

India

**HOLD** (no change)

Consensus ratings\*: Buy 24 Hold 14 Sell 5

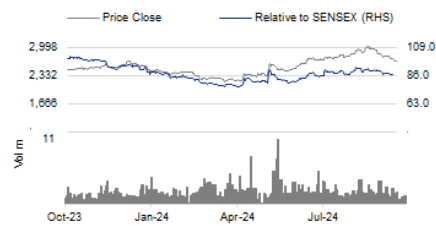
Current price:	Rs2,659
Target price:	Rs2,820
Previous target:	Rs2,875
Up/downside:	6.1%
InCred Research / Consensus:	-3.1%

Reuters:	
Bloomberg:	HUVR IN
Market cap:	US\$86,047m Rs6,248,268m
Average daily turnover:	US\$77.1m Rs5598.3m
Current shares o/s:	2,350.0m
Free float:	38.1%

\*Source: Bloomberg

**Key changes in this note**

- Lower target price to Rs2,820 from Rs2,875.
- Lower FY26F-27F EPS by 5-6%.



Source: Bloomberg

<b>Price performance</b>	1M	3M	12M
Absolute (%)	(12.2)	(3.9)	7.1
Relative (%)	(6.9)	(3.8)	(13.7)

<b>Major shareholders</b>	% held
Unilever PLC	61.9
LIC	5.2
Vanguard Group	1.6

# Hindustan Unilever Ltd

## Gradual recovery expected

- HUVR's net 2QFY25 revenue growth stood at +1.9% (in line with our estimate) led by a 3% volume growth (our estimate: 3%). Urban markets were subdued.
- Home care/beauty & wellbeing/personal care/F&R segments posted +8%/+1.5%/-4.9%/-1.2% growth, respectively.
- Corrective action at mass-end of the portfolio & premiumization agenda to drive a gradual recovery. Retain HOLD rating with a lower TP of Rs2,820.

### Volume growth in line with expectations; urban markets moderate

Hindustan Unilever (HUVR) posted a 3% underlying volume growth in 2QFY25, with sales growth at 1.9%. Rural markets (c.40% salience) saw a marginal improvement but urban markets witnessed some moderation in demand. While the mass-end of the portfolio continued to drag overall sales growth, HUVR was able to clock market share recovery ahead of its internal target of doing so by Dec 2024F. Premium offerings, especially liquids, performed relatively well. HUVR will continue to drive up its salience of premium offerings.

### Corrective steps underway to address demand weakness

HUVR has been tackling demand weakness at both ends of its portfolio. At the premium-end, it continues to launch products across segments under high-growth avenues like face cleansing, sun care, moisturization, serums, body care and masstige categories, and has launched a slew of products under these segments during the quarter. At the mass-end, it has stepped up its focus on driving product superiority led by relaunching brands with new/improved formulations. In terms of channels, the channels of the future (modern trade & e-commerce) have been supporting growth in urban markets while general trade channels continued to remain subdued. By the end of FY25F, HUVR will decide the method of separation of its ice-cream business (either sell or demerge the unit).

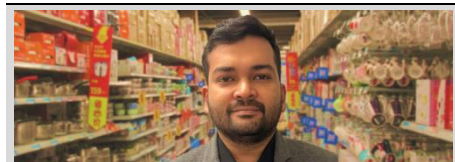
### Margins expected to remain range-bound in the near term

Gross margin contracted by 170bp yoy (down 40bp qoq) to 51% in 2QFY25. With the gap between net material inflation and price hikes narrowing, management expects low single-digit price hikes in FY25F. Advertising expenses are expected to remain elevated, keeping the EBITDA margin range-bound. Management targets maintaining EBITDA margin at the current level (23-24%). Any uptick in margin will be led by improvement in the sales mix.

### Retain HOLD rating with a lower target price of Rs2,820

Price hikes in tea and soaps should aid sales growth going ahead. We expect the demand scenario to remain subdued in the near term, but initiatives laid out to drive the recovery in mass and premium ends of the portfolio should aid a gradual recovery. We cut our FY26F-FY27F EPS by 5%-6% and retain our HOLD rating on HUVR with a lower target price of Rs2,820 (Rs2,875 earlier) based on 53x Sep 2026F EPS. Downside risk: Lower-than-expected sales growth. Upside risk: Faster recovery in the EBITDA margin.

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**Financial Summary**

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	591,440	604,690	633,978	674,855	734,170
Operating EBITDA (Rsm)	136,320	141,900	150,373	164,200	184,037
Net Profit (Rsm)	99,000	100,253	107,368	117,583	132,661
Core EPS (Rs)	42.3	42.9	45.7	50.0	56.5
Core EPS Growth	12.9%	1.4%	6.4%	9.5%	12.8%
FD Core P/E (x)	63.12	62.34	58.20	53.15	47.11
DPS (Rs)	34.0	39.0	41.0	44.9	50.7
Dividend Yield	1.28%	1.47%	1.54%	1.69%	1.91%
EV/EBITDA (x)	45.32	43.24	41.02	37.50	33.42
P/FCFE (x)	69.03	53.45	98.47	53.44	49.41
Net Gearing	(12.3%)	(20.3%)	(13.5%)	(15.4%)	(16.3%)
P/BV (x)	12.44	12.26	12.00	11.73	11.44
ROE	20.1%	19.9%	20.8%	22.3%	24.6%
% Change In Core EPS Estimates			(4.41%)	(4.98%)	(6.13%)
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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## Gradual recovery expected

### Highlights from the earnings call

#### Demand and operating environment

- The underlying volume growth stood at 3%. Price growth came in flat for the quarter (adjusting for one-off in the base).
- Urban growth has moderated, but rural markets have been gradually improving.
- HUVR is gaining competitive momentum and has been able to drive a recovery in market share ahead of its target of Dec 2024F.

#### Distribution, marketing & strategy

- 80% of HUVR's portfolio is superior compared to its competitors, as per its internal measures.
- Tresemme launched the Lamellar Gloss range in India, the first of its kind in India, as per management.
- In the health drinks portfolio, the focus is on driving the specialist range like Diabetes Plus range, etc.
- Lakme's recent launches have reached a gross merchandise value (GMV) of Rs800m in the first six months of their launch.
- In foods, new innovations under Knorr were launched for mini meals like Korean Kim-Chi Soup Bowl. Access packs have been rolled out pan-India.
- Kirana-centric approach: Shikhar is focusing on supporting a retailer's core business (improving store-level assortment, creating custom campaigns/content for each store, etc). Stores onboard with Shikhar are growing faster than the other stores.

#### Home care

- Sales grew 8% yoy while volume grew in high single digits. The liquids business doubled yoy.
- Fabric Wash: Volume grew in high single digits driven by liquids and fabric care portfolio.
- Household Care: High single-digit volume growth led by premium and dishwash range.
- Forayed into floor cleaner with Vim Pro Floor Cleaner, drove distribution of Rin Liquids and launched Comfort Beads (fabric conditioner at the premium-end).

#### Beauty and wellbeing

- Sales grew 1% (intrinsic growth of 7%) yoy, with the volume growing in mid-single digits. Post-wash segments performed well.
- Hair care: Maintained momentum with volume-led high-single digit growth. Sunsilk, Dove and Tresemme grew in double digits.
- Skincare & colour cosmetics: Mid-single digit growth led by double-digit growth in the premium skin care range.
- Simple & Love Beauty Planet moved out of the incubation phase. These brands have done very well in e-commerce and modern trade channels.

## Personal care

- Sales declined 5%, with volume declining in low single digits. Will take a few quarters for actions taken to drive an uptick in sales growth.
- Skin cleansing: Sales declined on account of pricing actions taken during the year. The premium range continued to outperform the segment. Body wash strengthened its leadership, growing in high double digits. Lux added a sandalwood soap (backed by Stratos technology). Post project Stratos, Lux has seen good feedback.
- Oral care business grew in high single digits led by Closeup toothpaste.

## Foods and refreshments

- Sales declined 2%, with volume declining in low single digits.
- Beverages: Tea continued to strengthen volume market leadership. The premium range performed well. Volume growth remained muted as the downgradation for loose tea continued. Coffee grew in double digits led by strong growth in organized trade channels.
- Health food drinks: Market share gains continued. The focus was on driving consumption (which remained subdued) and building the specialist range.
- Foods: Posted low single-digit volume growth led by portfolio extension and distribution expansion. International sauces are now available pan-India.
- Ice-cream (3% of FY24 sales): Volume was flat yoy due to prolonged rainfall. By the end of the year, HUVR will take a call on which method of separation to go for (either sale of business or demerger).

## Outlook

- Demand trend is expected to remain stable.
- Management expects low single-digit pricing growth if commodity prices remain stable.
- The EBITDA margin is expected to remain at a similar level.

**Figure 1: Quarterly results summary - standalone**

Y/E Mar (Rs. m)	2QFY24	1QFY25	2QFY25	YoY (%)	QoQ (%)	1HFY24	1HFY25	Gr (%)
<b>Revenue</b>	<b>1,52,760</b>	<b>1,53,390</b>	<b>1,55,080</b>	1.5	1.1	<b>3,04,240</b>	<b>3,08,470</b>	1.4
<b>Expenditure</b>	<b>1,15,820</b>	<b>1,17,330</b>	<b>1,18,610</b>	2.4	1.1	<b>2,32,090</b>	<b>2,35,940</b>	1.7
Consumption of RM	72,210	74,480	75,930	5.2	1.9	1,48,090	1,50,410	1.6
as % of sales	47.3	48.6	49.0			48.7	48.8	
Employee Costs	7,080	6,020	7,650	8.1	27.1	13,590	13,670	0.6
as % of sales	4.6	3.9	4.9			4.5	4.4	0.30
Advertising & Promotion Costs	17,200	16,440	14,640	-14.9	-10.9	32,010	31,080	-2.9
as % of sales	11.3	10.7	9.4			10.5	10.1	-1.82
Other Expenditure	19,330	20,390	20,390	5.5	0.0	38,400	40,780	6.2
as % of sales	12.7	13.3	13.1			12.6	13.2	0.49
<b>EBITDA</b>	<b>36,940</b>	<b>36,060</b>	<b>36,470</b>	<b>-1.3</b>	<b>1.1</b>	<b>72,150</b>	<b>72,530</b>	<b>0.5</b>
Depreciation	2,690	2,980	3,050	13.4	2.3	5,260	6,030	14.6
<b>EBIT</b>	<b>34,250</b>	<b>33,080</b>	<b>33,420</b>	<b>-2.4</b>	<b>1.0</b>	<b>66,890</b>	<b>66,500</b>	<b>-0.6</b>
Other Income	2,830	2,570	3,090	9.2	20.2	4,680	5,660	20.9
Interest	720	850	990	37.5	16.5	1,190	1,840	54.6
<b>PBT</b>	<b>36,360</b>	<b>34,800</b>	<b>35,520</b>	<b>-2.3</b>	<b>2.1</b>	<b>70,380</b>	<b>70,320</b>	<b>-0.1</b>
Total Tax	9,140	8,940	9,240	1.1	3.4	18,070	18,180	0.6
<b>APAT</b>	<b>27,220</b>	<b>25,860</b>	<b>26,280</b>	<b>-3.5</b>	<b>1.6</b>	<b>52,310</b>	<b>52,140</b>	<b>-0.3</b>
Extraordinary Items	-50	-480	-160	NA	NA	-420	-640	NA
<b>Reported PAT</b>	<b>27,170</b>	<b>25,380</b>	<b>26,120</b>	<b>-3.9</b>	<b>2.9</b>	<b>51,890</b>	<b>51,500</b>	<b>-0.8</b>
<b>EPS</b>	<b>11.6</b>	<b>10.8</b>	<b>11.1</b>	<b>-3.9</b>	<b>2.9</b>	<b>22.1</b>	<b>21.9</b>	<b>-0.8</b>
<b>Margins (%)</b>	<b>2QFY24</b>	<b>1QFY25</b>	<b>2QFY25</b>	<b>(bp)</b>	<b>(bp)</b>	<b>1HFY24</b>	<b>1HFY25</b>	<b>(bp)</b>
Gross Margin	52.7	51.4	51.0	-170	-40	51.3	51.2	-10
EBITDA	24.2	23.5	23.5	-70	0	23.7	23.5	-20
EBIT	22.4	21.6	21.6	-90	0	22.0	21.6	-40
EBT	23.8	22.7	22.9	-90	20	23.1	22.8	-30
PAT	17.8	16.9	16.9	-90	10	17.2	16.9	-30
Effective Tax Rate	25.1	25.7	26.0	90	30	25.7	25.9	20

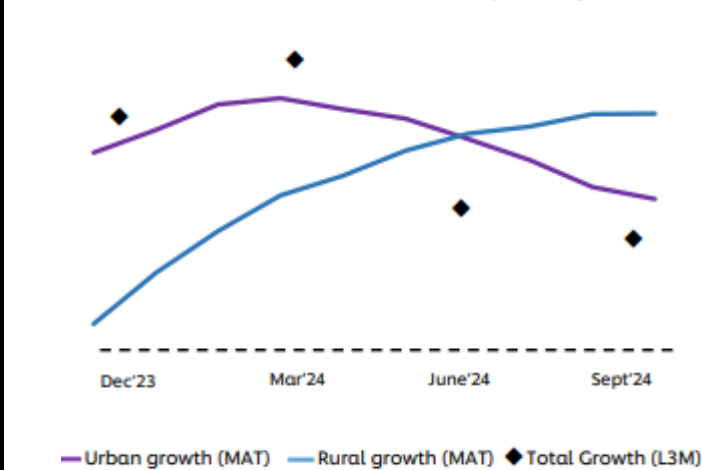
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Segmental breakup

Y/E Mar (Rs. m)	2QFY24	1QFY25	2QFY25	YoY (%)	QoQ (%)	1HFY24	1HFY25	Gr (%)
<b>Segment Revenue</b>								
Home Care	53,120	56,750	57,370	8.0	1.1	1,07,370	1,14,120	6.3
Beauty & Wellbeing	32,740	31,990	33,230	1.5	3.9	63,770	65,220	2.3
Personal Care	25,350	23,860	24,120	-4.9	1.1	50,330	47,980	(4.7)
Foods & Refreshments	38,510	38,502	38,030	-1.2	-1.2	76,480	76,530	0.1
Others	3,040	2,290	2,330	-23.4	1.7	6,290	4,620	(26.6)
<b>Total</b>	<b>1,52,760</b>	<b>1,53,392</b>	<b>1,55,080</b>	<b>1.5</b>	<b>1.1</b>	<b>3,04,240</b>	<b>3,08,470</b>	<b>1.4</b>
<b>Segment Results</b>								
Home Care	9,950	11,090	10,870	9.2	-2.0	19,860	21,960	10.6
Beauty & Wellbeing	11,250	10,060	11,210	-0.4	11.4	21,510	21,270	(1.1)
Personal Care	4,560	4,180	4,010	-12.1	-4.1	9,020	8,190	(9.2)
Foods & Refreshments	7,200	7,360	6,900	-4.2	-6.3	14,010	14,260	1.8
Others	1,290	390	430	-66.7	10.3	2,490	820	(67.1)
<b>Total</b>	<b>34,250</b>	<b>33,080</b>	<b>33,420</b>	<b>-2.4</b>	<b>1.0</b>	<b>66,890</b>	<b>66,500</b>	<b>(0.6)</b>
Add- Unall. Income / (Expenses)	2,830	2,570	3,090	9.2	20.2	4,680	5,660	20.9
Less- Interest Expenses	-720	-850	-990	37.5	16.5	-1,190	-1,840	54.6
Less- Exceptional Items	-50	-480	-160	NA	NA	-420	-640	NA
<b>PBIT</b>	<b>36,310</b>	<b>34,320</b>	<b>35,360</b>	<b>-2.6</b>	<b>3.0</b>	<b>69,960</b>	<b>69,680</b>	<b>(0.4)</b>
<b>Segment EBIT Margin (%)</b>								
Home Care	18.7	19.5	18.9	20	-60	18.5	19.2	70
Beauty & Wellbeing	34.4	31.4	33.7	-60	230	33.7	32.6	-110
Personal Care	18.0	17.5	16.6	-140	-90	17.9	17.1	-90
Foods & Refreshments	18.7	19.1	18.1	-60	-100	18.3	18.6	30
Others	42.4	17.0	18.5	-2400	140	39.6	17.7	-2180
<b>Average</b>	<b>22.4</b>	<b>21.6</b>	<b>21.6</b>	<b>-90</b>	<b>0</b>	<b>22.0</b>	<b>21.6</b>	<b>-40</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Urban market growth moderated in 2QFY25  
FMCG Volume Growth trends (Nielsen)



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Prices of tea and crude palm oil remained inflationary  
SQ'24 Inflation

	vs. SQ'23	vs. JQ'24
Crude Oil (Brent USD/bbl)	-10%	-10%
Soda Ash (INR/ton)	-5%	0%
Palm Oil (BMD CPO USD/MT)	+10%	+5%
Tea (INR/kg)	+25%	+20%
Skimmed Milk Powder (INR/kg)	-10%	0%

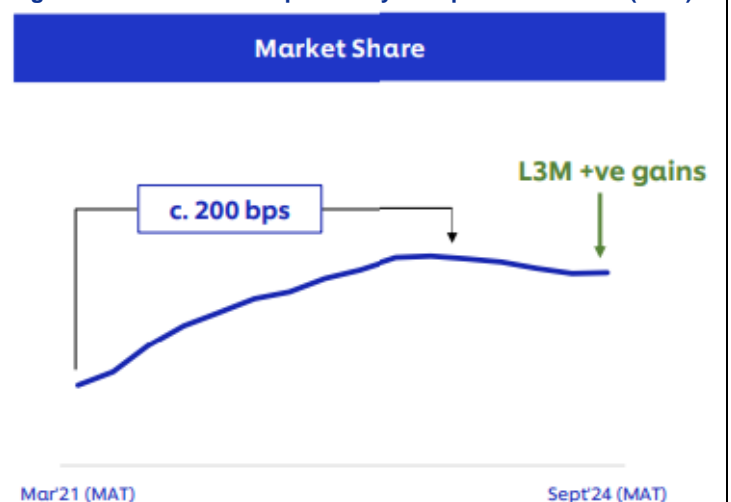
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: Market share recovery ahead of internal benchmarks



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: Market share improved by 200bp over Mar 2021 (MAT)



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: Excluding one-off in the base, sales grew 3% in 2QFY25...

Particulars	SQ'24 (Reported)	SQ'24 (Intrinsic)
Underlying Sales Growth	2%	3%
Underlying Volume Growth	3%	3%
Underlying Price Growth	-1%	Flat
Gross Margin Δ	-150 bps	-100 bps
EBITDA Margin Δ	-80 bps	Flat
PAT before exceptional items Growth	-2%	2%
Net Profit Growth	-4%	Flat

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: ... and 2% in 1HFY25

Particulars	H1'25 (Reported)	H1'25 (Intrinsic)
Underlying Sales Growth	2%	2%
Underlying Volume Growth	3%	3%
Underlying Price Growth	-2%	-1%
Gross Margin Δ	+10 bps	+40 bps
EBITDA Margin Δ	-30 bps	+10 bps
PAT before exceptional items Growth	Flat	3%
Net Profit Growth	-1%	2%

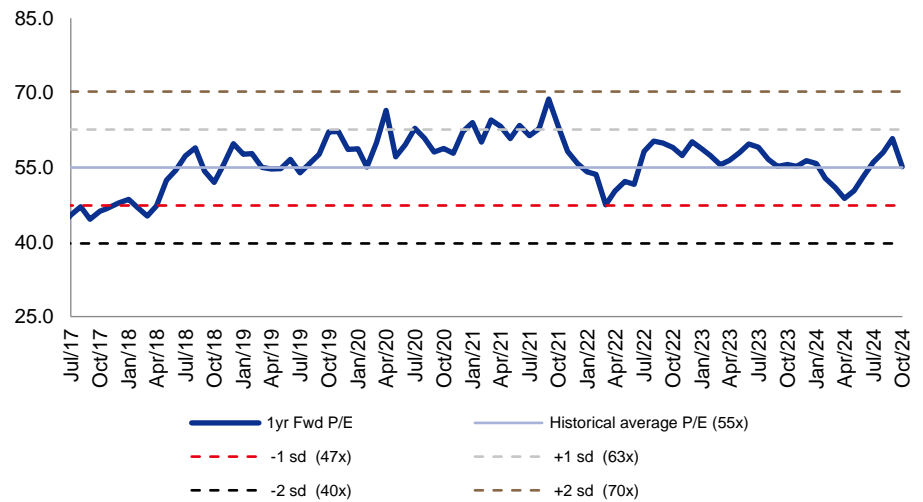
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 9: Our revised earnings estimates

Y/E, Mar (Rs m)	FY25F			FY26F			FY26F		
	Earlier	Revised	% Change	Earlier	Revised	% Change	Earlier	Revised	% Change
Net Sales	6,54,422	6,33,978	(3.1)	7,14,852	6,74,855	(5.6)	7,83,731	7,34,170	(6.3)
EBITDA	1,55,262	1,50,373	(3.1)	1,73,988	1,64,200	(5.6)	1,96,503	1,84,037	(6.3)
EBITDA Margin (%)	23.7	23.7	0bp	24.3	24.3	0bp	25.1	25.1	0bp
APAT	1,12,320	1,07,368	(4.4)	1,23,739	1,17,583	(5.0)	1,41,319	1,32,661	(6.1)
EPS (Rs)	47.8	45.7	(4.4)	52.7	50.0	(5.0)	60.1	56.5	(6.1)

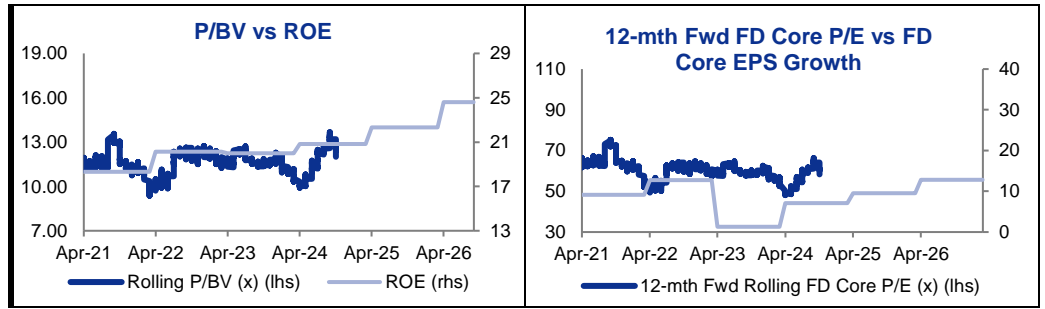
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 10: HUVR's one-year forward P/E trades at its five-year historical average



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>591,440</b>	<b>604,690</b>	<b>633,978</b>	<b>674,855</b>	<b>734,170</b>
<b>Gross Profit</b>	<b>280,000</b>	<b>311,420</b>	<b>334,745</b>	<b>361,728</b>	<b>400,128</b>
<b>Operating EBITDA</b>	<b>136,320</b>	<b>141,900</b>	<b>150,373</b>	<b>164,200</b>	<b>184,037</b>
Depreciation And Amortisation	(10,300)	(10,970)	(11,000)	(12,000)	(12,500)
<b>Operating EBIT</b>	<b>126,020</b>	<b>130,930</b>	<b>139,373</b>	<b>152,200</b>	<b>171,537</b>
Financial Income/(Expense)	3,240	2,490	2,061	2,667	3,334
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	2,150	4,223	4,645	5,110	5,621
<b>Profit Before Tax (pre-EI)</b>	<b>131,410</b>	<b>137,643</b>	<b>146,079</b>	<b>159,977</b>	<b>180,491</b>
Exceptional Items	(620)	(890)			
<b>Pre-tax Profit</b>	<b>130,790</b>	<b>136,753</b>	<b>146,079</b>	<b>159,977</b>	<b>180,491</b>
Taxation	(31,170)	(35,610)	(38,711)	(42,394)	(47,830)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>99,620</b>	<b>101,143</b>	<b>107,368</b>	<b>117,583</b>	<b>132,661</b>
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax	(620)	(890)			
<b>Net Profit</b>	<b>99,000</b>	<b>100,253</b>	<b>107,368</b>	<b>117,583</b>	<b>132,661</b>
Recurring Net Profit	99,472	100,911	107,368	117,583	132,661
<b>Fully Diluted Recurring Net Profit</b>	<b>99,472</b>	<b>100,911</b>	<b>107,368</b>	<b>117,583</b>	<b>132,661</b>

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
<b>EBITDA</b>	<b>136,320</b>	<b>141,900</b>	<b>150,373</b>	<b>164,200</b>	<b>184,037</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(8,660)	42,650	(42,405)	(143)	(6,169)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	(620)	(890)			
Other Operating Cashflow	6,400	9,733	10,706	11,777	12,955
Net Interest (Paid)/Received	(1,010)	(3,020)	(4,000)	(4,000)	(4,000)
Tax Paid	(31,170)	(35,610)	(38,711)	(42,394)	(47,830)
<b>Cashflow From Operations</b>	<b>101,260</b>	<b>154,763</b>	<b>75,963</b>	<b>129,439</b>	<b>138,992</b>
Capex	(14,010)	(20,850)	(12,500)	(12,500)	(12,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments	3,280	(16,990)			
Other Investing Cashflow					
<b>Cash Flow From Investing</b>	<b>(10,730)</b>	<b>(37,840)</b>	<b>(12,500)</b>	<b>(12,500)</b>	<b>(12,500)</b>
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(84,590)	(93,980)	(96,442)	(105,617)	(119,161)
Preferred Dividends					
Other Financing Cashflow	1,420	1,647			
<b>Cash Flow From Financing</b>	<b>(83,170)</b>	<b>(92,333)</b>	<b>(96,442)</b>	<b>(105,617)</b>	<b>(119,161)</b>
Total Cash Generated	7,360	24,590	(32,979)	11,322	7,330
<b>Free Cashflow To Equity</b>	<b>90,530</b>	<b>116,923</b>	<b>63,463</b>	<b>116,939</b>	<b>126,492</b>
<b>Free Cashflow To Firm</b>	<b>91,540</b>	<b>119,943</b>	<b>67,463</b>	<b>120,939</b>	<b>130,492</b>

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	72,330	117,260	85,081	103,953	112,083
Total Debtors	27,350	26,900	27,031	29,136	32,696
Inventories	40,310	38,120	32,506	36,420	49,539
Total Other Current Assets	45,370	45,710	44,842	45,062	45,383
<b>Total Current Assets</b>	<b>185,360</b>	<b>227,990</b>	<b>189,459</b>	<b>214,571</b>	<b>239,701</b>
Fixed Assets	349,900	359,780	361,280	361,780	361,780
Total Investments	9,830	9,830	9,830	9,830	9,830
Intangible Assets	173,160	173,160	173,160	173,160	173,160
Total Other Non-Current Assets	(63,250)	(64,540)	(64,540)	(64,540)	(64,540)
<b>Total Non-current Assets</b>	<b>469,640</b>	<b>478,230</b>	<b>479,730</b>	<b>480,230</b>	<b>480,230</b>
Short-term Debt	2,930	3,400	3,400	3,400	3,400
Current Portion of Long-Term Debt					
Total Creditors	125,260	163,950	117,920	123,117	132,635
Other Current Liabilities					
<b>Total Current Liabilities</b>	<b>128,190</b>	<b>167,350</b>	<b>121,320</b>	<b>126,517</b>	<b>136,035</b>
Total Long-term Debt	7,460	10,340	11,140	18,690	19,490
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
<b>Total Non-current Liabilities</b>	<b>7,460</b>	<b>10,340</b>	<b>11,140</b>	<b>18,690</b>	<b>19,490</b>
Total Provisions	17,140	18,800	16,073	16,973	18,285
<b>Total Liabilities</b>	<b>152,790</b>	<b>196,490</b>	<b>148,534</b>	<b>162,180</b>	<b>173,810</b>
Shareholders Equity	502,210	509,730	520,656	532,621	546,121
Minority Interests					
<b>Total Equity</b>	<b>502,210</b>	<b>509,730</b>	<b>520,656</b>	<b>532,621</b>	<b>546,121</b>

**Key Ratios**

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue Growth	15.5%	2.2%	4.8%	6.4%	8.8%
Operating EBITDA Growth	9.0%	4.1%	6.0%	9.2%	12.1%
Operating EBITDA Margin	23.0%	23.5%	23.7%	24.3%	25.1%
Net Cash Per Share (Rs)	26.36	44.05	30.02	34.84	37.95
BVPS (Rs)	213.71	216.91	221.56	226.65	232.39
Gross Interest Cover	124.77	43.35	34.84	38.05	42.88
Effective Tax Rate	23.8%	26.0%	26.5%	26.5%	26.5%
Net Dividend Payout Ratio	80.2%	90.6%	89.8%	89.8%	89.8%
Accounts Receivables Days	14.40	16.37	15.52	15.19	15.37
Inventory Days	46.42	48.81	43.07	40.17	46.96
Accounts Payables Days	143.59	179.97	171.91	140.48	139.73
ROIC (%)	28.2%	31.5%	30.5%	33.2%	36.9%
ROCE (%)	25.8%	26.3%	27.5%	29.2%	31.8%
Return On Average Assets	14.9%	14.5%	15.3%	16.8%	18.3%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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- Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
- Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

*The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.*

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Definition:

- Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

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