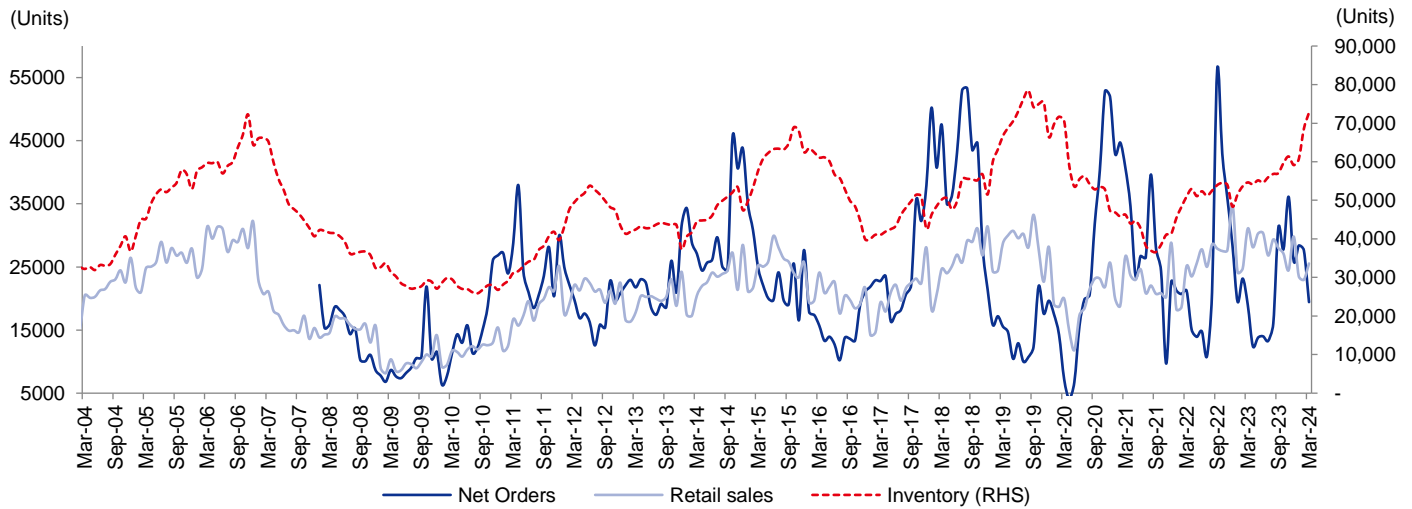
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 6: North America's revenue correlation to Class-8 trucks' volume growth**



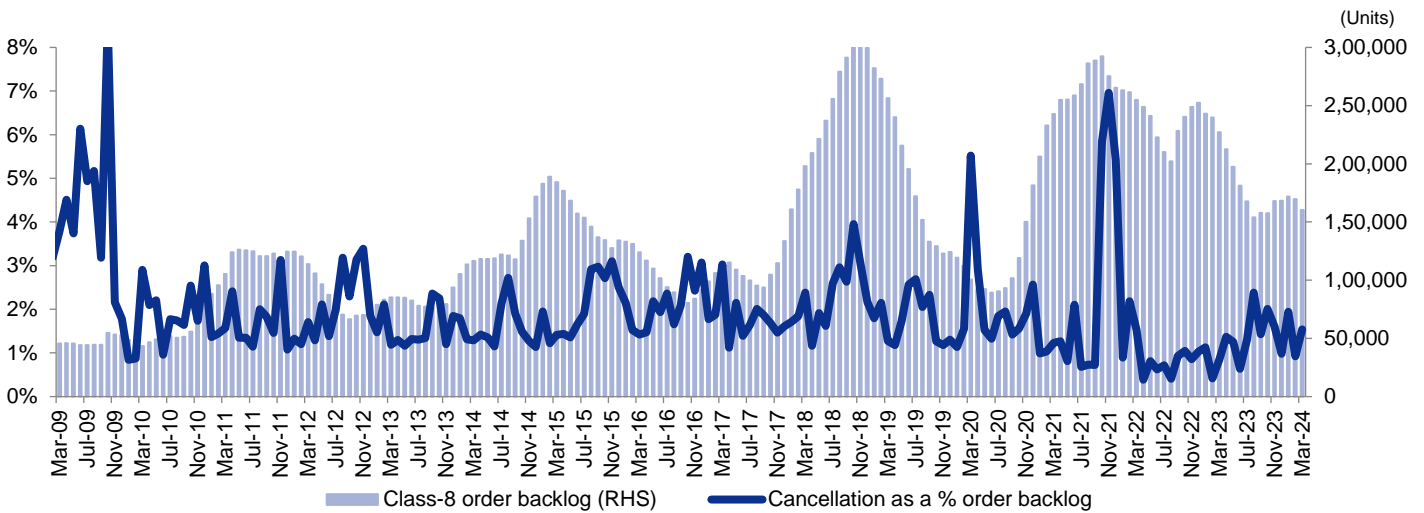
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 7: North America Class-8 truck net orders rose during the quarter, but the gradual inventory build-up is an area of concern**



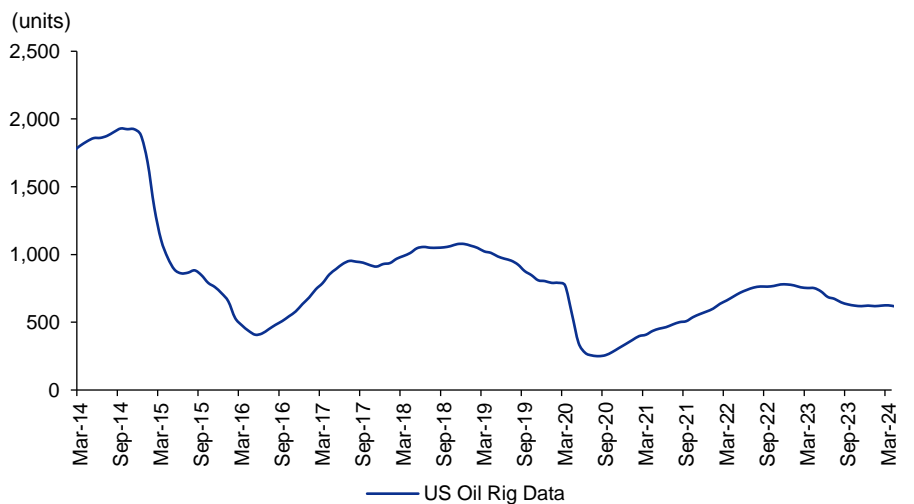
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 8: North America Class-8 truck order backlog is healthy, but cancellations rise marginally**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 9: US oil rig count flattens**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 10: Revenue by segment (Rs m)**

	4QFY24	4QFY23	% yoy	3QFY24	% qoq	FY24	FY23	%yoy
<b>India Revenue</b>	<b>10,798</b>	<b>8,170</b>	<b>32.2%</b>	<b>10,499</b>	<b>2.8%</b>	<b>40,403</b>	<b>31,121</b>	<b>29.8%</b>
Commercial vehicle	2,421	2,854	-15.2%	2,583	-6.3%	10,341	10,140	2.0%
Industrial	7,591	4,499	68.7%	7,146	6.2%	27,065	17,468	54.9%
Passenger car	786	817	-3.8%	770	2.1%	2,997	3,513	-14.7%
<b>International Revenue</b>	<b>12,488</b>	<b>11,803</b>	<b>5.8%</b>	<b>12,134</b>	<b>2.9%</b>	<b>49,283</b>	<b>44,605</b>	<b>10.5%</b>
Commercial vehicle	5,264	5,046	4.3%	5,245	0.4%	21,134	19,267	9.7%
Industrial	3,266	4,241	-23.0%	3,607	-9.5%	15,454	15,786	-2.1%
Passenger car	3,958	2,516	57.3%	3,282	20.6%	12,694	9,552	32.9%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 11: Wholly-owned subsidiaries' qoq turnaround provides comfort**

(Rs m)	4QFY24	4QFY23	% yoy	3QFY24	% qoq	FY24	FY23	% yoy
Total Income	13,672	12,099	13.0%	13,099	4.4%	42,785	40,641	26.7%
EBITDA	332	-489	na	218	52.3%	-961	3,947	na
margin %	2.4%	-4.0%	na	1.7%	na	-2.2%	9.7%	na
PBT	-539	-1,341	na	-1,100	na	-4,233	793	na
margin %	-3.9%	-11.1%	na	-8.4%	na	-9.9%	2.0%	na

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 12: Consolidated entity's earnings revision summary**

	FY25F		FY26F	
	Old	New	Old	New
Net Sales (Rs m)	1,80,635	1,84,469	2,02,188	2,11,587
Change (%)		2.1%		4.6%
EBITDA (Rs m)	28,540	30,806	32,957	34,700
Change (%)		7.9%		5.3%
Normalized PAT (Rs m)	12,746	13,657	15,564	16,581
Change (%)		7.1%		6.5%
Normalized EPS(Rs)	27.4	29.3	33.4	35.6
Change (%)		7.1%		6.5%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 13: Standalone entity's EPS revision summary**

	FY25F		FY26F	
	Old	New	Old	New
Net Sales (Rs m)	1,03,692	1,04,489	1,16,926	1,19,374
Change (%)		0.8%		2.1%
EBITDA (Rs m)	27,582	28,421	31,219	32,350
Change (%)		3.0%		3.6%
Normalized PAT (Rs m)	17,174	17,643	20,156	20,865
Change (%)		2.7%		3.5%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

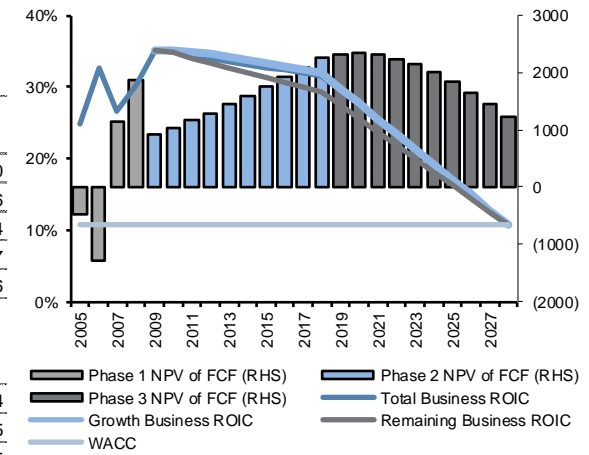
Figure 14: Discounted cash flow or DCF-based valuation

Economic Profit Valuation			Discounted Cash Flow Valuation		
	Rs m	%		Rs m	%
Adjusted Opening Invested Capital	1,20,584	15.4	Value of Phase 1: Explicit (2025 to 2027)	956	0.1
NPV of Economic Profit During Explicit Period	15,769	2.0	Value of Phase 2: Value Driver (2028 to 2038)	3,90,512	49.9
NPV of Econ Profit of Remaining Business (1, 2)	30,962	4.0	Value of Phase 3: Fade (2039 to 2049)	3,24,162	41.4
NPV of Econ Profit of Net Inv (Grth Business) (1, 3)	6,15,420	78.6	Terminal Value	67,094	8.6
Enterprise Value	7,82,735	100.0	Enterprise Value	7,82,724	100.0
Plus: Other Assets	0	0.0	FCF Grth Rate at end of Phs 1 implied by DCF Valuat	0	10.4
Less: Minorities	36	0.0	FCF Grth Rate at end of Phs 1 implied by Current Pric	0	10.3
Less: Net Debt (as at 09 May 2024)	39,832	5.1			
Equity Value	7,42,867	94.9			
No. Shares (millions)	466				
<b>Per Share Equity Value</b>	<b>Rs. 1,595</b>				

Sensitivity Table		No of Years in Fade Period				
		6	9	11	13	16
WACC	9.1%	1643	1901	2076	2253	2520
	10.1%	1460	1674	1818	1961	2176
	11.1%	1299	1477	1595	1712	1884
	12.1%	1157	1306	1403	1498	1637
	13.1%	1032	1157	1237	1315	1426

Performance Summary		Phase 2 Avg			
	2025	2026	2027	(2028 - 2038)	
Invested Capital Growth (%)	25.3	11.1	12.1	9.4	
Operating Margin (%)	13.2	13.2	13.6	12.5	
Capital Turnover (x)	1.7	1.5	1.6	1.5	

Returns, WACC and NPV of Free Cash Flow

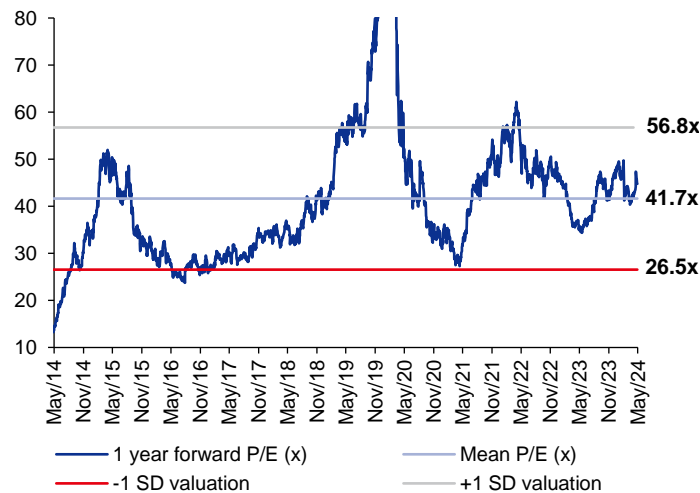


Note:

1. In periods following the Explicit Period i.e. Phase 2 and Phase 3
2. Remaining Business is defined as Capital as at the end of Phase 1 and capex = depreciation thereafter
3. Net Investment is defined as capex over and above depreciation after Phase 1

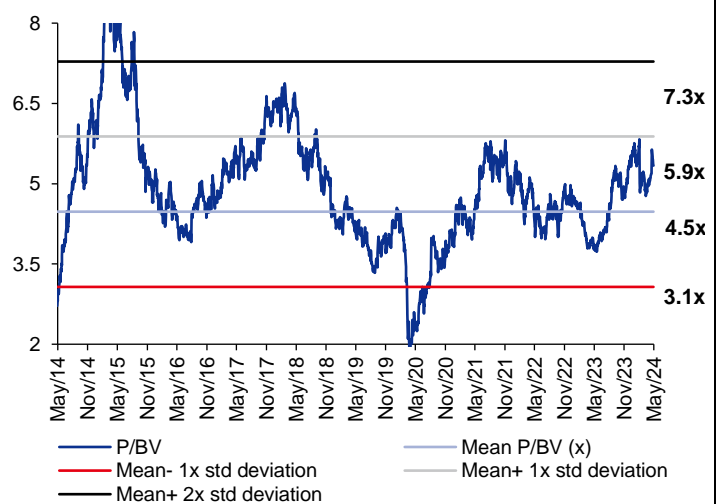
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 15: Forward P/E valuation below +1 SD



SOURCE: INCRED RESEARCH, COMPANY REPORTS

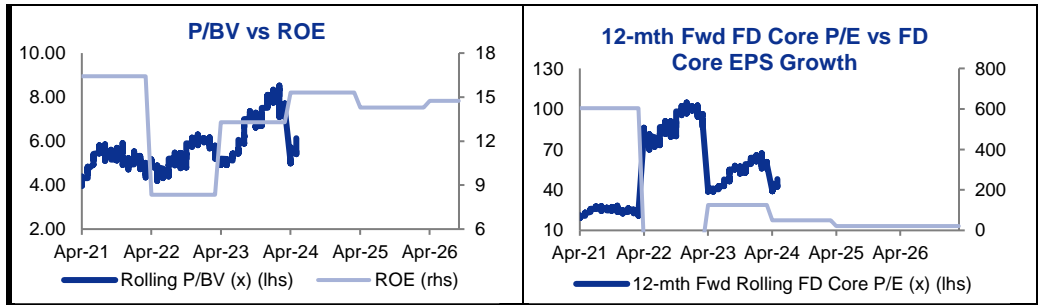
Figure 16: Forward P/BV valuation below +1x SD



SOURCE: INCRED RESEARCH, COMPANY REPORTS



BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
<b>Total Net Revenues</b>	<b>129,103</b>	<b>156,821</b>	<b>184,469</b>	<b>211,587</b>	<b>243,415</b>
<b>Gross Profit</b>	<b>31,911</b>	<b>42,853</b>	<b>50,176</b>	<b>56,705</b>	<b>65,235</b>
<b>Operating EBITDA</b>	<b>17,675</b>	<b>25,579</b>	<b>30,806</b>	<b>34,700</b>	<b>39,920</b>
Depreciation And Amortisation	(7,356)	(8,482)	(8,900)	(9,124)	(9,448)
<b>Operating EBIT</b>	<b>10,319</b>	<b>17,097</b>	<b>21,907</b>	<b>25,576</b>	<b>30,472</b>
Financial Income/(Expense)	(2,986)	(4,912)	(3,746)	(2,662)	(2,353)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	1,729	2,274	2,517	2,435	2,709
<b>Profit Before Tax (pre-EI)</b>	<b>9,062</b>	<b>14,460</b>	<b>20,678</b>	<b>25,349</b>	<b>30,829</b>
Exceptional Items	(1,505)	(123)			
<b>Pre-tax Profit</b>	<b>7,557</b>	<b>14,336</b>	<b>20,678</b>	<b>25,349</b>	<b>30,829</b>
Taxation	(3,186)	(5,288)	(7,030)	(8,619)	(10,482)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>4,371</b>	<b>9,048</b>	<b>13,647</b>	<b>16,731</b>	<b>20,347</b>
Minority Interests	(334)	53	10	(150)	(150)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>4,037</b>	<b>9,101</b>	<b>13,657</b>	<b>16,581</b>	<b>20,197</b>
Recurring Net Profit	4,907	9,179	13,657	16,581	20,197
<b>Fully Diluted Recurring Net Profit</b>	<b>4,907</b>	<b>9,179</b>	<b>13,657</b>	<b>16,581</b>	<b>20,197</b>

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
<b>EBITDA</b>	<b>17,675</b>	<b>25,579</b>	<b>30,806</b>	<b>34,700</b>	<b>39,920</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(8,210)	(572)	(13,779)	(4,040)	(8,894)
(Incr)/Decr in Total Provisions	8,833	(6,052)	(6,592)	(2,000)	(1,800)
Other Non-Cash (Income)/Expense	(1,060)	(619)	3,692	2,097	1,250
Other Operating Cashflow	(1,505)	(123)			
Net Interest (Paid)/Received	(1,258)	(2,637)	(1,229)	(227)	356
Tax Paid	(3,952)	(5,691)	(5,169)	(5,070)	(6,166)
<b>Cashflow From Operations</b>	<b>10,523</b>	<b>9,884</b>	<b>7,729</b>	<b>25,460</b>	<b>24,666</b>
Capex	(13,581)	(12,862)	(16,800)	(18,600)	(17,600)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(296)	7,803	24,646	3,659	3,736
<b>Cash Flow From Investing</b>	<b>(13,877)</b>	<b>(5,060)</b>	<b>7,846</b>	<b>(14,941)</b>	<b>(13,864)</b>
Debt Raised/(repaid)	11,978	6,697	(11,725)	(7,750)	(7,250)
Proceeds From Issue Of Shares	(534)	(356)			
Shares Repurchased					
Dividends Paid	(3,725)	(4,656)	(5,122)	(5,122)	(5,122)
Preferred Dividends					
Other Financing Cashflow		(5)			
<b>Cash Flow From Financing</b>	<b>7,718</b>	<b>1,680</b>	<b>(16,847)</b>	<b>(12,872)</b>	<b>(12,372)</b>
Total Cash Generated	4,365	6,504	(1,272)	(2,353)	(1,569)
<b>Free Cashflow To Equity</b>	<b>8,625</b>	<b>11,522</b>	<b>3,850</b>	<b>2,769</b>	<b>3,553</b>
<b>Free Cashflow To Firm</b>	<b>(367)</b>	<b>9,736</b>	<b>19,321</b>	<b>13,180</b>	<b>13,155</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS



BY THE NUMBERS...cont'd

<b>Balance Sheet</b>					
<b>(Rs mn)</b>	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
Total Cash And Equivalents	10,395	16,899	15,627	13,274	11,704
Total Debtors	30,988	31,769	41,442	46,375	53,351
Inventories	31,263	32,161	41,442	46,375	53,351
Total Other Current Assets	15,392	19,514	21,000	23,000	24,800
<b>Total Current Assets</b>	<b>88,038</b>	<b>100,344</b>	<b>119,512</b>	<b>129,024</b>	<b>143,207</b>
Fixed Assets	65,666	70,046	77,947	87,423	95,575
Total Investments	25,688	18,490	18,490	18,490	18,490
Intangible Assets	2,955	2,960	2,960	2,960	2,960
Total Other Non-Current Assets					
<b>Total Non-current Assets</b>	<b>94,309</b>	<b>91,496</b>	<b>99,396</b>	<b>108,872</b>	<b>117,024</b>
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	21,513	22,621	27,797	33,622	38,680
Other Current Liabilities	21,923	18,999	13,000	13,000	13,000
<b>Total Current Liabilities</b>	<b>43,436</b>	<b>41,620</b>	<b>40,797</b>	<b>46,622</b>	<b>51,680</b>
Total Long-term Debt	68,523	75,221	63,496	55,746	48,496
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
<b>Total Non-current Liabilities</b>	<b>68,523</b>	<b>75,221</b>	<b>63,496</b>	<b>55,746</b>	<b>48,496</b>
Total Provisions	2,971	3,346	7,930	10,027	11,278
<b>Total Liabilities</b>	<b>114,931</b>	<b>120,186</b>	<b>112,223</b>	<b>112,395</b>	<b>111,453</b>
Shareholders Equity	67,055	71,702	106,744	125,410	148,537
Minority Interests	361	(49)	(59)	91	241
<b>Total Equity</b>	<b>67,416</b>	<b>71,653</b>	<b>106,685</b>	<b>125,501</b>	<b>148,779</b>

<b>Key Ratios</b>					
	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
Revenue Growth	23.4%	21.5%	17.6%	14.7%	15.0%
Operating EBITDA Growth	(12.3%)	44.7%	20.4%	12.6%	15.0%
Operating EBITDA Margin	13.7%	16.3%	16.7%	16.4%	16.4%
Net Cash Per Share (Rs)	(124.83)	(125.25)	(102.80)	(91.21)	(79.01)
BVPS (Rs)	144.00	153.98	229.24	269.32	318.99
Gross Interest Cover	3.46	3.48	5.85	9.61	12.95
Effective Tax Rate	42.2%	36.9%	34.0%	34.0%	34.0%
Net Dividend Payout Ratio	67.2%	50.5%	37.5%	30.9%	25.4%
Accounts Receivables Days	74.53	73.03	72.43	75.75	74.77
Inventory Days	109.60	101.56	100.02	103.48	102.14
Accounts Payables Days	71.03	70.67	68.52	72.37	74.05
ROIC (%)	7.3%	11.1%	12.8%	11.9%	12.8%
ROCE (%)	7.9%	12.1%	13.7%	14.2%	15.6%
Return On Average Assets	4.7%	6.7%	7.9%	8.1%	8.8%

<b>Key Drivers</b>					
	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
ASP (% chg, main prod./serv.)	10.5%	7.1%	5.9%	6.4%	14.4%
Unit sales grth (% , main prod./serv.)	9.5%	10.6%	10.0%	7.3%	N/A

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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