



India

ADD (no change)

Consensus ratings*: Buy 29 Hold 7 Sell 8

Current price:	Rs227
Target price:	Rs260
Previous target:	Rs208
Up/downside:	14.5%
InCred Research / Consensus:	14.0%
Reuters:	ASOK.NS
Bloomberg:	AL IN
Market cap:	US\$8,008m
	Rs666,106m
Average daily turnover:	US\$40.0m
	Rs3326.2m
Current shares o/s:	2,935.5m
Free float:	48.5%

*Source: Bloomberg

Key changes in this note

- FY25F-26F sales cut by 2-3%.
- FY25F-26F EBITDA upgrade by 5-10%.
- FY25F-26F EPS upgrade by 10-15%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	22.6	34.0	55.9
Relative (%)	21.8	29.2	30.3

Major shareholders	% held
Hinduja Family	51.5
SBI Mutual Fund	1.5
HDFC LIFE INSURANCE	1.5

Research Analyst(s)

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Ashok Leyland

Margin performance improves credibility

- Strong EBITDA margin performance in 2HFY24 at 12+%, despite weak volume momentum, is impressive. The near-zero net debt level provides comfort.
- With the CV sector’s growth expected to recover after mid-cycle consolidation, management’s credibility to deliver a mid-teen EBITDA margin improves.
- Raise our FY25F-26F EPS by 10-15% and reiterate ADD rating on the stock as the P/E and EV/EBITDA valuations provide comfort.

Strong EBITDA margin expansion trend is impressive

Ashok Leyland’s 4QFY24 EBITDA growth of 43% qoq and 25% yoy to Rs16bn is a big beat to our estimate (14%) and Bloomberg consensus estimate (8%). The EBITDA margin grew by 316bp yoy and 212bp qoq to 14.1%. Lower raw material and employee costs led to a 153bp beat in the EBITDA margin. Lower interest costs (-4% qoq) and a spike in other income (+203% yoy) led to a 40% yoy rise in normalized PAT to Rs9.7bn. Dividend per share or DPS of Rs4.95 and net debt of Rs890m are better than expected.

Management gives guidance on CV industry volume growth in FY25F

Management indicated that the commercial vehicle or CV industry started on a good note in Apr-May 2024 and it expects a healthy growth in FY25F. With the appointment of new dealers in North India and the launch of six new small trucks, the company plans to reverse the market share loss witnessed in FY24 (Fig. 5). Management gave guidance of Rs7bn capex for FY25F. The electric vehicle or EV arm, Switch, is achieving EBIDA breakeven in India while the UK operations are loss-making. Value creation has been planned for a subsidiary - Hinduja Housing Finance.

Upgrade FY25F-26F EBITDA by 5-10%

We reiterate our large truck demand recovery forecast for FY25F-26F after a mid-cycle consolidation in FY24 (Fig. 7), as per the past demand cycle behaviour. The good start to volume in Apr 2024 and management’s guidance provide confidence. With strong EBITDA margin performance in 2HFY24, the credibility of management guidance of a mid-teen EBITDA margin improves. We raise EBITDA margin by 100bp for FY25F-26F, leading to a 5-10% EBITDA upgrade. With easing interest costs, we raise FY25F-26F PAT by 10-15%.

P/E and EV/EBITDA valuations are comfortable

After a nearly one-year stock price consolidation, the spike of 20+% in recent months, we feel, is a confirmation of the start of CV demand upcycle. With the one-year forward P/E and EV/EBITDA valuations below the 10-year mean level, we reiterate our ADD rating on the stock, rolling forward our discounted cash flow or DCF-based target price to Rs260 from Rs208 earlier. The key trigger is the new government at the Centre likely to come out with a policy that favours strong CV demand recovery, and also market share gains from new product launches. Key downside risk is rising commodity costs hurting the profitability.

Financial Summary

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	361,442	383,670	439,611	513,757	591,040
Operating EBITDA (Rsm)	29,307	46,065	54,168	61,592	73,911
Net Profit (Rsm)	13,801	26,178	30,803	35,336	43,665
Core EPS (Rs)	4.4	9.2	10.5	12.0	14.9
Core EPS Growth	1,486.9%	109.3%	13.6%	14.7%	23.6%
FD Core P/E (x)	51.37	24.54	21.60	18.83	15.24
DPS (Rs)	2.6	4.9	5.8	6.5	8.0
Dividend Yield	1.15%	2.18%	2.56%	2.87%	3.53%
EV/EBITDA (x)	21.35	13.26	11.11	9.56	7.92
P/FCFE (x)	305.75	15.16	41.07	35.09	41.64
Net Gearing	31.8%	1.0%	(1.3%)	(4.4%)	(1.9%)
P/BV (x)	7.90	7.55	6.53	5.63	4.81
ROE	16.4%	31.5%	32.4%	32.1%	34.1%
% Change In Core EPS Estimates			9.97%	15.37%	
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Margin performance improves credibility

Management conference-call highlights ►

- **Industry outlook:** Management remains optimistic on the CV industry's growth in FY25F, as seen by the 10% yoy volume growth in Apr 2024, supported by strong macroeconomic indicators, stable policies and replacement demand. Around 70% of the vehicles on the road are from the BS4 era and are likely to get converted into BS6. The aging of the fleet has been the highest, as the average truck age is ~10 years now vs. 7-8 years historically, indicating strong replacement demand.
- **Financial performance and target:** The EBITDA margin for the quarter expanded by ~200bp qoq led by lower raw material prices and a rich product mix. The medium-term goal is to achieve mid-teen EBITDA margin on an annual basis. This target will be supported by operating leverage, cost management, efficiency improvement, pricing discipline, and favourable commodity prices.
- **Light commercial vehicles or LCVs:** In the 2.0-to-3.5t (small commercial vehicle) SCV segment, Ashok Leyland is now the second-largest player with a market share of +20%. Management has planned six new product launches in this segment in FY25F to cater to 70-80% of the addressable LCV market.
- **Intermediate commercial vehicle or ICVs:** In 4Q, the company delivered its first-ever electric ICV. Further, its 55-t electric tractor trailer is ready and the first unit will be delivered in the next few months.
- **Electric vehicles:** Delivered its first eLCV in the market in Mar 2024 and is receiving orders from e-commerce and logistics companies. In the next few months, it shall launch its second offering in the eLCV space, IEV-3, which will be a smaller variant.
- **Buses:** Ashok Leyland has increased its market share by 5.0-5.5% in FY24, with an improvement in margins. Switch Mobility achieved operating profit in 4QFY24. The company aims to post a net profit in the coming years. Currently, it has orders for 1,500 buses and is preparing to supply 950 electric buses to Delhi and 320 buses to Bengaluru. It is also managing electric bus operations in Ahmedabad, Bihar and Chandigarh. The development of its e-one electric bus for Europe and the Middle East is in an advanced stage.
- **Capex:** Gave capex guidance of Rs5-7bn for FY25F vs. Rs5bn in FY24. Further, it has given guidance on investments in Switch and OHM, but these are likely to remain lower than the FY24 investment of Rs15bn. Switch EU has been under pressure because of weakness in the EU market.
- **Defence orders:** In FY24, the revenue grew by 2x to reach close to the targeted revenue of Rs10bn. The order pipeline and visibility for the next couple of years is very strong and the target is to achieve higher revenue in FY25F and FY26F.
- **Hinduja Leyland Finance or HLF:** The reverse merger process is back on track and may take a couple of quarters more. The total assets under management or AUM of HLF is Rs380bn and in Hinduja Housing Finance it is Rs110bn. GNPA's are about ~4.5x and NNPA's are ~2.23x. The HLF portfolio is well diversified across 2W/3W/OH/low-ticket properties, with the CV share now at 30%
- **Others:**
 - Dedicated Freight Corridor: This has not yet played out fully. So far there has not been a major impact on CV demand.
 - The tax rate is expected to be lower in FY25F vs. 31% in FY24.

Figure 1: Quarterly results comparison

Y/E Mar (Rs m)	4QFY24	4QFY23	yoy % chg	3QFY24	qoq % chg	FY24	FY23	yoy % chg	Comments
Revenue	1,12,667	1,16,257	(3.1)	92,730	21.5	2,71,003	2,45,185	10.5	2% above our estimate.
Operating costs	80,906	87,887	(7.9)	66,977	20.8	1,98,214	1,90,605	4.0	
RM costs as a % of revenue	71.8	75.6	(379)	72	(42)	73.1	77.7	(460)	119bp below our estimate.
EBITDA	15,921.1	12,757.4	25	11,139	43	30,144.7	16,549.5	na	14% above our estimate.
EBITDA margin (%)	14.1	11.0	315.8	12.0	212	11.1	6.7	437.4	153bp above our estimate.
Depreciation & amortization	1,797	1,838	(2.2)	1,784	0.7	5,381	5,481	(1.8)	
EBIT	14,124	10,919	29.4	9,355	51.0	24,764	11,068	124	
Interest expenses	592	628	(5.6)	616	(3.9)	1,902	2,263	(16.0)	1% below our estimate.
Other income	1,179	389	202.9	300	292.6	1,276	772	65.3	195% above our estimate.
Pre-tax profit	14,711	10,681	37.7	9,039	62.7	24,138	9,577	152.0	
Tax	5,010	3,731	34.3	3,232	55.0	8,453	3,533	139.3	
Tax rate (%)	34.1	34.9	(87.4)	35.8	(170)	35.0	36.9	(187)	
Normalized net profit	9,701	6,950	39.6	5,807	67	15,685	6,044	160	25% above our estimate.
Extraordinary income/expenses	(697)	564	(223.4)	(6)	11,706.8	1,479	243	na	-
Reported net profit	9,004	7,514	19.8	5,801	55.2	17,165	6,287	173	
Normalized EPS (Rs)	3.3	2.4	39.5	2.0	67.1	5.8	2.1	173	
Volume (nos)	56,269	59,697	19.8	47,241	55.2	1,38,416	1,32,508	4.5	
Net realization (Rs)	20,02,291	19,47,446	(5.7)	19,62,916	2.0	19,57,891	18,50,338	5.8	2% above our estimate.
EBITDA/vehicle	2,82,946	2,13,703	2.8	2,35,797	20.0	2,17,783	1,24,894	74.4	

SOURCE: INCRED RESEARCH, COMPANY REPORTS

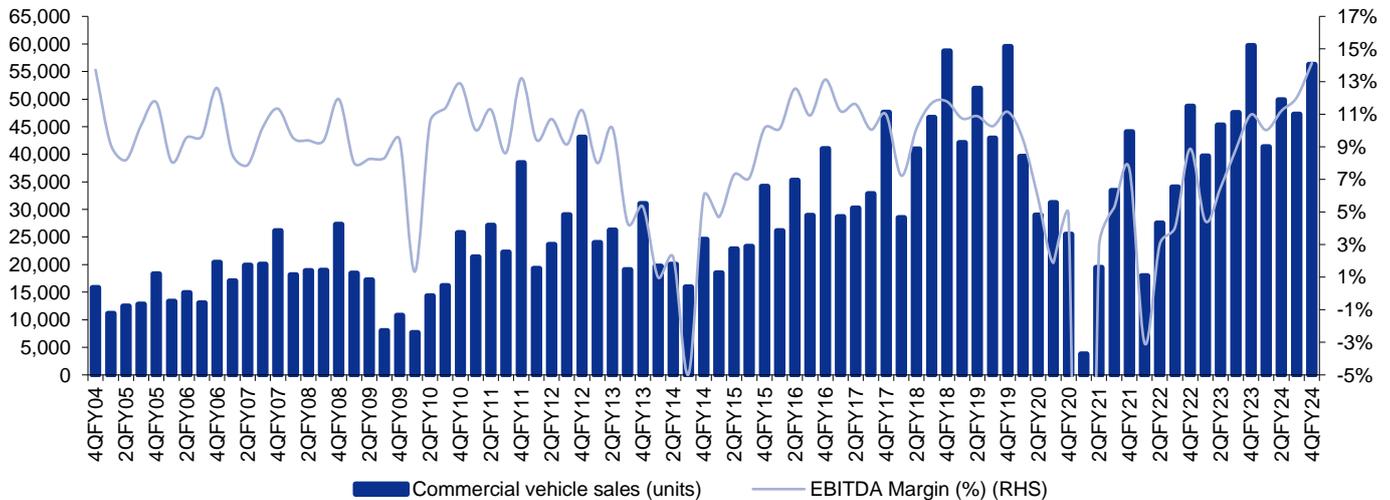
MHCV passenger industry grew by ~37% while the domestic MHCV goods industry declined by ~13% in 4QFY24.

Figure 2: Ashok Leyland's total sales volume break-up

Segment (domestic)	4QFY24	4QFY23	yoy %	2QFY24	qoq %	FY24	FY23	yoy %
Passenger Carrier M&HCVs	6,870	3,981	73%	3,844	79%	21,112	11,755	80%
Goods Carrier M&HCVs	27,846	33,830	-18%	23,406	19%	1,02,553	1,12,082	-9%
Passenger Carrier LCVs	132	565	-77%	132	0%	990	1,217	-19%
Goods Carrier LCVs	17,819	18,275	-2%	16,731	7%	66,731	67,887	-2%
Total Exports	3,602	3,046	18%	3,128	15%	12,327	11,399	8%
Total Sales volume	56,269	59,697	-6%	47,241	19%	2,03,713	2,04,340	0%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

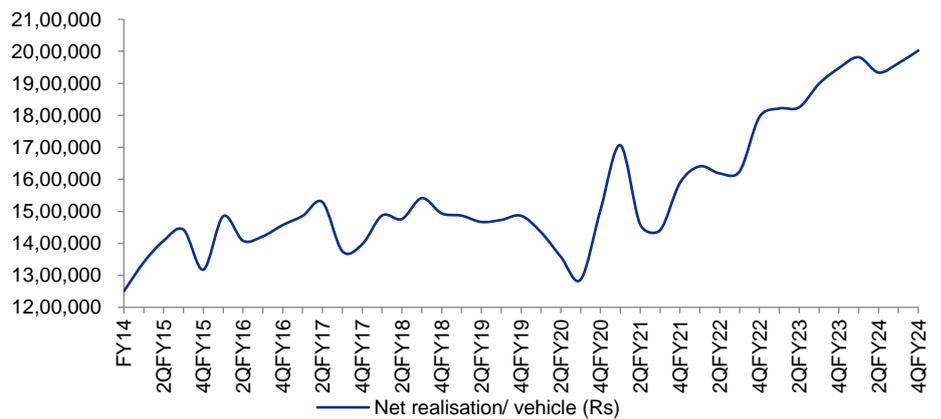
Figure 3: The EBITDA margin continues its gradual uptick to double digits



SOURCE: INCRED RESEARCH, COMPANY REPORTS

As per management, commodity prices, like that of steel, are expected to remain largely stable in the near term.

Figure 4: Healthy pricing environment aids sustained ASP improvement



SOURCE: INCRED RESEARCH, COMPANY REPORTS

In the >16t segment, the company lost market share as its volume declined while that of the industry remained flat, except the 16-25t segment which grew by 37%.

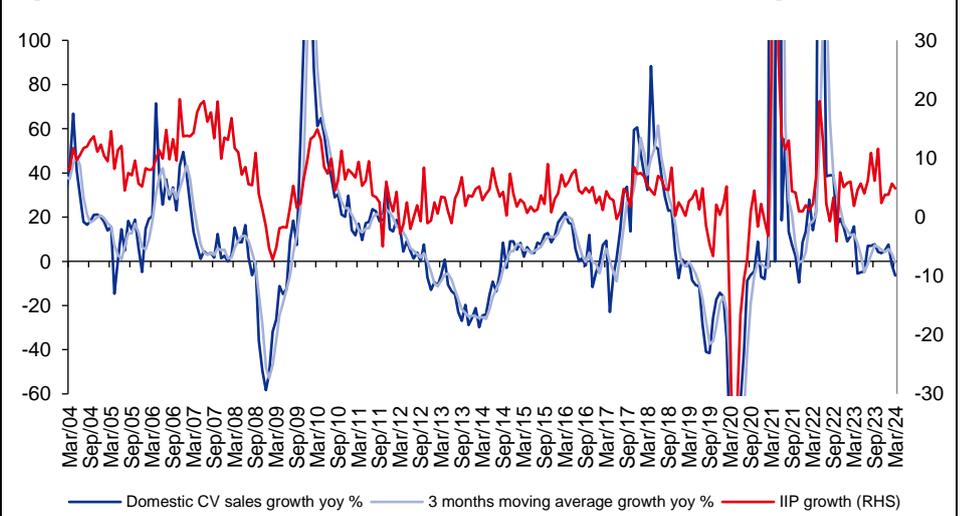
Figure 5: Ashok Leyland's market share trend tonnage wise

Ashok Leyland's M&HCVs - Goods Carriers (in units)				Ashok leyland's Market share trend		
Tonnage wise	FY23	FY24	yoy %	FY23	FY24	Chg (bp)
7.5-12t	3,663	5,642	54%	10%	15%	460
12-16t	12,059	7,251	-40%	29%	39%	937
16-25t	5,370	2,619	-51%	11%	4%	-686
25-32t	18,605	18,252	-2%	42%	42%	-34
> 32t	52,450	45,898	-12%	35%	31%	-464
Total	92,147	79,662	-14%	29%	25%	-385

SOURCE: SOCIETY OF AUTOMOTIVE MANUFACTURES (SIAM), INCRED RESEARCH

In the <16t segment, the company performed better than the industry and hence, gained market share.

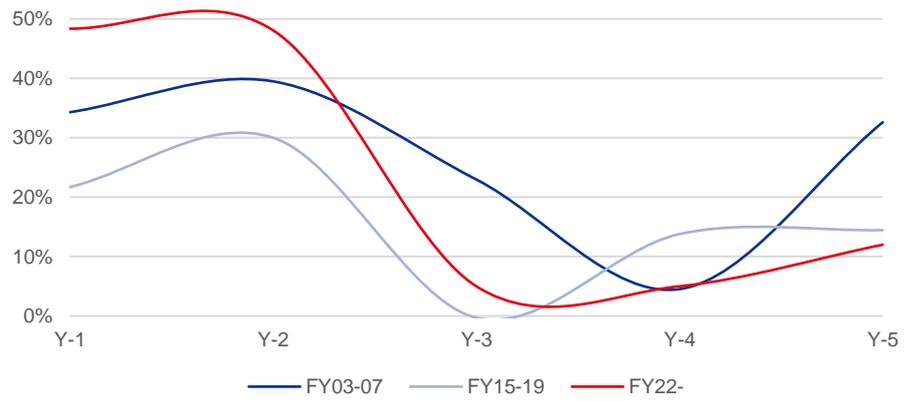
Figure 6: Commercial vehicle and Index of Industrial Production or IIP growth trends



SOURCE: CMIE, SIAM, INCRED RESEARCH

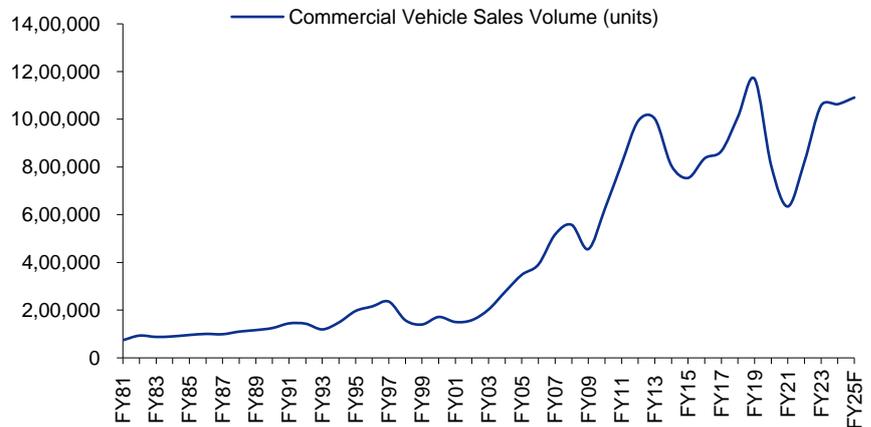
Management remains optimistic on the domestic CV industry's growth outlook, backed by a strong macroeconomic environment, healthy replacement demand (specifically in the passenger vehicle segment), good traction in infrastructure projects, vehicle scrappage policy and stable freight demand.

Figure 7: MHCV is in a mid-cycle year consolidation, ready to recover



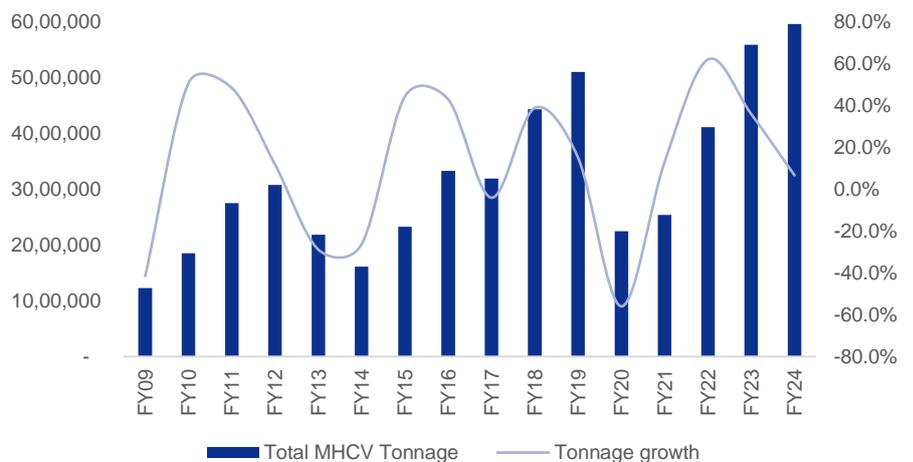
SOURCE: SIAM, INCRED RESEARCH

Figure 8: Long-term domestic CV sales trend (units)



SOURCE: SIAM, INCRED RESEARCH

Figure 9: Tonnage addition is just 17% above the last peak



SOURCE: SIAM, INCRED RESEARCH

Figure 10: EPS revision summary

	FY25F		FY26F	
	Old	New	Old	New
Sales volume (nos)	2,19,991	2,14,607	2,47,534	2,50,607
Change (%)		-2.4%		1.2%
Net sales (Rsm)	4,53,327	4,39,611	5,21,681	5,13,757
Change (%)		-3.0%		-1.5%
EBITDA (Rsm)	51,403	54,168	56,248	61,592
Change (%)		5.4%		9.5%
EBITDA margin %	11.3%	12.3%	10.8%	12.0%
bp change		98.3		120.6
Normalized PAT (Rsm)	28,010	30,803	30,628	35,336
Change (%)		10.0%		15.4%
Normalized EPS (Rs.)	9.54	10.49	10.43	12.04
Change (%)		10.0%		15.4%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 11: Key assumptions

Sales Volume (nos)	FY22A	FY23A	FY24F	FY25F	FY26F	FY27F
Domestic M&HCV trucks	61,303	1,03,480	98,111	1,05,960	1,19,205	1,31,125
Growth (%)	41.5	68.8	(5.2)	8.0	12.5	10.0
Domestic M&HCV buses	3,788	10,767	18,086	21,341	24,543	26,506
Growth (%)	39.1	184.2	68.0	18.0	15.0	8.0
Light commercial vehicles	52,223	65,654	66,633	72,630	90,787	1,08,945
Growth (%)	11.9	25.7	1.5	9.0	25.0	20.0
Total domestic sales volume	1,17,314	1,79,901	1,82,830	1,99,931	2,34,535	2,66,576
Growth (%)	26.5	53.3	1.6	9.4	17.3	13.7
Total export sales	11,019	10,991	11,853	14,676	16,072	17,820
Growth (%)	37.7	(0.3)	7.8	23.8	9.5	10.9
Grand Total Sales Volume	1,28,333	1,90,892	1,94,683	2,14,607	2,50,607	2,84,396
Growth (%)	27.4	48.7	2.0	10.2	16.8	13.5
Per Vehicle Assumptions (Rs.)						
ASP	16,90,032	18,93,435	19,70,742	20,48,444	20,50,046	20,78,226
Growth (%)	11.3	12.0	4.1	3.9	0.1	1.4
Contribution	3,83,987	4,34,539	5,37,026	5,61,309	5,38,516	5,62,880
Growth (%)	(0.8)	13.2	23.6	4.5	(4.1)	4.5
EBITDA/ vehicle	81,441	1,53,527	2,36,618	2,52,407	2,45,770	2,59,887
Growth (%)	53.3	88.5	54.1	6.7	(2.6)	5.7
Net profit /vehicle	6,361	67,866	1,39,281	1,43,530	1,41,002	1,53,535
Growth (%)	(121.3)	966.9	105.2	3.1	(1.8)	8.9

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 12: Discounted cash flow or DCF-based target price valuation summary

Economic Profit Valuation			Discounted Cash Flow Valuation		
	Rs m	%		Rs m	%
Adjusted Opening Invested Capital	41851.6	6	Value of Phase 1: Explicit (2025 to 2027)	85,547.8	12.1
NPV of Economic Profit During Explicit Period	93130.9	13	Value of Phase 2: Value Driver (2028 to 2038)	4,01,557.5	56.7
	244222.		Value of Phase 3: Fade (2039 to 2049)	1,93,401.4	27.3
NPV of Econ Profit of Remaining Business (1, 2)	0	35	Terminal Value	27,225.4	3.8
	328531.		Enterprise Value	7,07,732.1	100.0
NPV of Econ Profit of Net Inv (Grth Business) (1, 3)	5	46	FCF Grth Rate at end of Phs 1 implied by DCF Valuation		6.8
	707736.		FCF Grth Rate at end of Phs 1 implied by Current Price		6.0
Enterprise Value	1	100			
Plus: Other Assets (key subsidiary value)	0.0	0			
Less: Minorities	0.0	0			
Less: Net Debt (as at 28 May 2024)	54708.2	-8			
	762444.				
Equity Value	3	108			
No. Shares (millions)	2935.5				
Per Share Equity Value (Rs)	260				

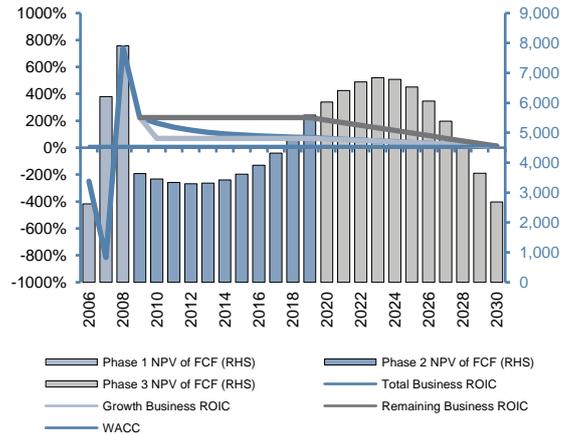
Sensitivity Table		No of Years in Fade Period				
		6	8	11	13	16
WACC	9.4%	268.8	285.8	311.3	328.3	353.7
	10.4%	248.4	262.7	283.8	297.7	318.1
	11.4%	230.1	242.2	259.7	271.1	287.6
	12.4%	213.9	224.0	238.7	248.0	261.4
	13.4%	199.4	207.9	220.1	227.8	238.7

Performance Summary		Phase 2 Avg			
		2025	2026	2027	(2028 - 2038)
Invested Capital Growth (%)		11.8	7.7	35.5	9.8
Operating Margin (%)		11.1	10.8	11.4	12.6
Capital Turnover (x)		11.3	11.8	12.6	8.5

Note:

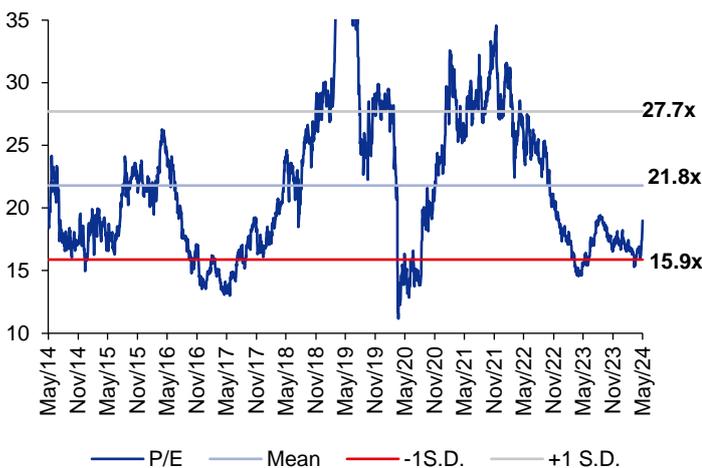
- In periods following the Explicit Period i.e. Phase 2 and Phase 3
- Remaining Business is defined as Capital as at the end of Phase 1 and capex = depreciation thereafter
- Net Investment is defined as capex over and above depreciation after Phase 1

Returns, WACC and NPV of Free Cash Flow



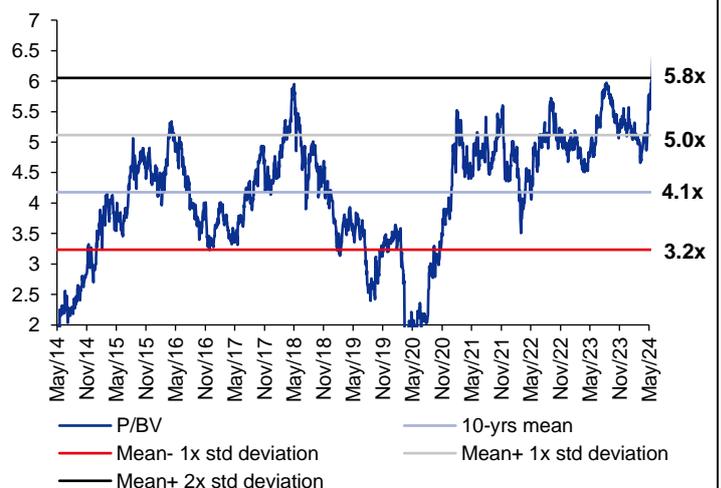
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 13: One-year forward P/E is below the mean level



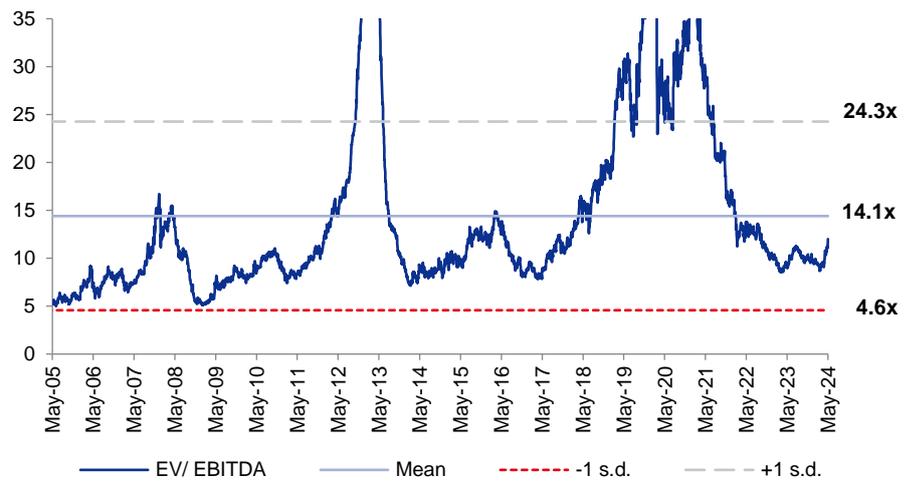
SOURCE: BLOOMBERG, INCRED RESEARCH

Figure 14: One-year forward P/BV is below +2x SD level



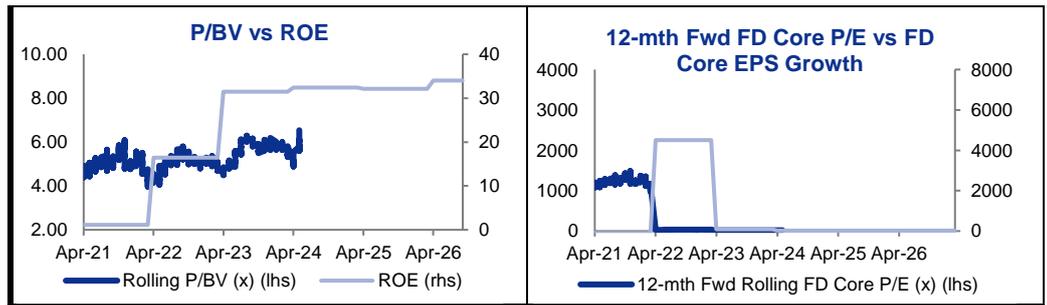
SOURCE: BLOOMBERG, INCRED RESEARCH

Figure 15: Forward EV/EBITDA is still below the 20-year mean



SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Net Revenues	361,442	383,670	439,611	513,757	591,040
Gross Profit	82,950	104,550	120,461	134,956	160,081
Operating EBITDA	29,307	46,065	54,168	61,592	73,911
Depreciation And Amortisation	(7,320)	(7,178)	(7,806)	(8,722)	(9,349)
Operating EBIT	21,988	38,887	46,362	52,870	64,562
Financial Income/(Expense)	(2,891)	(2,494)	(2,330)	(2,180)	(1,480)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	1,161	2,466	2,638	2,849	3,077
Profit Before Tax (pre-EI)	20,258	38,859	46,671	53,540	66,159
Exceptional Items					
Pre-tax Profit	20,258	38,859	46,671	53,540	66,159
Taxation	(7,303)	(11,743)	(15,868)	(18,203)	(22,494)
Exceptional Income - post-tax	846	(937)			
Profit After Tax	13,801	26,178	30,803	35,336	43,665
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	13,801	26,178	30,803	35,336	43,665
Recurring Net Profit	12,955	27,116	30,803	35,336	43,665
Fully Diluted Recurring Net Profit	12,955	27,116	30,803	35,336	43,665

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
EBITDA	29,307	46,065	54,168	61,592	73,911
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(13,511)	(7,933)	11,780	2,626	(8,234)
(Incr)/Decr in Total Provisions	11,790	15,636	(4,628)	3,000	1,550
Other Non-Cash (Income)/Expense	3,592	528			
Other Operating Cashflow	846	(937)			
Net Interest (Paid)/Received	(1,730)	(29)	308	670	1,597
Tax Paid	(5,267)	(12,854)	(12,134)	(13,920)	(17,201)
Cashflow From Operations	25,028	40,476	49,495	53,968	51,623
Capex	(3,827)	(4,394)	(19,559)	(17,722)	(19,349)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(15,754)	4,351	(10,734)	(13,283)	(11,293)
Cash Flow From Investing	(19,581)	(43)	(30,293)	(31,005)	(30,642)
Debt Raised/(repaid)	(3,270)	3,470	(3,000)	(4,000)	(5,000)
Proceeds From Issue Of Shares	1				
Shares Repurchased					
Dividends Paid	(7,634)	(14,535)	(17,031)	(19,086)	(23,490)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(10,903)	(11,064)	(20,031)	(23,086)	(28,490)
Total Cash Generated	(5,457)	29,369	(828)	(123)	(7,509)
Free Cashflow To Equity	2,177	43,903	16,202	18,963	15,981
Free Cashflow To Firm	8,337	42,927	21,533	25,142	22,461

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet					
(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Cash And Equivalents	5,013	34,382	33,554	33,430	25,921
Total Debtors	40,627	35,699	40,950	56,302	71,249
Inventories	27,745	31,907	38,541	46,449	56,675
Total Other Current Assets	20,810	16,339	17,339	18,339	19,339
Total Current Assets	94,194	118,326	130,384	154,520	173,183
Fixed Assets	72,711	74,885	73,947	82,946	92,946
Total Investments	66,636	55,598	62,598	71,598	77,598
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	139,347	130,483	136,544	154,544	170,544
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	71,751	63,052	86,718	112,604	129,543
Other Current Liabilities	22,577	30,380	28,000	30,000	31,500
Total Current Liabilities	94,328	93,432	114,718	142,604	161,043
Total Long-term Debt	31,801	35,271	32,271	28,271	23,271
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	31,801	35,271	32,271	28,271	23,271
Total Provisions	15,421	19,311	18,063	20,063	21,113
Total Liabilities	141,550	148,014	165,052	190,938	205,427
Shareholders Equity	84,258	88,104	101,876	118,126	138,300
Minority Interests					
Total Equity	84,258	88,104	101,876	118,126	138,300

Key Ratios					
	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue Growth	66.6%	6.1%	14.6%	16.9%	15.0%
Operating EBITDA Growth	180.4%	57.2%	17.6%	13.7%	20.0%
Operating EBITDA Margin	8.1%	12.0%	12.3%	12.0%	12.5%
Net Cash Per Share (Rs)	(9.13)	(0.30)	0.44	1.76	0.90
BVPS (Rs)	28.70	30.01	34.70	40.24	47.11
Gross Interest Cover	7.61	15.59	19.90	24.26	43.62
Effective Tax Rate	36.0%	30.2%	34.0%	34.0%	34.0%
Net Dividend Payout Ratio	58.9%	53.6%	55.3%	54.0%	53.8%
Accounts Receivables Days	36.22	36.31	31.82	34.55	39.38
Inventory Days	31.78	39.00	40.28	40.95	43.67
Accounts Payables Days	92.07	88.14	85.64	96.03	102.54
ROIC (%)	25.4%	38.6%	47.5%	63.2%	70.4%
ROCE (%)	19.0%	31.1%	34.5%	36.3%	40.5%
Return On Average Assets	6.8%	11.9%	12.6%	12.8%	13.7%

Key Drivers					
	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
ASP (% chg, main prod./serv.)	12.0%	4.1%	3.9%	0.1%	1.4%
Unit sales grth (% , main prod./serv.)	48.7%	2.0%	10.2%	16.8%	13.5%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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