

India

ADD (no change)

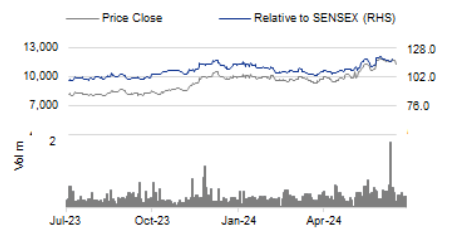
Consensus ratings*: Buy 34 Hold 4 Sell 4

Current price:	Rs11,258
Target price:	Rs12,560 ▲
Previous target:	Rs11,300
Up/downside:	11.6%
InCred Research / Consensus:	11.2%
Reuters:	ULTC.NS
Bloomberg:	UTCEM IN
Market cap:	US\$38,851m Rs3,250,241m
Average daily turnover:	US\$49.4m Rs4130.7m
Current shares o/s:	288.7m
Free float:	39.9%

*Source: Bloomberg

Key changes in this note

- Maintain EBITDA estimates for FY25F-26F.
- Retain ADD rating with a higher target price of Rs12,560.
- Introduce FY27F estimates.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	2.4	20.2	35.2
Relative (%)	(1.9)	9.9	11.8

Major shareholders	% held
Promoter & Promoter Group	57.3
ICICI Pru AMC	1.8
Blackrock Inc	1.8

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UltraTech Cement Ltd

Broadly in-line 1Q operational performance

- 1QFY25 consol. EBITDA stood at ~Rs30.4bn vs. our estimate of ~Rs31.4bn (flat yoy while down 26% qoq). Blended EBITDA/t declined by Rs221/t qoq to Rs951.
- Work on expansion remains on track. Investment in ICEM is a pure financial investment and the company denied any immediate plan for a stake hike
- We broadly retain FY25F-26F EBITDA. Retain ADD rating with a higher TP of Rs12,560 on improving market share, cost improvement and a strong B/S.

Rural demand picks up; price recovery likely after monsoon season

UltraTech Cement or UTCEM's 1QFY25 consol. sales volume grew ~7% yoy to 32mt, with utilization at ~85%. As per UTCEM, rural demand has started to pick up from 1Q. New infrastructure opportunities in Bihar and Andhra Pradesh to support regional cement demand. Region-wise, avg. capacity utilization in the southern and western regions was in the range of ~85-90%, eastern region ~80% (lowest), and central & northern regions in the range of 80-85%. The company expects double-digit volume growth vs. industry growth of 7-8% in FY25F. During 1QFY25, cement prices were lower by 2.4% qoq while Jul 2024 prices were lower by 1-1.5% vs. 1Q average price. Cement prices are unlikely to see a material improvement before 3QFY25F.

EBITDA/t declines qoq; structural cost savings increase to Rs300/t

Total cost/t stood at Rs4,704, up 1% qoq, on higher fixed costs as other expenses/t were up 16% qoq due to higher spending on advertising, which is expected to rationalize in the coming quarters. P&F costs/t increased by ~2% qoq, with the fuel consumption cost at US\$149/t vs. flat qoq, which the company expects to come down further with a rising share of the pet-coke mix. Logistics costs/t were down by ~1% qoq (on lead distance reduction, saved Rs45/t during the quarter). UTCEM aims to post cost savings of Rs300/t (earlier Rs200-300/t) over the next three-to-four years led by higher clinker factor, rising share of green power, optimization of lead distance and a higher share of alternate waste material.

Organic expansion remains on track; refinances Kesoram debt

The ongoing expansion is on track. The company incurred Rs20bn capex in 1Q and it plans to spend Rs80-90bn in FY25F. Consolidated net debt stood at ~Rs54.8bn as of Jun 2024-end vs. Rs27.8bn as of Mar 2024. Kesoram's high interest debt has been refinanced, reducing its finance cost. Investment in India Cements (ICEM) is only for non-controlling financial investment and management denied any immediate plan for a stake increase.

Maintain ADD rating; recommend accumulation on any weakness

We retain ADD on the stock as we roll forward to Sep 2025F (earlier Mar 2025F) target price of Rs12,560 (Rs11,300 earlier), set at an EV/EBITDA of 17x (unchanged). We maintain our thesis and continue to prefer UTCEM in the large-cap space, given the visibility on volume front and improvement in profitability. Weak demand, pricing pressure, rise in input costs and delay in expansion are the downside risks.

Financial Summary

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	632,400	709,081	776,719	889,438	1,008,397
Operating EBITDA (Rsm)	106,199	129,686	151,266	186,892	231,027
Net Profit (Rsm)	50,640	71,490	84,660	108,588	137,852
Core EPS (Rs)	175.4	245.8	293.3	376.2	477.6
Core EPS Growth	(29.5%)	40.1%	19.3%	28.3%	27.0%
FD Core P/E (x)	64.18	45.46	38.39	29.93	23.57
DPS (Rs)	38.0	70.0	73.3	94.1	119.4
Dividend Yield	0.41%	0.75%	0.65%	0.84%	0.00%
EV/EBITDA (x)	30.88	25.38	21.74	17.60	14.18
P/FCFE (x)	73.97	68.27	(400.30)	1,796.38	124.51
Net Gearing	5.4%	6.7%	5.7%	5.4%	3.2%
P/BV (x)	5.98	5.40	4.91	4.41	3.90
ROE	9.7%	12.4%	13.4%	15.5%	17.6%
% Change In Core EPS Estimates			(0.29%)	(0.27%)	(0.24%)
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

1QFY25 results review and earnings-call takeaways ►

Update on operational performance:

Demand & pricing outlook

- **Demand:** As per UTCEM, rural demand witnessed momentum in 1QFY25. Bihar and Andhra Pradesh are developing new infrastructure projects. We expect the industry to grow 7-8% in FY25F and double-digit growth for UTCEM.
- **Industry capacity utilization:** In FY24, India ended with ~626mtpa capacity and ~425mtpa demand, and thereby the capacity utilization stood at ~68-70%. Excluding inefficiency capacity, utilization would be at ~76%.
- **UTCEM capacity utilization region-wise in 1Q:** The company's avg. capacity utilization region-wise is as follows: Southern & western in the range of ~85-90%, eastern ~80% (lowest), central and northern in the range of 80-85%.
- **Pricing:** Prices were lower by 2.4% qoq and Jul 2024 prices were lower by 1-1.5% vs. 1Q average price. Expects the momentum to start picking up from 3QFY25F.
- As per management, ~40-44% of the capacity getting commissioned in India during FY25F will be from UTCEM.
- **Volume:** Consolidated volume stood at ~32mt, up ~7% yoy. The company achieved capacity utilization of 85% vs. 98% qoq.
- **Realization/t:** Blended realization came in at Rs5,656/t, down ~1% qoq and ~1% above Incred estimate. Domestic grey cement realization declined by 2.4% qoq to Rs5,045/t during the quarter

Costs & Margins

- **Total operating cost:** It increased by 1% qoq (on a marginal increase in energy costs and fixed costs) to Rs4,704/t and ~1% above our estimate. For the grey cement business, reported freight expenses declined by 2% qoq to Rs1,198/t while power & fuel costs increased by 2% qoq to Rs1,406/t. Blended average fuel consumption cost stood at US\$149/t vs. US\$150 qoq, 16% down yoy. Pet-coke consumption stood at 37% vs. 36% qoq.
- **EBITDA/t:** Consolidated EBITDA/t declined by 26% qoq to ~Rs30.4bn, 3% below our estimate. Blended EBITDA/t stood at Rs951 (down by Rs221 qoq and Rs66 yoy) for the quarter.
- **Reported PAT:** It came in at ~Rs17bn, flat yoy and down 25% qoq.
- **AFR -** ~1.5mt consumption in FY24 across 14 kilns. AFR was ~6.5% in 1QFY25, ~33.6% fly ash and slag were consumed in 1Q.
- Lead distance reduction saved ~Rs45/t during the quarter and we expect the lead distance to fall more as the number of operational plants increase across India. Management sees a reduction of more than 25km from its earlier guidance.
- 23MW of waste heat recovery system or WHRS was commissioned in 1Q. Now, the company has installed total 301MW of WHRS and 650MW of renewable energy.
- Green share outlook– 60% by FY26-27F; 40-45% by FY25F
- WHRS costs are 0.85-0.9/unit. Thermal power plants cost Rs7.3/KW while solar power Rs4.3/KW.
- Other expenses are expected to come to the normal level in future due to normalization of one-off advertisement expenses in 1Q.
- Fuel costs are expected to go down further with an increase in the usage of pet-coke going ahead. We expect the pet-coke mix to go up to ~45% vs. ~37% in 1QFY25.
- UTCEM aims to post cost savings of Rs300/t (earlier Rs200-300/t) over the next three-to-four years led by higher clinker factor, rising share of green power, optimization of lead distance and a higher share of alternate waste material.

Other updates:

- **Andhra Pradesh's ~6mtpa greenfield status:** Land is tied up and an order has been placed for equipment. The project is expected to be completed by FY26F.
- Demand in the southern region will be enough to absorb the new capacity coming.
- **India Cements stake:** India Cements investment is a non-controlling financial investment, and it won't involve any kind of collaboration. It won't go beyond the non-controlling limit.
- **Kesoram:** The company has received the Competition Commission of India or CCI and court approvals for Kesoram. The effective consolidation date is 1 Apr 2024. Kesoram's higher debt have been refinanced.
- **1Q mix:** Trade mix stood at 68%, blended at 71%, and the clinker ratio at 1.46x in 1QFY25. Targets to reach 1.54x. Premium product mix was 24%.
- Road/rail/sea mix stood at 75%/ 22-23%/ 2%, respectively.
- **Capex:** Incurred Rs20bn capex during 1QFY25. Gives capex guidance of Rs80-90bn for FY25F and a similar guidance for FY26F-27F.
- From 2QFY25F, Rack White Cement (RWC) will become a subsidiary of Ultratech Cement.
- The company commissioned grey cement capacity of 7.8mtpa, taking its total grey cement capacity to 149.5mtpa in India.
- UBS outlets increased to 4,022. They contribute 20% to total sales and 6mt to volume.
- Consolidated net debt stood at ~Rs54.8bn as of Jun 2024-end vs. Rs27.8bn as of Mar 2024-end.

Figure 1: Consolidated quarterly performance

Particulars (Rs m)	1QFY25	1QFY25F	4QFY24	1QFY24	% Change		
					1QFY25F	4QFY24	1QFY24
Net Sales	1,80,696	1,78,990	2,04,189	1,77,371	1%	-12%	2%
Raw Materials Consumed	32,239	31,707	38,094	29,440	2%	-15%	10%
Freight and Forwarding Expenses	41,813	41,734	46,472	41,008	0%	-10%	2%
Power and Fuel Costs	44,937	45,639	48,388	48,812	-2%	-7%	-8%
Employee Costs	7,382	7,109	7,494	7,070	4%	-1%	4%
Other Expenses	23,931	21,413	22,602	20,550	12%	6%	16%
Total Expenditure	1,50,303	1,47,602	1,63,050	1,46,879	2%	-8%	2%
EBITDA	30,393	31,388	41,139	30,492	-3%	-26%	0%
Depreciation	8,425	8,240	8,149	7,491	2%	3%	12%
EBIT	21,967	23,148	32,990	23,001	-5%	-33%	-4%
Interest	2,556	2,529	2,612	2,108	1%	-2%	21%
Other Income	1,657	1,720	1,356	1,737	-4%	22%	-5%
PBT	21,394	22,339	31,015	22,631	-4%	-31%	-5%
Tax	4,471	6,032	8,519	5,766	-26%	-48%	-22%
PAT before MI & Associates	16,923	16,308	22,495	16,865	4%	-25%	0%
Minority Interest	-14	-4	5	18	243%	-398%	-177%
Profit from Associates	29	40	91	37	-28%	-68%	-22%
Recurring PAT	16,966	16,352	22,581	16,885	4%	-25%	0%
Extraordinary Items	325	0	-720	0			
Reported PAT	16,966	16,352	22,581	16,885	4%	-25%	0%
EPS (Rs)	58.8	56.7	78.2	58.5	4%	-25%	0%
Margins (%)	1QFY25	1QFY25F	4QFY24	1QFY24	Est.	qoq	yoy
Gross Margin	34%	33%	35%	33%	68 bp	-74 bp	139 bp
EBITDA Margin	16.8%	17.5%	20.1%	17.2%	-72 bp	-333 bp	-37 bp
EBIT Margin	12%	13%	16%	13%	-78 bp	-400 bp	-81 bp
PBT Margin	12%	12%	15%	13%	-64 bp	-335 bp	-92 bp
PAT Margin	9%	9%	11%	10%	25 bp	-167 bp	-13 bp
Tax Rate	21%	27%	27%	25%	-610 bp	-657 bp	-458 bp
Cost Items as % of Sales							
RM Costs	18%	18%	19%	17%	13 bp	-81 bp	124 bp
Freight Costs	23%	23%	23%	23%	-18 bp	38 bp	2 bp
P&F Costs	25%	25%	24%	28%	-63 bp	117 bp	-265 bp

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

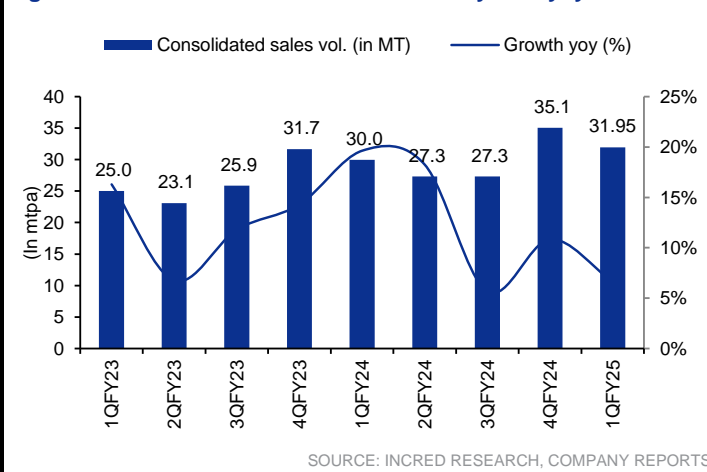
Figure 2: 1QFY25 results on per tonne analysis

Per tonne analysis	1QFY25	1QFY25F	4QFY24	1QFY24	% Change		
					1QFY25F	4QFY24	1QFY24
Sales Volume	32.0	31.6	35.1	30.0	1%	-8.9%	6.6%
Realization	5,596	5,577	5,721	5,847	0%	-2.2%	-4.3%
EBITDA/t	951	994	1,173	1,018	-4%	-19%	-7%
RM Costs/t	1,009	1,004	1,086	983	1%	-7%	3%
P&F Costs/t	1,406	1,445	1,379	1,629	-3%	2%	-14%
Freight Costs/t	1,309	1,321	1,325	1,369	-1%	-1%	-4%
Employee Costs/t	231	225	214	236	3%	8%	-2%
Other Expenses/t	749	678	644	686	10%	16%	9%
Cost/t	4,704	4,673	4,648	4,903	1%	1%	-4%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

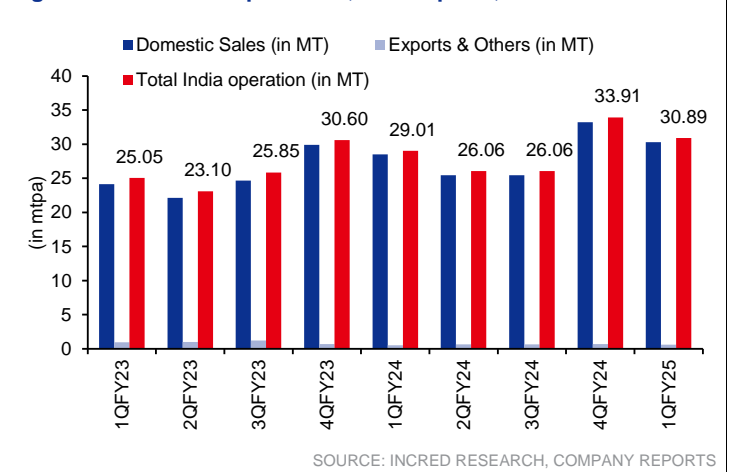
Key charts ➤

Figure 3: Consolidated sales volume rose by ~7% yoy in 1QFY25



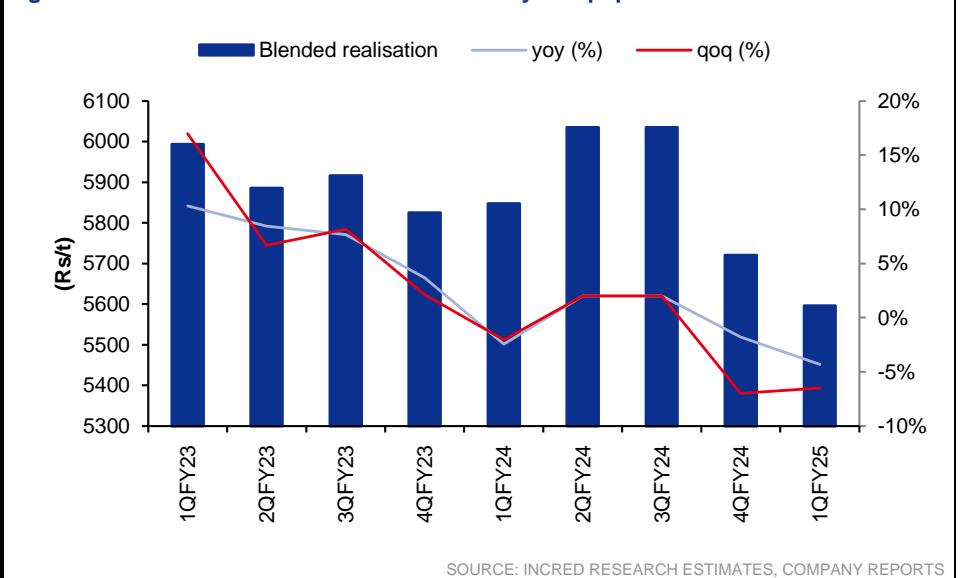
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Total India operations, incl. exports, in 1QFY25



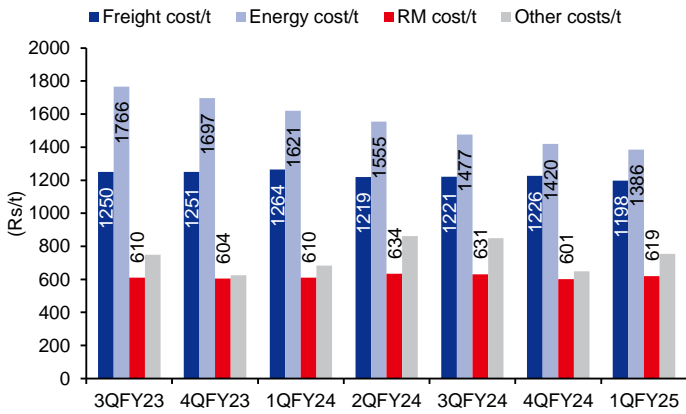
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: Blended cement realization declined by 2% qoq



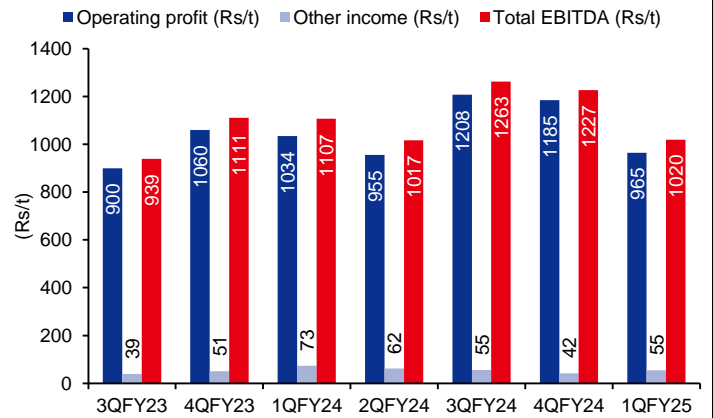
SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 6: Reported operating cost/t trend likely to decline in the near term



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: Reported EBITDA/t decreased yoy and qoq



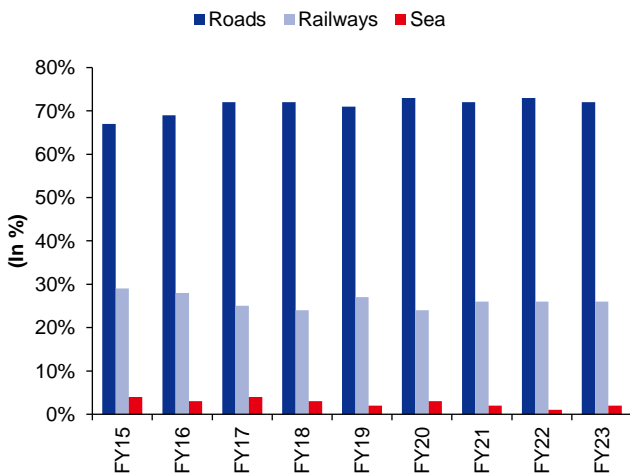
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: Key cost indicators of grey cement in 1QFY25 reported by UTCEM

Cost (Rs/t)	1QFY25	4QFY24	1QFY24	yoy	qoq	Comment
Logistics	1,198	1,226	1,264	-5%	-2%	YoY: Benefit on account of lead optimization and improved operating efficiency, QoQ: Lead distance reduced to 385km in 1QFY25 vs. 400km qoq and 409km yoy.
Energy	1,386	1,420	1,621	-14%	-2%	YoY and QoQ: Blended pet-coke/ coal cost of US\$149/t, pet-coke consumption was 37% during the quarter.
Raw Material	619	601	610	1%	3%	YoY: Increase in cost of raw materials: gypsum and fly ash, set off by improved clinker conversion ratio; 1.46 vs. 1.44 in 1QFY24. QoQ: Increase in cost of raw materials: gypsum, slag, etc
Others	755	649	683	11%	16%	YoY & QoQ: Operating leverage impact and one-time brand building expenses

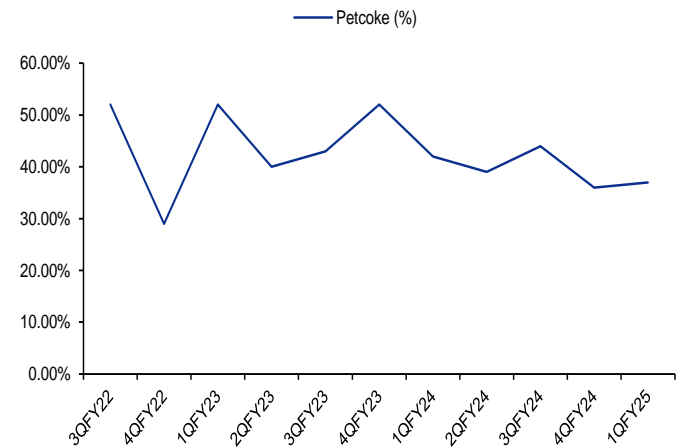
SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 9: Share of various transportation modes (%)



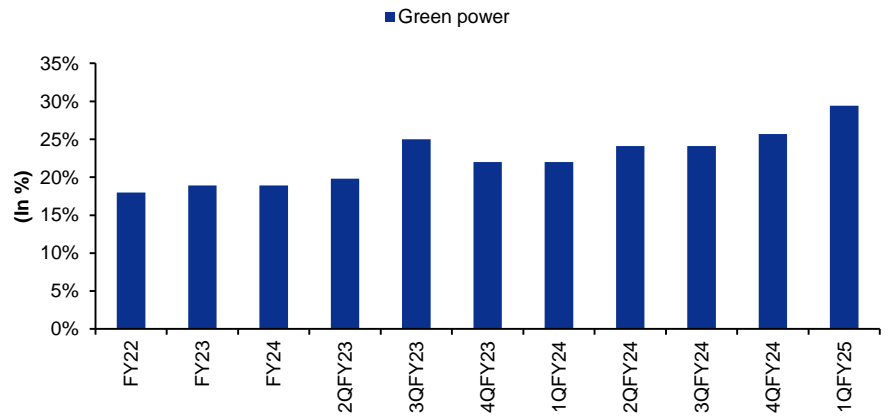
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 10: Pet-coke accounted for 37% of kiln fuel mix vs. 36% qoq



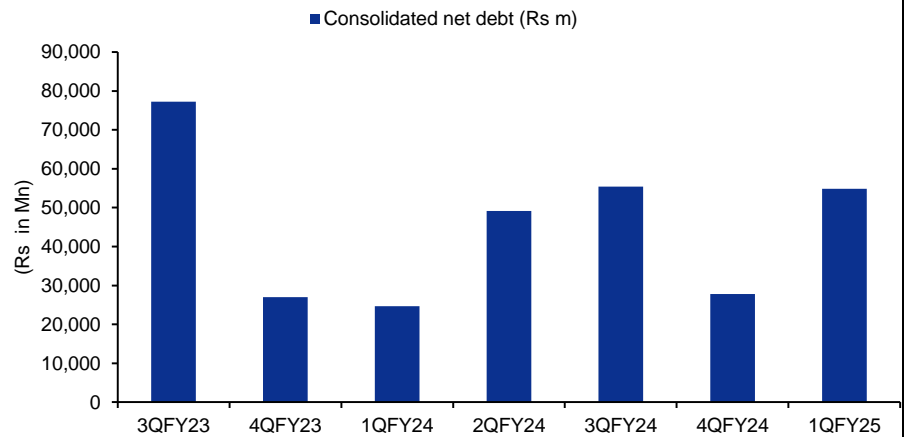
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 11: Power mix trend – UTCEM aims to increase its green power mix to 60% by FY26F from 29% currently



SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 12: Consolidated net debt was Rs54.8bn vs. ~Rs27.8bn qoq



SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

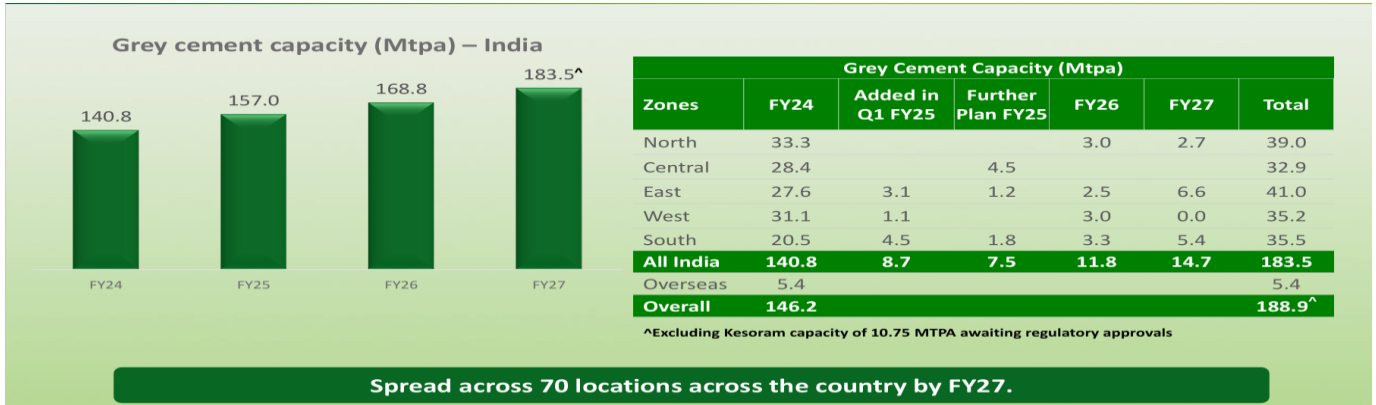
Phase-wise expansion plan of UTCEM ➤

Figure 13: UTCEM's expansion status update

	Particulars				Unit	Project	Cement Capacity (Mtpa)	Timelines
	Capacity as at Mar-24							
Q1 FY25	Karur, Tamil Nadu	GU	G	2.7	Commissioned			
	Kukurdihi, Chhattisgarh	IU	G	2.7	Commissioned			
	Parli, Maharashtra	GU	G	1.1	Acquired			
	Jharsuguda, Odisha	GU	B	0.4	Commissioned			
	APCW, Andhra Pradesh	IU	B	1.8	Commissioned			
	Arakkonam, Tamil Nadu	GU	B	1.2	Q3 FY25			
	Karur, Tamil Nadu	GU	B	0.6	Q3 FY25			
	Sonar Bangla, West Bengal	GU	B	0.6	Q4 FY25			
	Durgapur, West Bengal	GU	B	0.6	Q4 FY25			
	Maihar, Madhya Pradesh	IU	B	4.5	Q4 FY25			
Lucknow, Uttar Pradesh	BT	G	1.8	Q4 FY25				
Panvel, Maharashtra	BT	B	1.0	Q4 FY25				
Capacity by FY25 (Excl. BT)*							157.0	
*Excluding Kesoram capacity of 10.75 MTPA awaiting regulatory approvals								
Particulars				Unit	Project	Cement Capacity (Mtpa)	Timelines	
To be commissioned in FY26								
	Patratu, Jharkhand	GU	B	2.5				
	Shahjahanpur, Uttar Pradesh	GU	G	1.8				
	Nathdwara, Rajasthan	IU	B	1.2				
	Dhule, Maharashtra	GU	B	1.8				
	Visakhapatnam, Andhra Pradesh	GU	G	3.3				
	Parli, Maharashtra	GU	B	1.2				
To be commissioned in FY27				Unit	Project	Cement Capacity (Mtpa)	Timelines	
	Aligarh, Uttar Pradesh	GU	B					2.7
	Bihar	GU	G	3.3				
	West Bengal	GU	G	3.3				
	APCW, Andhra Pradesh	IU	B	2.7				
	Andhra Pradesh	IU	G	2.7				
	Gujarat	BT	G	1.2				
	Karnataka	BT	G	1.2				
	Assam	BT	G	1.2				
	Tamil Nadu	BT	G	1.8				
Capacity by FY27 (Excl. BT)*							183.5	

SOURCE: INCRED RESEARCH, UTCEM INVESTOR PRESENTATION 1QFY25
IG=INTEGRATED UNIT, GU=GRINDING UNIT, BT=BULK TERMINAL, G=GREENFIELD, B=BROWNFIELD

Figure 14: UTCEM's grey cement capacity (in mtpa) to touch ~184mtpa in India by FY27



SOURCE: INCRED RESEARCH, UTCEM CORPORATE PRESENTATION 1QFY25

Sectoral update by UTCEM ➤

Figure 15: Demand drivers by region and key segments during 1QFY25

Zone	Volume Gr	I	C	H	R	Key drivers
North	↑	●	●	●	●	<ul style="list-style-type: none"> Housing registered growth across all regions due to improvement in labour availability, except Punjab. Infrastructure growth was muted as projects like Dwaraka Expressway, RRTS etc. are nearing completion and certain parts of Delhi-Amritsar-Katra road project on hold due to land litigation. Commercial Sector registered growth across all regions with focus on completion of projects before onset of monsoon.
Central	↑	●	●	●	●	<ul style="list-style-type: none"> Housing registered strong demand in rural areas whereas urban areas saw a slowdown. Infrastructure growth momentum continued in all regions on account of: Ganga Expressway, Jabalpur Ring Road, Prayagraj railway station, Boras Dam etc. except in Awadh due to big projects like Kanpur Metro nearing completion. Commercial registered growth across all regions.
East	↑	●	●	●	●	<ul style="list-style-type: none"> Housing registered robust growth across regions in rural areas. Infrastructure continued to degrow due to less spending by government and less announcements of new projects on account of elections. Commercial Sector demand is stable across regions. Jharkhand saw strong demand due to ongoing projects before upcoming state elections in November.
West	↑	●	●	●	●	<ul style="list-style-type: none"> Maharashtra: Infrastructure demand is muted due to completion of projects like Samruddhi Expressway, water and aggregate shortage in some regions and slowdown in new project announcements on account of elections. Commercial and Housing segment grew across the regions Gujarat: Housing demand was supported by strong growth in rural areas. Infrastructure demand continues to degrow due to slowdown in announcement of new projects. Commercial Sector demand was impacted till mid-May due to labour migration.
South	↓	●	●	●	●	<ul style="list-style-type: none"> Housing demand was impacted due to labour shortage on account of elections and early onset of monsoon across regions except in Karnataka and Tamil Nadu owing to pent-up demand. Infrastructure demand has degrown due to funding issues and no significant projects announcement. Commercial sector demand remained muted across the regions.

SOURCE: INCRED RESEARCH, UTCEM 1QFY25 PRESENTATION

I: INDIVIDUAL HOUSING BUILDER, PMAY: PRADHAN MANTRI AWASYOZNA, PMGSY: PRADHAN MANTRI GRAM SADAK YOZNA

Key changes ➤

Figure 16: Our revised earnings estimates

Rs.m	New		Old		Change (%)	
	FY25F	FY26F	FY25F	FY26F	FY25F	FY26F
Sales	7,76,719	8,89,438	7,80,819	8,99,729	-1%	-1%
EBITDA	1,51,266	1,86,892	1,53,983	1,88,974	-2%	-1%
Recurring PAT	84,660	1,08,588	86,579	1,10,125	-2%	-1%
EPS (Rs.)	293.3	376.2	300	382	-2%	-1%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 17: Changes in our estimates vs. Bloomberg consensus estimates

Rs.m	Incred		Consensus			Change (%)			
	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Sales	7,76,719	8,89,438	10,08,397	7,80,889	8,93,332	9,94,377	-1%	0%	1%
EBITDA	1,51,266	1,86,892	2,31,027	1,56,020	1,92,525	2,27,690	-3%	-3%	1%
PAT	84,660	1,08,588	1,37,852	86,673	1,11,109	1,36,022	-2%	-2%	1%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

Figure 18: Key assumptions

	FY23A	FY24A	FY25F	FY26F	FY27F
Volume (in mtpa)	106	119	130	146	163
Yoy	12%	13%	9%	12%	11%
Realization (per tonne)	5,900	5,864	5,882	5,988	6,108
Yoy	7%	-1%	0%	2%	2%
Cost (per tonne)	4,981	4,867	4,808	4,801	4,781
Yoy	14%	-2%	-1%	0%	0%
EBITDA (per tonne)	1,005	1,089	1,163	1,277	1,421
Yoy	-18%	8%	7%	10%	11%
EBITDA (Rs m)	1,06,199	1,29,686	1,51,266	1,86,892	2,31,027
Yoy	-8%	22%	17%	24%	24%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 19: Maintain ADD rating on the stock with a Sep 2025F target price of Rs12,560, set at an EV/EBITDA of 17x (no change)

Valuation	Target price
Target EV/EBITDA (x)	17
Target EV (Rs m)	36,35,896
Net debt / (cash) (Rs m) – one-year lag	11,420
No. of shares (m)	289
Fair value per share (Rs)	12,560

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 20: UTCEM's shareholding pattern (as of end-Jun 2024)

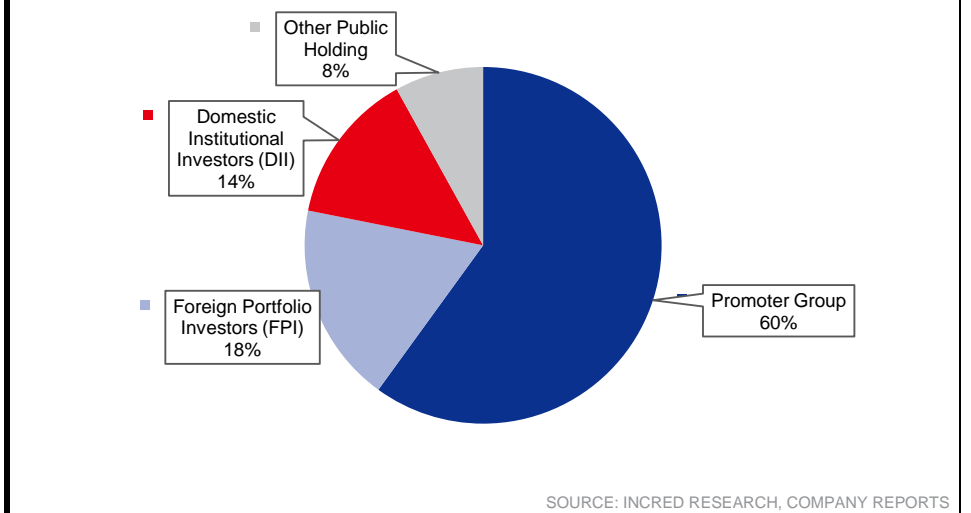
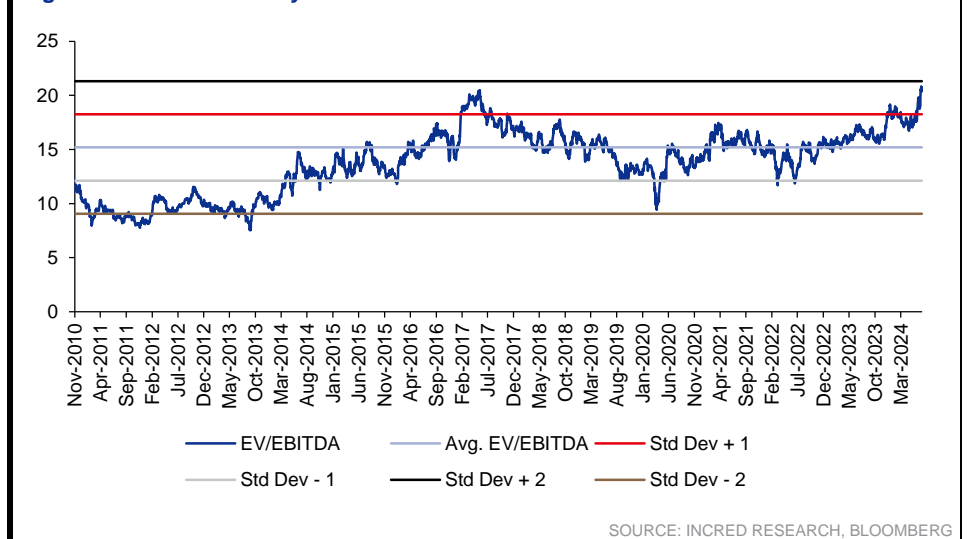
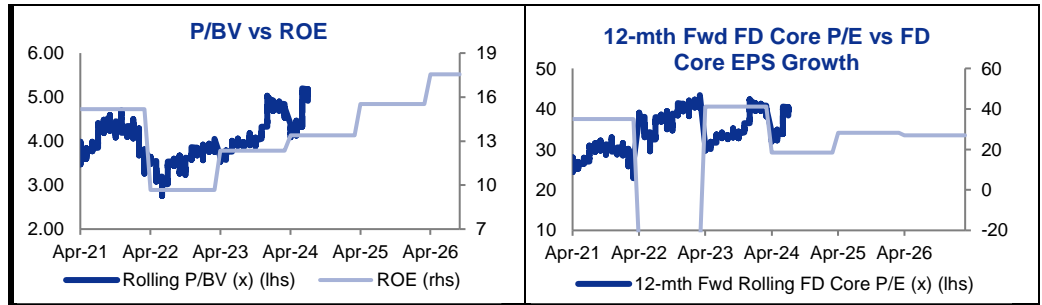


Figure 21: UTCEM's one-year forward EV/EBITDA trades close to +2 SD



BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Net Revenues	632,400	709,081	776,719	889,438	1,008,397
Gross Profit	632,400	709,081	776,719	889,438	1,008,397
Operating EBITDA	106,199	129,686	151,266	186,892	231,027
Depreciation And Amortisation	(28,880)	(31,453)	(35,070)	(39,279)	(44,385)
Operating EBIT	77,319	98,233	116,196	147,614	186,642
Financial Income/(Expense)	(8,227)	(9,680)	(8,518)	(7,922)	(7,605)
Pretax Income/(Loss) from Assoc.	40	220	220	220	220
Non-Operating Income/(Expense)	5,031	6,170	6,416	6,737	6,939
Profit Before Tax (pre-EI)	74,163	94,942	114,314	146,649	186,196
Exceptional Items		720			
Pre-tax Profit	74,163	95,662	114,314	146,649	186,196
Taxation	(23,429)	(24,183)	(29,664)	(38,072)	(48,354)
Exceptional Income - post-tax					
Profit After Tax	50,734	71,480	84,650	108,578	137,842
Minority Interests	(94)	10	10	10	10
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	50,640	71,490	84,660	108,588	137,852
Recurring Net Profit	50,640	70,952	84,660	108,588	137,852
Fully Diluted Recurring Net Profit	50,640	70,952	84,660	108,588	137,852

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
EBITDA	106,199	129,686	151,266	186,892	231,027
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(3,372)	(3,372)	18,371	4,162	(1,918)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	5,031	6,170	6,416	6,737	6,939
Other Operating Cashflow	2,296	(20,877)	(20,877)	(20,877)	(20,877)
Net Interest (Paid)/Received	(8,227)	(9,680)	(8,518)	(7,922)	(7,605)
Tax Paid	11,243	16,505	(29,664)	(38,072)	(48,354)
Cashflow From Operations	113,169	118,431	116,993	130,921	159,211
Capex	(61,056)	(88,841)	(83,042)	(83,833)	(82,727)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(10,815)	16,970	(35,070)	(39,279)	(44,385)
Cash Flow From Investing	(71,871)	(71,871)	(118,112)	(123,112)	(127,112)
Debt Raised/(repaid)	2,636	1,047	(7,000)	(6,000)	(6,000)
Proceeds From Issue Of Shares	(1,018)	(825)	(4,569)	(5,795)	(41,758)
Shares Repurchased					
Dividends Paid	(13,219)	(24,351)	(25,504)	(32,712)	(41,528)
Preferred Dividends					
Other Financing Cashflow	(4,709)	4,872	33,446	28,673	64,636
Cash Flow From Financing	(16,310)	(19,257)	(3,626)	(15,835)	(24,651)
Total Cash Generated	24,989	27,304	(4,745)	(8,026)	7,449
Free Cashflow To Equity	43,934	47,608	(8,119)	1,809	26,100
Free Cashflow To Firm	49,526	56,241	7,400	15,731	39,705

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	69,862	62,680	57,935	49,909	57,358
Total Debtors	38,670	42,782	42,560	43,863	49,729
Inventories	66,118	83,297	85,120	95,036	107,747
Total Other Current Assets	32,779	42,825	41,166	47,140	53,445
Total Current Assets	207,429	231,584	226,781	235,948	268,279
Fixed Assets	532,497	565,321	653,363	740,196	823,923
Total Investments	14,604	27,642	27,642	27,642	27,642
Intangible Assets	103,697	131,567	131,567	131,567	131,567
Total Other Non-Current Assets	55,643	51,907	46,907	43,907	42,907
Total Non-current Assets	706,441	776,436	859,478	943,311	1,026,039
Short-term Debt	45,444	49,906	47,906	45,906	43,906
Current Portion of Long-Term Debt					
Total Creditors	72,093	84,783	86,007	93,831	102,291
Other Current Liabilities	116,781	134,370	151,460	164,991	179,495
Total Current Liabilities	234,318	269,060	285,373	304,728	325,692
Total Long-term Debt	53,564	53,078	48,078	44,078	40,078
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	82,186	83,049	91,049	93,049	95,049
Total Non-current Liabilities	135,750	136,126	139,126	137,126	135,126
Total Provisions					
Total Liabilities	370,068	405,186	424,499	441,854	460,818
Shareholders Equity	543,245	602,275	661,201	736,846	832,940
Minority Interests	556	559	559	559	559
Total Equity	543,802	602,834	661,760	737,405	833,500

Key Ratios

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue Growth	20.2%	12.1%	9.5%	14.5%	13.4%
Operating EBITDA Growth	(7.8%)	22.1%	16.6%	23.6%	23.6%
Operating EBITDA Margin	16.8%	18.3%	19.5%	21.0%	22.9%
Net Cash Per Share (Rs)	(100.96)	(139.61)	(131.82)	(138.84)	(92.24)
BVPS (Rs)	1,881.76	2,086.23	2,290.74	2,552.82	2,885.74
Gross Interest Cover	9.40	10.15	13.64	18.63	24.54
Effective Tax Rate	31.6%	25.3%	25.9%	26.0%	26.0%
Net Dividend Payout Ratio	26.1%	34.4%	25.0%	25.0%	
Accounts Receivables Days	20.02	20.96	20.05	17.73	16.94
Inventory Days	(35.23)	(38.46)	(39.57)	(36.97)	(36.70)
Accounts Payables Days	45.34	49.41	49.83	46.72	46.04
ROIC (%)	12.1%	14.1%	15.2%	17.5%	20.1%
ROCE (%)	12.4%	14.6%	15.9%	18.6%	21.4%
Return On Average Assets	6.7%	8.4%	8.9%	10.3%	11.8%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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