



India

ADD (previously HOLD)

Consensus ratings*: Buy 28 Hold 6 Sell 8

Current price:	Rs5,128
Target price:	Rs5,812 ▲
Previous target:	Rs4,766
Up/downside:	13.3%
InCred Research / Consensus:	9.3%
Reuters:	
Bloomberg:	HMCL IN
Market cap:	US\$14,119m Rs1,025,267m
Average daily turnover:	US\$52.7m Rs3829.7m
Current shares o/s:	199.8m
Free float:	65.2%

*Source: Bloomberg

Key changes in this note

► FY25F-26F EBITDA upgrade by ~1%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(6.8)	0.4	76.2
Relative (%)	(6.6)	(7.7)	42.2

Major shareholders	% held
Hero Group	34.8
LIC of India	8.5
ICICI Prudential Fund	3.6

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Hero MotoCorp

Margins near peak, focus is on market share

- 1Q EPS growth of 10% qoq & 19% yoy to Rs56.2 was in line with Bloomberg estimate but below our estimate. Margin drag by the EV division disappointed.
- With a new EV scooter, 125cc bike and the rural demand sentiment improving, its market share focus to play out. The Ola EV bike threat is beyond FY26F.
- Recent fall in stock price provides a good entry point for market share recovery in rural areas & product action. Upgrade our rating on it to ADD from HOLD.

ICE EBITDA margin near historic peak; EV division drag was 200bp

Hero MotoCorp or HMCL's 1QFY25 EBITDA growth of 21% yoy & 7% qoq to Rs15bn was in line with the Bloomberg consensus estimate, but below our estimate (6%). ASP grew by just 2% yoy but a dip of 3% qoq was below our expectation. The EBITDA margin expansion sustained qoq to touch 14.4%, aided by lower other expenses. Management indicated that its EV business loss was Rs1.8bn, leading to a drag of 200bp from the EBITDA margin. PAT growth of 10% qoq to Rs11.2bn was in line with the Bloomberg consensus estimate.

Management conference-call highlights

Management indicated good customer response for the Xtrem 125cc bike launch, which is available at just 40% of its distribution network and will expand as the festive season draws closer. Management indicated improved first-time buyers in the rural segment. It feels that improving vehicle finance, lower down payments and expanded distribution reach will be key ingredients to accelerate rural market growth, as HMCL already has a wide range of entry-level bikes. In EVs, HMCL plans to revamp its portfolio with latest technology in the coming months, which will be eligible for the production-linked incentive or PLI scheme benefits. Bangladesh exposure is just 0.3% of its sales, where it expects normalcy soon.

Market share gets priority; Ola EV bike competition limited

The prolonged market share erosion, we feel, is nearing its bottom (Figs. 3 & 4). With revival in the rural markets yet to fully play out (Fig. 5), aided by good rainfall and favourable government policies, we feel, the tailwind for HMCL's policy to focus on reviving market share, after achieving peak EBITDA margin for its ICE (internal combustion engines) portfolio, augurs well. The Ola EV bike launch with aggressive pricing (Figs. 7&9), we feel, may take three-to-four years to make a mark in motorcycles, as seen in scooters in the past (Fig. 10).

Upgrade our rating on the stock to ADD from HOLD

Two-wheelers are a better tactical play for festive demand revival. With rural market demand improving, we feel the high-teen growth for the domestic 2W segment and HMCL is possible, aided by a better rural mix and new 125cc bike launch. With valuation comfort at above the 10-year mean level and Bajaj Auto's CNG threat for entry-level customers being low, we upgrade to ADD rating (from HOLD) on the stock with a SOTP-based higher target price of Rs5,812 (Rs4,766 earlier). Value unlocking from Hero Fincorp's IPO can be an upside trigger as we value it at 3x FY24 P/BV. The downside risk is slow rural recovery.

Financial Summary

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	338,086	372,283	431,644	483,653	530,234
Operating EBITDA (Rsm)	39,892	50,283	62,599	68,140	74,245
Net Profit (Rsm)	29,136	39,006	48,134	52,598	57,693
Core EPS (Rs)	145.8	195.2	240.8	263.1	288.6
Core EPS Growth	17.9%	33.8%	23.4%	9.3%	9.7%
FD Core P/E (x)	35.17	26.28	21.30	19.49	17.77
DPS (Rs)	100.1	140.1	160.1	180.2	200.2
Dividend Yield	1.95%	2.73%	3.12%	3.51%	3.90%
EV/EBITDA (x)	22.84	17.66	14.14	12.80	11.58
P/FCFE (x)	47.19	37.64	33.76	25.45	24.13
Net Gearing	(68.0%)	(76.1%)	(71.3%)	(71.8%)	(71.9%)
P/BV (x)	6.13	5.70	5.23	4.82	4.45
ROE	17.9%	22.5%	25.6%	25.7%	26.0%
% Change In Core EPS Estimates			(0.06%)	0.03%	0.11%
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Margins near peak, focus is on market share

Management conference-call highlights ►

- **Outlook:** In 1QFY25, the rural market grew faster than the urban market led by government initiatives for rural growth and better monsoons which, management believes, may sustain on account of the upcoming festive and wedding seasons.
- **Export business:** Recently, HMCL forayed into the Southeast Asia region to drive its export business. It is witnessing soft demand in Nigeria while demand in Columbia is making a comeback. Bangladesh remains under pressure, contributing ~0.3-0.4% to total revenue and accounting for 13% of the global business.
- **Network expansion:** At the end of the quarter, total Hero 2.0 stores stood at 500 and 40 stores for Premia, while for Endeavor it will be 100 by the end of the year. Vida is available at 40% of the total touch points for Hero, which has a total 6,000 touch points.
- **Financial performance:** Internal combustion engine or ICE portfolio EBITDA margin was 16.4% in 1QFY25, with a margin of 190bp invested in the electric vehicle or EV portfolio.
- **Spare parts business:** In 1QFY25, the spare parts business mix was lower at 12.5%, vs. 14.7% in 4QFY24, due to the seasonality impact.
- **Alternate powertrain strategy:** Management's endeavour is to double its EV sales volume for which it is expanding Vida EV motorcycle presence and plans to launch an affordable variant of it. It is also working on flex fuel, hybrid models and improving the fuel efficiency of ICE vehicles.
- **EV business:** Revenue from the EV business stood at Rs1.25bn. Technology improvement, localization and scale are likely to drive the profitability. The EV industry witnessed a dip in sales volume post Apr 2024 as the subsidy was cut. The market share of Hero was 5% in 1Q, which is likely to grow led by new launches (new EV variants will be PLI scheme-compliant). The company has a collaboration with Ather for 2,500 charging stations.
- **Market share trend:** Market share in the 125cc segment improved to 20% in 1QFY25 from 13% in 4QFY24, led by Hero Xtream 125cc. In the below 110cc segment, Hero has a 90% market share. To drive growth in the entry-level category, the company will launch the refreshed Passion model and in the premium category, more models may be launched soon.
- **Product-wise plans:** The company plans to increase the production capacity of Hero Xtreme 125cc bikes from 25k per month to 40k per month in a couple of months. It is expected to drive higher sales volume for Super Splendor by offering higher mileage facility. It has launched Glamour model in Andhra Pradesh and Telangana.
- **Channel inventory:** It is likely to improve pre-festive season and post-festive season, it will be at a normal level of four-to-six weeks.
- **Vehicle finance availability:** 60% of the vehicles sold was through loans. Management has launched the digital financing facility, and it expects the interest rates to decline.
- **Capex:** Planned capex stands at Rs10-12bn per annum.
- **R&D expenses:** In FY24, R&D spending stood at 2.2% of the total revenue, and it is likely to be at a similar level in FY25F.

Figure 1: HMCL's model-wise performance

Motorcycles	1QFY25	1QFY24	YoY (%)	4QFY24	QoQ (%)
Splendor Family	9,31,208	8,46,091	10.1	8,19,199	13.7
Passion Family	61,178	54,852	11.5	83,835	(27.0)
HF Deluxe	2,74,132	2,77,075	(1.1)	2,38,852	14.8
Glamour	61,934	39,108	58.4	48,424	27.9
Xtreme and Xtreme 125R	53,725	7,276	638.4	24,617	118.2
HD X440	2,826	-	na	7,407	(61.8)
Others	13,770	8,356	64.8	11,949	15.2
Total motorcycles	13,98,773	12,32,758	13.5	12,34,283	13.3
Scooters					
Maestro	30	5,291	(99.4)	1,043	(97.1)
Pleasure	26,872	20,907	28.5	27,431	(2.0)
Destini 125	35,164	20,573	70.9	45,634	(22.9)
Xoom	12,764	34,241	(62.7)	11,136	14.6
Vida	10,559	3,480	203.4	5,759	83.3
Total scooters	85,389	84,492	1.1	91,003	(6.2)
Total 2W domestic	14,84,162	13,17,250	12.7	13,25,286	12.0
Exports	50,992	35,324	44.4	66,970	(23.9)
Gross Total	15,35,154	13,52,574	13.5	13,92,256	10.3

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Domestic two-wheeler market share seems to be bottoming out for HMCL

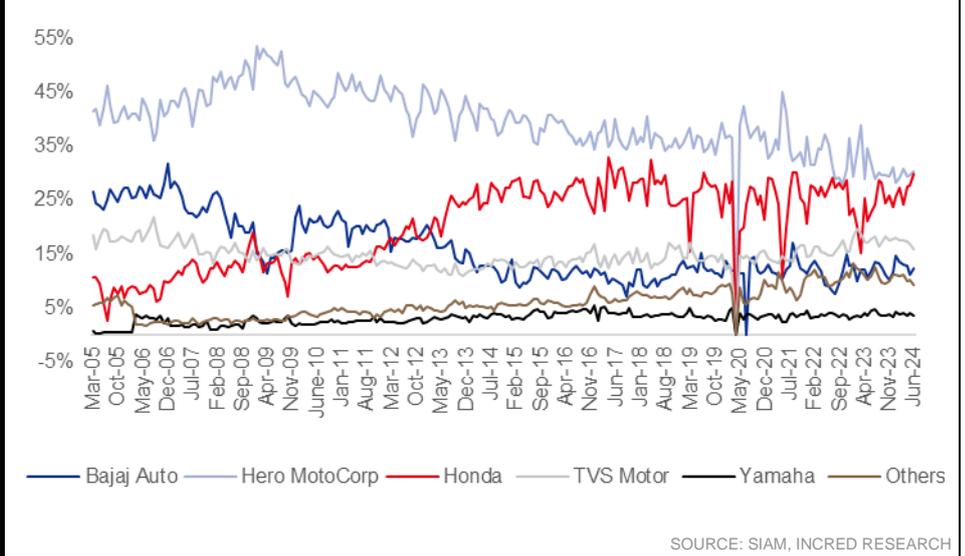


Figure 3: HMCL's domestic 2W market share may be bottoming out

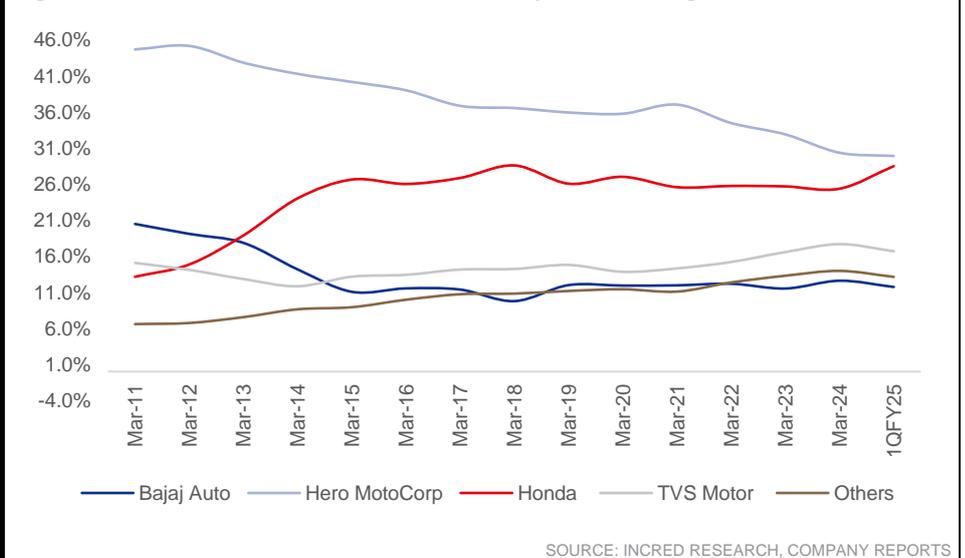
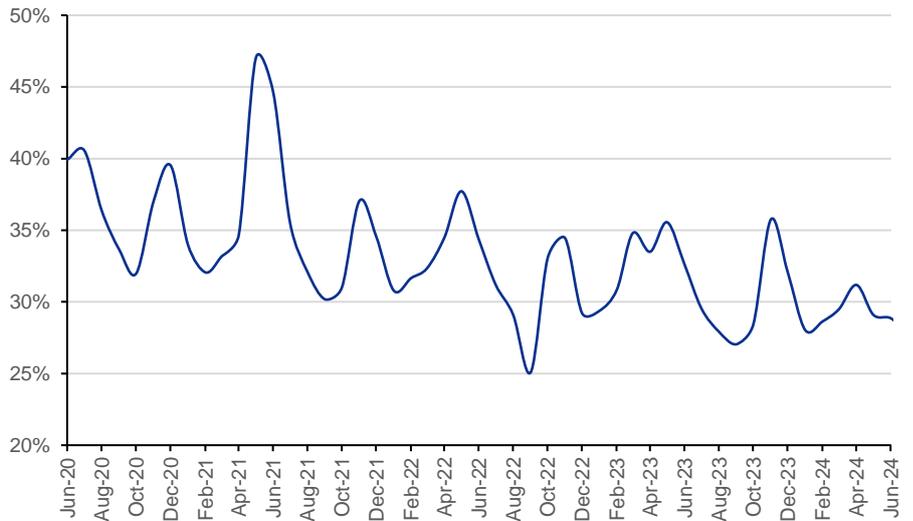
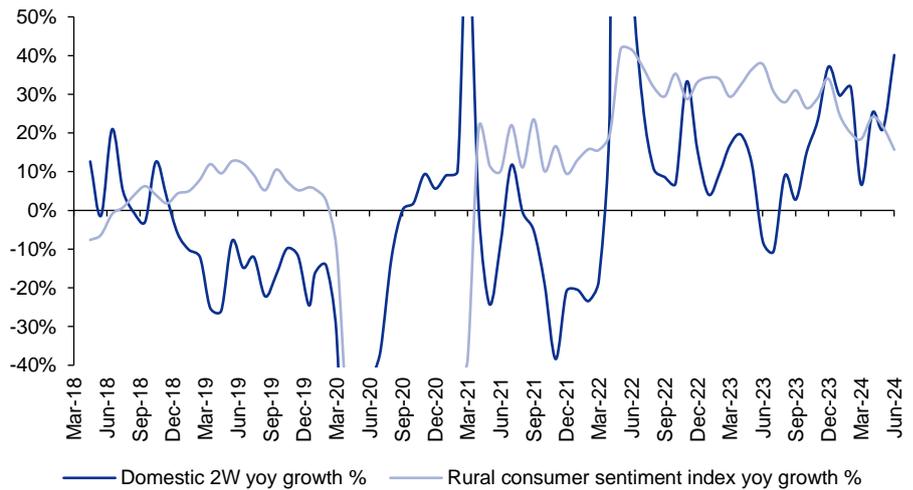


Figure 4: HMCL's retail market share, which is near its historic bottom, to bounce back



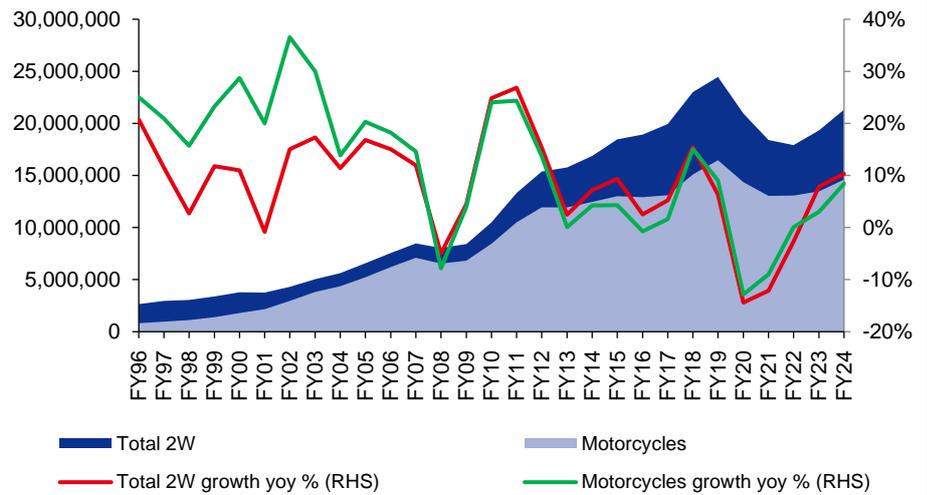
SOURCE: VAHAN.COM, INCRED RESEARCH

Figure 5: Rural consumer sentiment yet to recover



SOURCE: RBI, INCRED RESEARCH

Figure 6: Motorcycle growth still lags 2W domestic industry's growth



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: Ola Roadster X motorcycle peer comparison

OEM	Ola	Bajaj Auto	Hero Moto	TVS
Model	Roadster X	Pulsar 150	Xtreme 160R	TVS Apache RTR 160
Price	Rs.75-100k	Rs.110k	Rs.120k	Rs.109k
Peak power	11kw	9kw	10kw	10kw
Top speed	105-124km/h	110-115 km/h	130 km/hr	107-114 km/hr

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: Ola Roadster motorcycle peer comparison

OEM	Ola	Bajaj Auto	Hero Moto	TVS
Model	Roadster	Pulsar NS160	Xpulse 200	Ronin
Price	105-140k	Rs.125k	Rs.147k	Rs.149k
Peak power	13kw	12.7 kw	13.5kw	15, kw
Top speed	117-126km/hr	140.8 km/hr	120 km/hr	120 km/hr

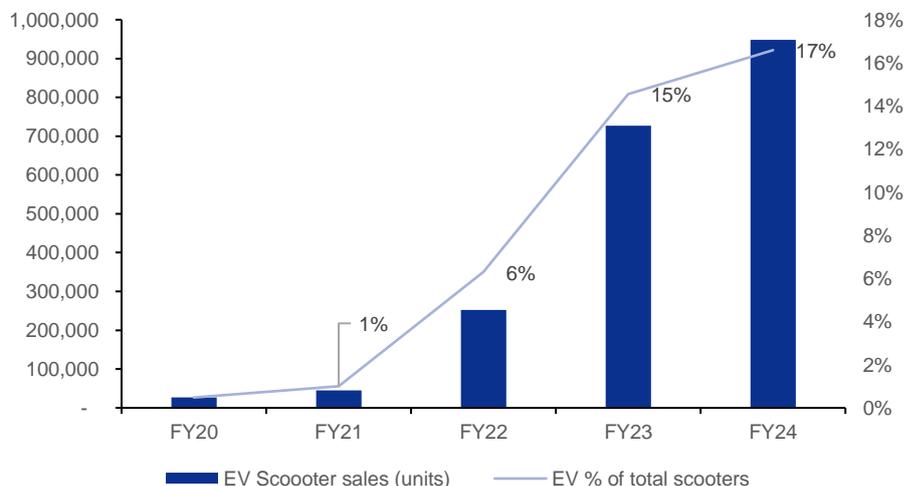
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 9: EV bike competitor comparison

EV bikes	Ola Roadster X	Ola Roadster	Revolt RV400	Odysse Evoqis	Ultraviolette F77	Tork Kratos	Matter Aera	Orxa Mantis	Evoke Urban Classic
Price	Rs.75-100k	105-140k	Rs.125k	Rs.171k	Rs.380 - 450k	Rs.167k	Rs.175 - 200k	Rs.300 - 400k	Rs.600 - 650k
Motor power (kilowatt)	11kw	13kw	3 kW	4.32 kW	27 kW	9 kW	10 kW	25 kW	19 kW
Top speed	105-124km/hr	117-126km/hr	85 km/hr	80 km/hr	152 km/hr	100 km/hr	125 km/hr	140 km/hr	130 km/hr
Range	117-200km	151-248km	150 km	140 km	307 km	180 km	150 km	200 km	200 km
Battery capacity	2.5-4.5kwh	3.5-6kwh	3.24 kWh	4.32 kWh	10.5 kWh	4 kWh	5 kWh	9 kWh	10 kWh
Charging time	3.3-6 hours	4.6-8 hours	4.5 hours	6 hours	5 hours	4-5 hours	5 hours	4-5 hours	3-5 hours
Battery warranty	3 yrs or 40k km	3 yrs or 40k km	8 yrs or 150 km	3 yrs	8 yrs or 100k km	3 yrs or 40k km	3 yrs	3 yrs	5 yrs or 100k km
Motor warranty	3 yrs or 40k km	3 yrs or 40k km	5 yrs or 75k km	3 yrs	3 yrs or 30k km	3 yrs or 40k km	3 yrs	3 yrs	3 yrs or 50k km
4M sales (units) run rate			647	89	32	29	na	na	na

SOURCE: INCRED RESEARCH, COMPANY REPORTS, VAHAN

Figure 10: Domestic EV scooter penetration



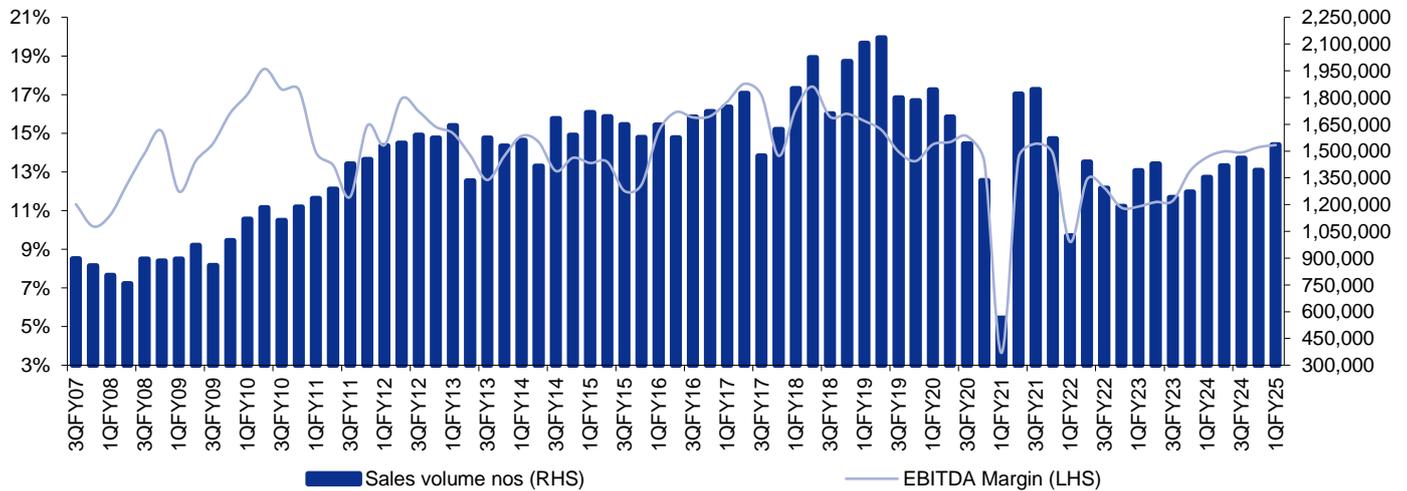
SOURCE: SIAM, VAHAN, INCRED RESEARCH, COMPANY REPORTS

Figure 11: Quarterly results comparison

Y/E Mar (Rs m)	1QFY25	1QFY24	yoy % chg	4QFY24	qoq % chg	Comments
Revenue	1,01,437	87,673	15.7	95,193	6.6	5% below our estimate.
Raw material costs	68,672	60,809	12.9	63,249	8.6	
RM costs as a % of revenue	68	69	(166.1)	66	125.6	80bp below our estimate.
EBITDA	14,598	12,063	21.0	13,592	7.4	
EBITDA margin (%)	14.4	13.8	63.2	14.3	11.3	6% below our estimate.
Depreciation & amortization	1,932	1,690	14.3	1,851	4.4	
EBIT	12,666	10,373	22.1	11,741	7.9	
Interest expenses	48	47	3.2	46	5.5	
Other income	2,317	2,222	4.3	1,800	28.7	7% below our estimate.
Pre-tax profit	14,935	12,548	19.0	13,496	10.7	
Tax	3,708	3,101	19.6	3,335	11.2	
Tax rate (%)	24.8	24.7	11.8	24.7	11.6	
Normalized net profit	11,226	9,447	18.8	10,161	10.5	7% below our estimate.
Exceptional items	-	(1,200)	-	-	nm	
Other comprehensive income	-	-	nm	-	nm	
Reported net profit	11,226	8,247	36.1	10,161	10.5	
Normalized EPS (Rs)	56.2	47.3	18.8	50.8	10.5	
Volume (nos)	15,35,156	13,52,574	13.5	13,92,423	10.3	
Net realization (Rs)	66,076	64,819	1.9	68,365	(3.3)	
EBITDA/vehicle	9,509	8,918	6.6	9,761	(2.6)	

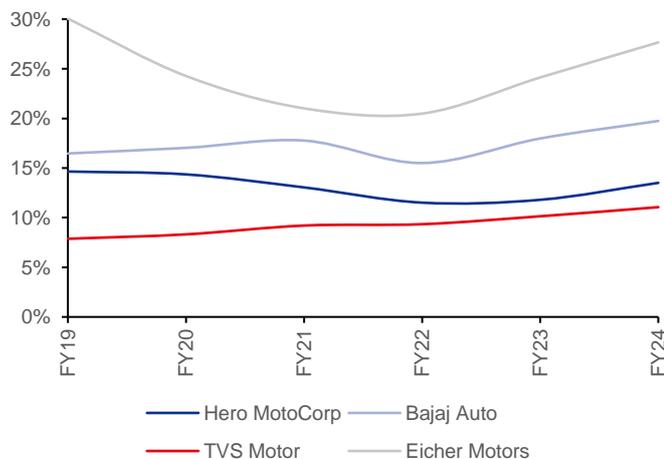
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 12: EBITDA margin on consistent improvement path



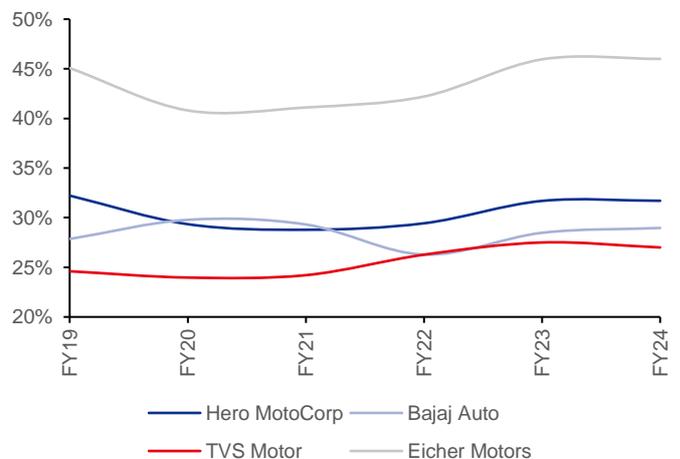
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 13: EBITDA margin trend of 2W players



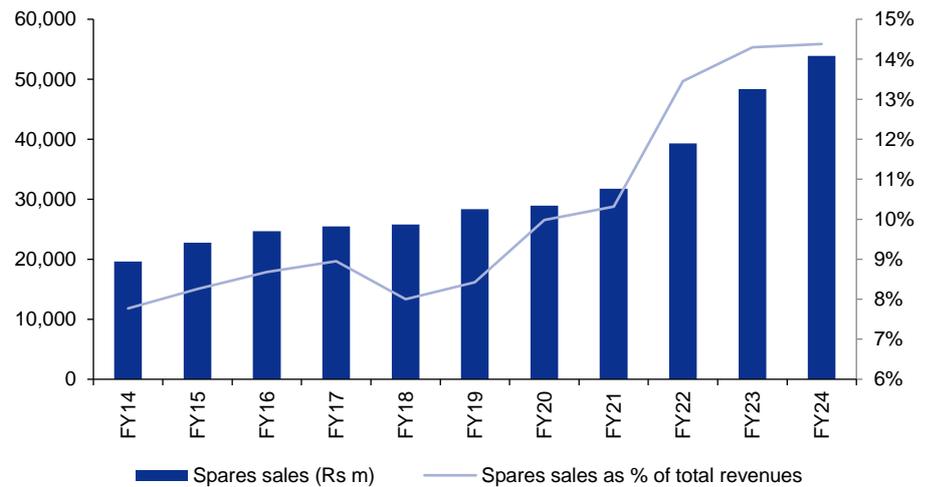
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 14: Gross margin trend of 2W players



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 15: Spare parts sales, as a proportion of total revenue, on the rise



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 16: Our revised earnings estimates

Rs m	FY25F		FY26F		FY27F	
	Old	New	Old	New	Old	New
Sales Volume (nos)	61,48,581	61,48,581	67,01,006	67,01,006	71,74,389	71,74,389
% change		0.0%		0.0%		0.0%
Net Sales	4,34,058	4,31,644	4,86,214	4,83,653	5,32,953	5,30,234
% change		-0.6%		-0.5%		-0.5%
EBITDA	62,294	62,599	67,746	68,140	73,787	74,245
% change		0.5%		0.6%		0.6%
PAT	48,164	48,134	52,583	52,598	57,632	57,693
% change		-0.1%		0.0%		0.1%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 17: HMCL's domestic 2W market share is on a declining trend

Key Assumptions	FY22	FY23	FY24	FY25F	FY26F	FY27F
Vehicle Sales Volume (units)						
Motorcycle	46,27,585	49,59,707	51,26,006	56,58,158	61,48,699	65,54,440
Growth (%)		7.2%	3.4%	10.4%	8.7%	6.6%
Scooter	3,16,383	3,69,297	4,30,782	4,90,423	5,52,307	6,19,948
Growth (%)		16.7%	16.6%	13.8%	12.6%	12.2%
Total	49,43,968	53,29,004	55,56,788	61,48,581	67,01,006	71,74,389
Growth (%)		7.8%	4.3%	10.6%	9.0%	7.1%
Net Realization Per Vehicle (Rs.)						
Motorcycle	49,005	52,680	56,105	59,190	60,966	62,186
Growth (%)		7.5%	6.5%	5.5%	3.0%	2.0%
Scooter	50,440	53,920	57,155	59,727	60,922	62,749
Growth (%)		6.9%	6.0%	4.5%	2.0%	3.0%
Total	49,097	52,766	56,186	59,233	60,963	62,234
Growth (%)		7.5%	6.5%	5.4%	2.9%	2.1%
Operating Matrix per Vehicle (Rs)						
Net Realisation	49,005	52,680	56,105	59,190	60,966	62,186
Growth (%)		7.5%	6.5%	5.5%	3.0%	2.0%
Contribution	17,024	18,672	21,231	22,254	22,663	23,059
Growth (%)		9.7%	13.7%	4.8%	1.8%	1.7%
EBITDA	33,667	39,892	50,283	62,599	68,140	74,245
Growth (%)		18.5%	26.0%	24.5%	8.9%	9.0%
EBITDA Margin (%)	11.5%	11.8%	13.5%	14.5%	14.1%	14.0%
Change bps	(154)	29	171	100	(41)	(9)
Net Profit	24,710	29,136	37,407	48,134	52,598	57,693
Growth (%)		17.9%	28.4%	28.7%	9.3%	9.7%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 18: Sum-of-the-parts or SOTP-based target price

	Methodology	Multiple	Hero MotoCorp's stake	Value per share (Rs)
Core Business	DCF			5,370
Ather Energy	Private Equity (PE) Investment Valuation		38%	162
Hero FinCorp	P/BV	3 x FY24 Book Value	40%	280
SOTP-based valuation				5,812

SOURCE: INCRED RESEARCH, COMPANY REPORTS

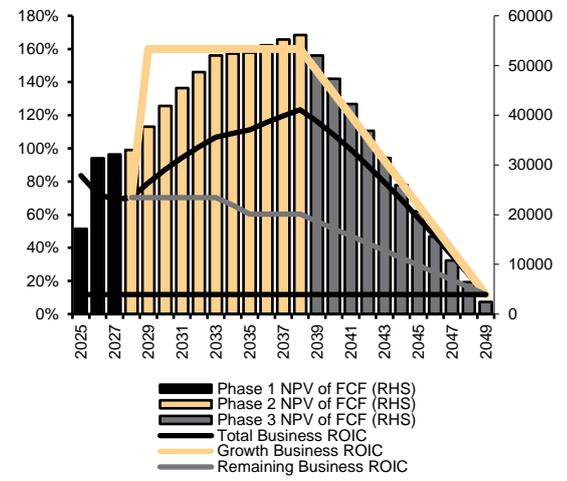
Figure 19: We have used discounted cash flow or DCF methodology to value the company's core business

Economic Profit Valuation			Discounted Cash Flow Valuation		
	Rs m	%		Rs m	%
Adjusted Opening Invested Capital	56621.0	6	Value of Phase-1: Explicit (2025F to 2027F)	80,639.3	9
NPV of Economic Profit During Explicit Period	86305.7	9	Value of Phase-2: Value Driver (2028F to 2038F)	529,194.3	57
NPV of Econ Profit of Remaining Business (1, 2)	237717.3	25	Value of Phase-3: Fade (2039F to 2049F)	0.0	31
NPV of Econ Profit of Net Inv (Growth Business) (1, 3)	553711.8	59	Terminal Value	32,657.1	3
Enterprise Value	934355.8	100	Enterprise Value	9,34,347.7	100
Plus: Other Assets	0.0	0	FCF Growth Rate at the end of Ph. 1 implied by DCF Valuation		7.7
Less: Minorities	0.0	0	FCF Growth Rate at the end of Ph.1 implied by Current Price		31.2
	136950.0				
Less: Net Debt (as on 14 Aug 2024)	9.0	-15			
Equity Value	1071306.7	115			
No. Shares (m)	199.5				
Per Share Equity Value	Rs 5,370				

Sensitivity Table		No of Years in Fade Period				
		5	8	11	14	17
WACC	9.8%	5,290	5,854	6,420	6,988	7,554
	10.8%	4,910	5,388	5,860	6,324	6,780
	11.8%	4,571	4,976	5,370	5,751	6,119
	12.8%	4,268	4,612	4,941	5,255	5,553
	13.8%	3,996	4,289	4,565	4,823	5,065

Performance Summary	2025F	2026F	2027F	Phase-2 Avg (2028F – 2038F)
Invested Capital Growth (%)	25.8	14.8	11.6	10.5
Operating Margin (%)	12.7	12.3	12.3	12.1
Capital Turnover (x)	8.8	7.8	7.5	7.3

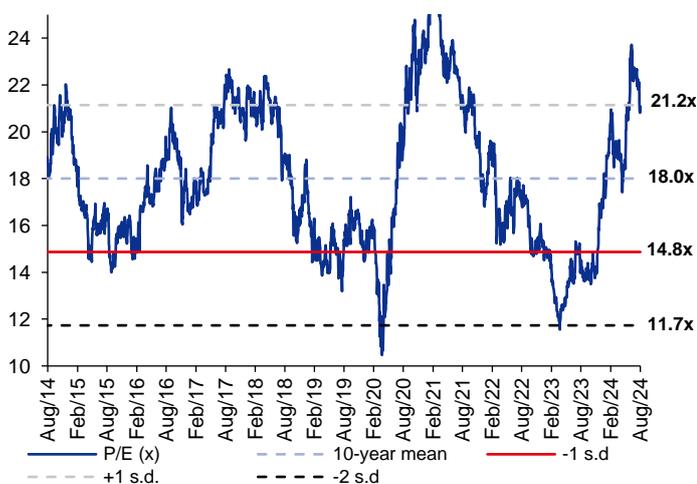
Returns, WACC and NPV of Free Cash Flow



Source: InCred Research
 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 20: One-year forward P/E valuation near +1SD level



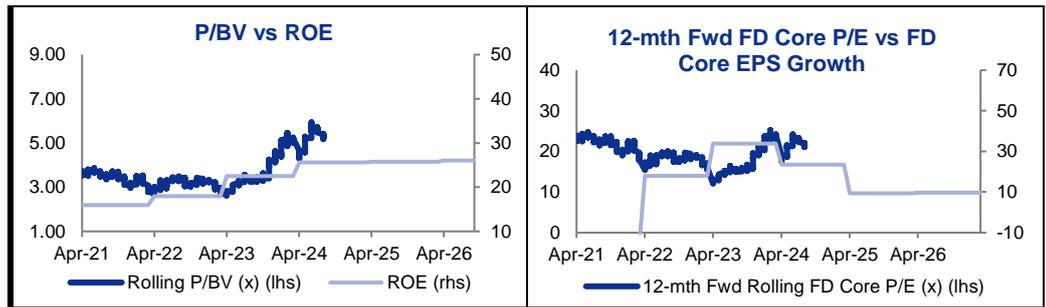
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 21: One-year forward P/BV below +1SD level



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	338,086	372,283	431,644	483,653	530,234
Gross Profit	77,607	93,952	109,925	122,001	132,581
Operating EBITDA	39,892	50,283	62,599	68,140	74,245
Depreciation And Amortisation	(6,570)	(7,114)	(7,980)	(8,581)	(8,993)
Operating EBIT	33,323	43,169	54,619	59,559	65,252
Financial Income/(Expense)					
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	5,453	8,741	9,559	10,572	11,672
Profit Before Tax (pre-EI)	38,776	51,910	64,178	70,131	76,923
Exceptional Items					
Pre-tax Profit	38,776	51,910	64,178	70,131	76,923
Taxation	(9,640)	(12,904)	(16,045)	(17,533)	(19,231)
Exceptional Income - post-tax					
Profit After Tax	29,136	39,006	48,134	52,598	57,693
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	29,136	39,006	48,134	52,598	57,693
Recurring Net Profit	29,136	39,006	48,134	52,598	57,693
Fully Diluted Recurring Net Profit	29,136	39,006	48,134	52,598	57,693

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
EBITDA	39,892	50,283	62,599	68,140	74,245
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(3,613)	9,088	(11,669)	(2,607)	(3,299)
(Incr)/Decr in Total Provisions	(940)	2,092	(77)	(2,800)	(1,900)
Other Non-Cash (Income)/Expense					
Other Operating Cashflow					
Net Interest (Paid)/Received	5,453	8,741	9,559	10,572	11,672
Tax Paid	(9,640)	(12,610)	(16,045)	(17,533)	(19,231)
Cashflow From Operations	31,152	57,595	44,368	55,772	61,487
Capex	(5,954)	(8,007)	(10,000)	(7,500)	(9,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(3,485)	(22,357)	(4,000)	(8,000)	(10,000)
Cash Flow From Investing	(9,439)	(30,365)	(14,000)	(15,500)	(19,000)
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(19,980)	(27,972)	(31,976)	(35,982)	(39,980)
Preferred Dividends					
Other Financing Cashflow	(30)	1,101	2		
Cash Flow From Financing	(20,010)	(26,871)	(31,975)	(35,982)	(39,980)
Total Cash Generated	1,704	359	(1,607)	4,290	2,507
Free Cashflow To Equity	21,714	27,230	30,368	40,272	42,487
Free Cashflow To Firm	21,714	27,230	30,368	40,272	42,487

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	113,559	136,951	139,831	152,602	165,618
Total Debtors	27,982	27,034	35,478	39,752	45,034
Inventories	14,341	14,438	18,921	22,526	24,696
Total Other Current Assets	14,498	14,147	15,000	18,500	21,000
Total Current Assets	170,379	192,570	209,230	233,381	256,347
Fixed Assets	62,252	63,145	65,165	64,085	64,091
Total Investments					
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	62,252	63,145	65,165	64,085	64,091
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	47,045	55,282	56,539	61,812	65,964
Other Current Liabilities	14,482	16,224	17,000	17,700	18,300
Total Current Liabilities	61,527	71,506	73,539	79,512	84,264
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities					
Total Provisions	4,054	4,348	4,348	4,348	4,348
Total Liabilities	65,581	75,854	77,888	83,860	88,612
Shareholders Equity	167,051	179,862	196,019	212,635	230,348
Minority Interests					
Total Equity	167,051	179,862	196,019	212,635	230,348

Key Ratios					
	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue Growth	15.6%	10.1%	15.9%	12.0%	9.6%
Operating EBITDA Growth	18.5%	26.0%	24.5%	8.9%	9.0%
Operating EBITDA Margin	11.8%	13.5%	14.5%	14.1%	14.0%
Net Cash Per Share (Rs)	568.22	685.10	699.50	763.39	828.50
BVPS (Rs)	835.88	899.76	980.59	1,063.71	1,152.32
Gross Interest Cover					
Effective Tax Rate	24.9%	24.9%	25.0%	25.0%	25.0%
Net Dividend Payout Ratio	68.6%	71.7%	66.4%	68.4%	69.3%
Accounts Receivables Days	27.54	26.97	26.43	28.39	29.18
Inventory Days	17.91	18.87	18.92	20.92	21.67
Accounts Payables Days	62.81	67.09	63.43	59.72	58.64
ROIC (%)	46.9%	56.4%	86.7%	73.2%	74.9%
ROCE (%)	23.3%	29.2%	33.4%	33.6%	34.1%
Return On Average Assets	13.0%	16.0%	18.2%	18.4%	18.7%

Key Drivers					
	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
ASP (% chg, main prod./serv.)	7.3%	5.6%	4.8%	2.8%	2.4%
Unit sales grth (% , main prod./serv.)	7.8%	4.3%	10.6%	9.0%	7.1%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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