

India

**ADD** (previously HOLD)

Consensus ratings*:	Buy 6	Hold 6	Sell 10
Current price:	Rs3,367		
Target price:	Rs3,870		
Previous target:	Rs5,175		
Up/downside:	14.9%		
InCred Research / Consensus:	-13.8%		
Reuters:	THMX.NS		
Bloomberg:	TMX IN		
Market cap:	US\$4,588m		
	Rs401,199m		
Average daily turnover:	US\$6.2m		
	Rs543.7m		
Current shares o/s:	112.6m		
Free float:	38.0%		
*Source: Bloomberg			

**Key changes in this note**

- ▶ We cut revenue by 3-6% & PAT by 11-16% for FY25F-27F. Upgrade to ADD rating (from HOLD) with a lower target price of Rs3,870 (Rs5,175 earlier),

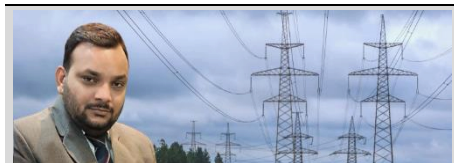


Source: Bloomberg

<b>Price performance</b>	1M	3M	12M
Absolute (%)	(17.8)	(34.0)	2.5
Relative (%)	(17.7)	(32.7)	(5.3)

<b>Major shareholders</b>	% held
Promoters	62.0
SBI Mutual Fund	9.9
Nalanda India Equity	5.2

**Research Analyst(s)**



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# Thermax Ltd

## Revival from 4QFY25F; upgrade to ADD

- 3Q EBITDA came in at Rs1.9bn, flat YoY, 22% below our estimate and 26% below Bloomberg consensus. The EBITDA margin was down 53bp at 7.5%.
- Thermax's focus is on improving project execution, stabilizing the BioCNG segment & capitalizing on growth in industrial product & heat pump segments.
- For FY25F-27F, we cut PAT by 11-16%. The stock fell 35% in the last three months. Upgrade to ADD (from HOLD), but with a lower TP of Rs3,870.

### Subdued 3QFY25 performance

Thermax reported a subdued 3QFY25 performance, with a revenue growth of 8% YoY at Rs25.1bn, 11% below our estimate and 8% below Bloomberg or BB consensus estimate. Revenue growth was seen across sectors, with the green solutions business witnessing the highest growth of 53% YoY. The chemical business revenue was up 19% YoY while core industrial products and industrial infrastructure segments saw modest growth of 6% and 3%, respectively. EBITDA came in at Rs1.9bn, flat YoY, 22% below our estimate and 26% below BB consensus estimate. The EBITDA margin was down by 53bp at 7.5%. Adjusted PAT stood at Rs1.1bn, down 20% YoY, 42% below our estimate and 38% below BB consensus estimate. The order inflow declined by 8% YoY to Rs22.96bn, while the order book stood at Rs113.8bn, up 6% YoY.

### Cost overrun in industrial infrastructure business

The industrial infrastructure segment's EBIT witnessed a massive decline of 97% while the chemical segment's EBIT was down 20% YoY. The industrial infrastructure segment's profitability has been impacted due to lower margin in certain projects due to cost overrun. The chemical segment's profitability is lower due to product mix changes. During 3Q, revenue was impacted by ~Rs5bn and profitability by ~Rs600m. Thermax faced challenges in project execution, particularly in the flue gas desulfurization (FGD) and BioCNG segments. The FGD project incurred higher-than-expected costs

### Large projects to revive in the coming quarters

Management gave guidance of a revival from 4QFY25F as change orders start getting released. BioCNG, despite being a growth area, has seen significant investments and losses, but there is now some optimism as the project stabilizes. The company is focused on improving project execution, stabilizing the BioCNG segment, and capitalizing on growth opportunities in industrial product and heat pump segments.

### Upgrade to ADD rating, but with a lower target price of Rs3,870

The capex momentum, especially in water, power and environmental segments, augurs well for Thermax. For FY25F-27F, we cut revenue estimates by 3-6% and PAT estimates by 11-16%. The stock has corrected 35% in the last three months and is available at its mean P/E. Upgrade to ADD rating (from HOLD), but with a lower target price of Rs3,870 (Rs5,175 earlier), valuing Thermax at 40x FY27F (from 50x Sep 2026F) EPS. Downside risks: Delay in order execution & lower margin.

Financial Summary	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	80,898	93,235	106,965	130,490	155,427
Operating EBITDA (Rsm)	5,976	7,974	9,474	11,811	14,484
Net Profit (Rsm)	4,507	6,430	6,838	8,727	10,896
Core EPS (Rs)	40.0	50.4	60.7	77.5	96.8
Core EPS Growth	44.3%	25.9%	20.5%	27.6%	24.9%
FD Core P/E (x)	84.12	66.80	55.45	43.44	34.79
DPS (Rs)	9.1	10.0	11.5	14.7	18.4
Dividend Yield	0.27%	0.29%	0.30%	0.30%	0.30%
EV/EBITDA (x)	62.92	47.90	40.25	32.36	26.37
P/FCFE (x)	166.30	224.74	158.54	160.14	125.98
Net Gearing	(8.3%)	6.3%	4.3%	5.3%	4.3%
P/BV (x)	9.80	8.54	7.59	6.65	5.76
ROE	12.2%	14.1%	14.5%	16.3%	17.7%
% Change In Core EPS Estimates					
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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## 3QFY25 conference-call highlights

- **Overview:** Thermax's management outlined the difficulties in 3QFY25, with the revenue impacted by ~Rs5bn and profitability impacted by ~Rs600m, while the order book also contributed to the shortfall. However, management expects an improvement in the order book and additional safeguards have been put in place to prevent a recurrence. It has faced challenges in project execution, particularly in the flue gas desulfurization (FGD) and BioCNG segments. The FGD project incurred higher-than-expected costs, but management expects some relief in 4QFY25F as change orders and claims start getting released. BioCNG, despite being a growth area, has seen significant investments and losses, but there is now some optimism as the project stabilizes.
- **Order pipeline:** Thermax has seen a soft order pipeline for large projects, particularly in the EPC segment, with no orders above Rs1bn for several quarters. However, a larger pipeline is forming, and management expects a reversal in this trend, starting from 4QFY25F. Meanwhile, the industrial products segment has shown strong growth, with a 40% increase in the order book and a 30% rise in the backlog, indicating a healthy outlook for 4Q and beyond.
- **BioCNG update:** BioCNG has been a challenging area, with Thermax taking a significant hit. However, the company now sees some stabilization in its plants, with discussions underway to hand over some projects to customers. Management expects to start taking new orders in 2HFY26F, once the technology and risk profile are better understood. The BioCNG segment faces challenges due to a lower-than-expected conversion rate and the need for government support to make the business viable. Management highlighted the importance of subsidies, carbon credits, and policy changes to ensure the sustainability of the BioCNG industry.
- **Exports:** They have improved, especially in the industrial products segment, with 3Q being one of the top quarters for export revenue. Management expects export revenue to be in the range of Rs2-3.5bn next year, representing 25-30% of total revenue.
- **Large projects:** After a prolonged period of softness, Thermax is seeing a revival in the order pipeline of large projects across sectors like steel, power, cement, and petrochemicals. The company closed a significant order in Jan 2025 and expects more to follow, indicating a potential turnaround in the large projects segment.
- **Heat pumps and coal gasification:** Thermax is optimistic about its heat pump technology, which has shown strong potential and profitability. The company aims to grow this business significantly in the coming years. On the other hand, coal gasification remains dependent on government support, and while there are ongoing discussions, commercial viability is still uncertain.
- **Ethanol sector:** The ethanol sector, which had been a strong performer for Thermax, has slowed due to financing challenges. However, there are signs of improvement, and management expects the sector to pick up as interest rates stabilize and financing becomes more accessible.
- **TBWES:** TBWES, the bespoke boiler division, has been performing well, despite some losses on government projects. The division has a healthy order backlog and is expected to contribute positively to profits in the coming quarters.
- **Services:** Thermax's services segment, which includes O&M (operations and maintenance) services, has been consistent, with a revenue of Rs1.25-1.5bn per quarter and low double-digit profitability. This segment is expected to continue its steady performance.
- **Outlook:** Despite a challenging 3Q, Thermax remains optimistic about 4Q and the future. The company is focused on improving project execution, stabilizing the BioCNG segment, and capitalizing on growth opportunities in industrial

products and heat pumps. Management expects a strong finish to FY25F and a positive outlook for FY26F, driven by the revival in large projects and continued strength in industrial products and exports.

**Figure 1: Results summary**

Rs m	3QFY25	3QFY24	YoY (%)	2QFY25	QoQ (%)	9MFY25	9MFY24	YoY (%)
<b>Total Revenue</b>	<b>25,078</b>	<b>23,244</b>	<b>7.9%</b>	<b>26,116</b>	<b>-4.0%</b>	<b>73,038</b>	<b>65,598</b>	<b>11.3%</b>
Raw Material Costs	13,995	12,880	8.7%	14,405	-2.8%	40,687	36,459	11.6%
Employee Costs	3,227	2,920	10.5%	3,229	-0.1%	9,369	8,321	12.6%
Other Expenses	5,966	5,569	7.1%	5,703	4.6%	16,900	15,576	8.5%
Total Expenditure	23,188	21,369	8.5%	23,336	-0.6%	66,957	60,355	10.9%
<b>EBIDTA</b>	<b>1,890</b>	<b>1,874</b>	<b>0.8%</b>	<b>2,780</b>	<b>-32.0%</b>	<b>6,081</b>	<b>5,242</b>	<b>16.0%</b>
Depreciation	351	358	-2.1%	421	-16.6%	1,132	982	15.2%
EBIT	1,539	1,516	1.5%	2,359	-34.8%	4,949	4,260	16.2%
Interest	287	266	7.7%	294	-2.5%	855	598	43.1%
Other Income	315	584	-46.0%	598	-47.3%	1,754	1,773	-1.1%
Extraordinary Income	-	1,261	-	-	-	-	1,261	-
PBT	1,568	3,095	-49.3%	2,663	-41.1%	5,848	6,191	-5.5%
Total Tax	425	721	-41.0%	683	-37.7%	1,627	1,625	0.1%
<b>Reported PAT</b>	<b>1,137</b>	<b>2,371</b>	<b>-52.0%</b>	<b>1,980</b>	<b>-42.6%</b>	<b>4,212</b>	<b>4,556</b>	<b>-7.6%</b>
<b>Adj. PAT</b>	<b>1,137</b>	<b>1,425</b>	<b>-20.2%</b>	<b>1,980</b>	<b>-42.6%</b>	<b>4,212</b>	<b>4,556</b>	<b>-7.6%</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 2: Margin and cost analysis**

Margin & Cost	3QFY25	3QFY24	YoY (bp)	2QFY25	QoQ (bp)	9MFY25	9MFY24	YoY (bp)
<b>EBIDTA Margin</b>	<b>7.5%</b>	<b>8.1%</b>	<b>-53</b>	<b>10.6%</b>	<b>-311</b>	<b>8.3%</b>	<b>8.0%</b>	<b>33</b>
EBIT Margin	6.1%	6.5%	-38	9.0%	-290	6.8%	6.5%	28
NPM	4.5%	10.2%	-566	7.6%	-305	5.8%	6.9%	-118
Effective Tax Rate (%)	27.1%	23.3%	384	25.6%	150	27.8%	26.2%	157
Gross Margin	44.2%	44.6%	-39	44.8%	-65	44.3%	44.4%	-13
<b>Cost Analysis (% of Sales)</b>								
Raw Material Costs	55.8%	55.4%	39	55.2%	65	55.7%	55.6%	13
Employee Costs	12.9%	12.6%	30	12.4%	50	12.8%	12.7%	14
Other Expenses	23.8%	24.0%	(17)	21.8%	196	23.1%	23.7%	(60)

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 3: Segment-wise revenue and EBIT**

Segmental Revenue	3QFY25	3QFY24	YoY (%)	2QFY25	QoQ (%)	9MFY25	9MFY24	YoY (%)
Industrial Products	10,801	10,226	5.6%	10,576	2.1%	30,986	28,478	8.8%
Industrial Infrastructure	11,317	10,974	3.1%	12,426	-8.9%	32,994	30,987	6.5%
Green Solutions	1,892	1,235	53.3%	1,751	8.1%	5,380	3,612	48.9%
Chemicals	1,916	1,606	19.3%	1,903	0.7%	5,527	5,092	8.5%
<b>Total</b>	<b>25,926</b>	<b>24,041</b>	<b>7.8%</b>	<b>26,657</b>	<b>-2.7%</b>	<b>74,887</b>	<b>68,170</b>	<b>9.9%</b>
<b>EBIT</b>	<b>3QFY25</b>	<b>3QFY24</b>	<b>YoY (%)</b>	<b>2QFY25</b>	<b>QoQ (%)</b>	<b>9MFY25</b>	<b>9MFY24</b>	<b>YoY (%)</b>
Industrial Products	1,215	1,015	19.7%	1,145	6.1%	3,228	2,563	25.9%
Industrial Infrastructure	13	389	-96.6%	882	-98.5%	712	1,264	-43.7%
Green Solutions	180	133	35.3%	216	-16.7%	626	313	100.1%
Chemicals	264	331	-20.2%	306	-13.7%	874	942	-7.2%
<b>Total</b>	<b>1,673</b>	<b>1,868</b>	<b>-10.4%</b>	<b>2,243</b>	<b>-25.4%</b>	<b>5,439</b>	<b>5,082</b>	<b>7.0%</b>
<b>EBIT Margin</b>	<b>3QFY25</b>	<b>3QFY24</b>	<b>YoY (bp)</b>	<b>2QFY25</b>	<b>QoQ (bp)</b>	<b>9MFY25</b>	<b>9MFY24</b>	<b>YoY (bp)</b>
Industrial Products	11.3%	9.9%	133	10.8%	42	10.4%	9.0%	142
Industrial Infrastructure	0.1%	3.5%	-343	7.1%	-698	2.2%	4.1%	-192
Green Solutions	9.5%	10.8%	-126	12.3%	-283	11.6%	8.7%	297
Chemicals	13.8%	20.6%	-683	16.1%	-229	15.8%	18.5%	-269
<b>Total</b>	<b>6.5%</b>	<b>7.8%</b>	<b>-132</b>	<b>8.4%</b>	<b>-196</b>	<b>7.3%</b>	<b>7.5%</b>	<b>-19</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 4: Actuals versus estimates**

Vs. InCred	3QFY25A	3QFY25F	Diff (%)
Revenue	25,078	28,299	-11.4%
EBITDA	1,890	2,434	-22.4%
Margin (%)	7.5%	8.6%	-106bp
PAT	1,137	1,973	-42.4%
Vs. Consensus	3QFY25A	3QFY25C	Diff (%)
Revenue	25,078	27,206	-7.8%
EBITDA	1,890	2,545	-25.7%
Margin (%)	7.5%	9.4%	-182bp
PAT	1,137	1,839	-38.2%

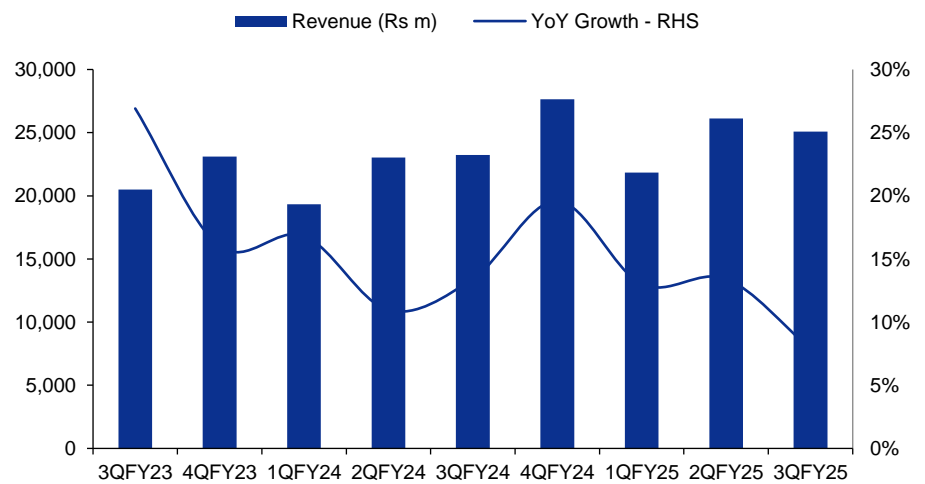
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 5: Segment-wise order inflow and order book**

(Rs m)	3QFY25	3QFY24	YoY (%)	2QFY25	QoQ (%)	9MFY25	9MFY24	YoY (%)
<b>Order Inflow (Rs m)</b>	<b>22,960</b>	<b>25,060</b>	<b>-8.4%</b>	<b>33,540</b>	<b>-31.5%</b>	<b>82,190</b>	<b>70,450</b>	<b>16.7%</b>
Industrial Products	13,890	9,900	40.3%	13,500	2.9%	40,040	32,680	22.5%
Industrial Infrastructure	6,690	12,460	-46.3%	17,480	-61.7%	34,080	30,280	12.5%
Green Solutions	470	960	-51.0%	570	-17.5%	2,040	2,380	-14.3%
Chemical	1,910	1,740	9.8%	1,990	-4.0%	6,030	5,110	18.0%
<b>Order Book (Rs m)</b>	<b>1,13,830</b>	<b>1,07,160</b>	<b>6.2%</b>	<b>1,15,930</b>	<b>-1.8%</b>	<b>1,13,830</b>	<b>1,07,160</b>	<b>6.2%</b>
Industrial Products	44,790	35,100	27.6%	42,050	6.5%	44,790	35,100	27.6%
Industrial Infrastructure	57,560	62,430	-7.8%	63,120	-8.8%	57,560	62,430	-7.8%
Green Solutions	8,940	8,350	7.1%	8,940	0.0%	8,940	8,350	7.1%
Chemical	2,540	1,280	98.4%	1,820	39.6%	2,540	1,280	98.4%

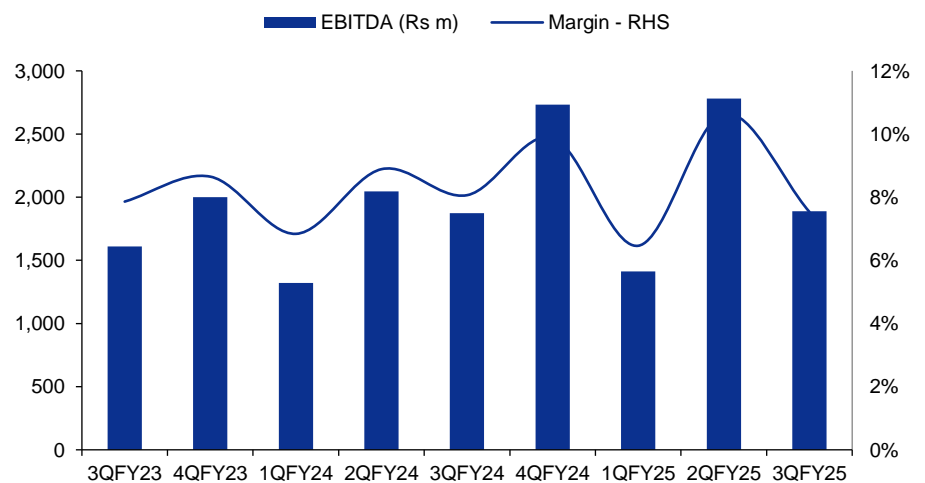
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 6: Quarterly revenue trend**



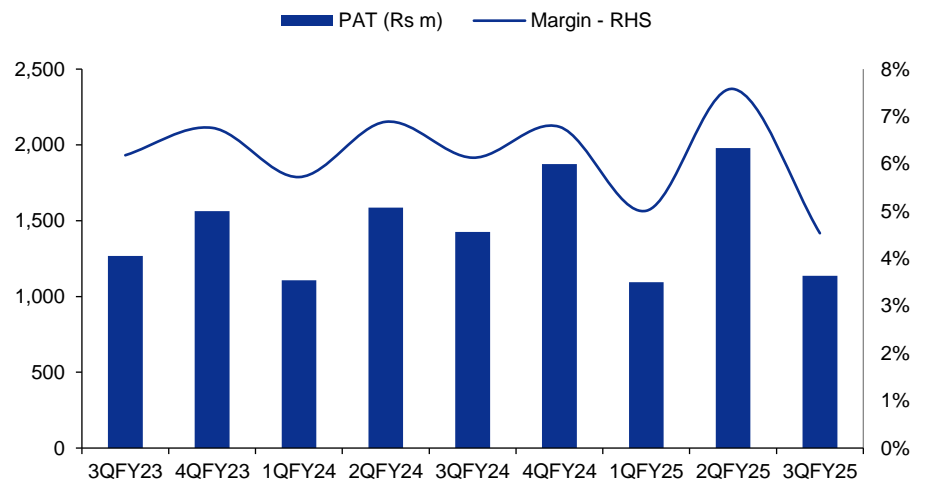
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 7: Quarterly EBITDA trend**



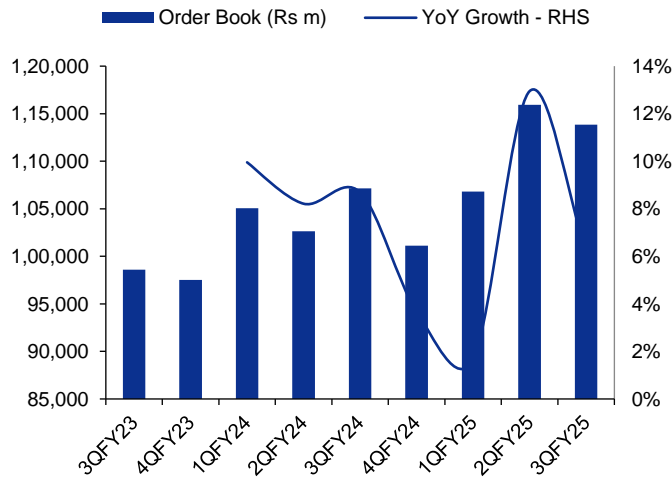
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: Quarterly PAT trend



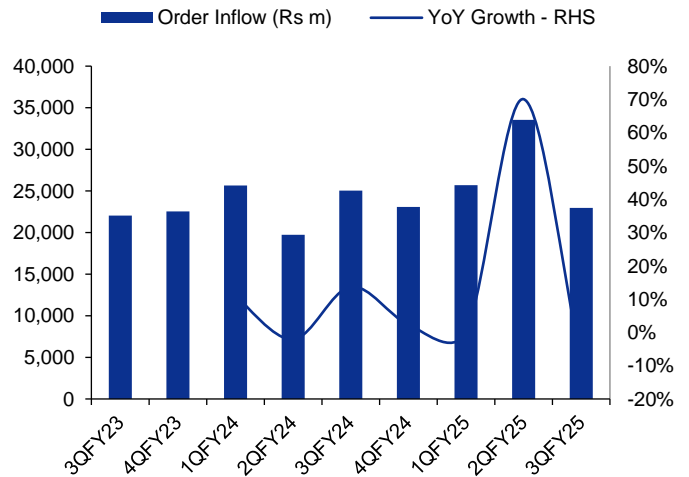
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 9: Orderbook position



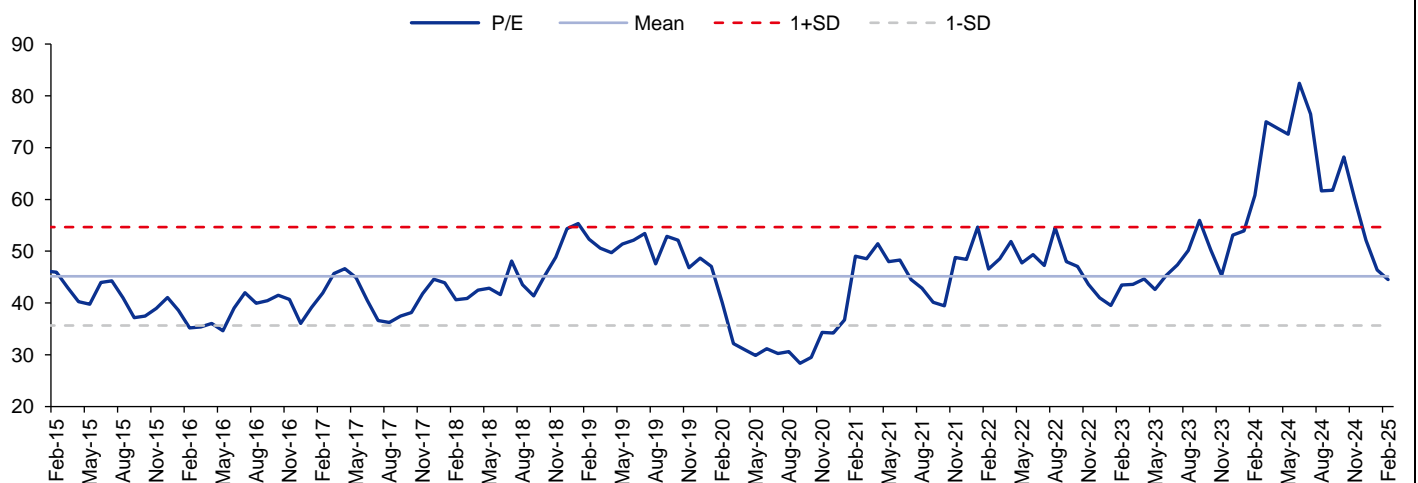
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 10: Order inflow trend



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 11: 10-year P/E band



SOURCE: INCRED RESEARCH, COMPANY REPORTS

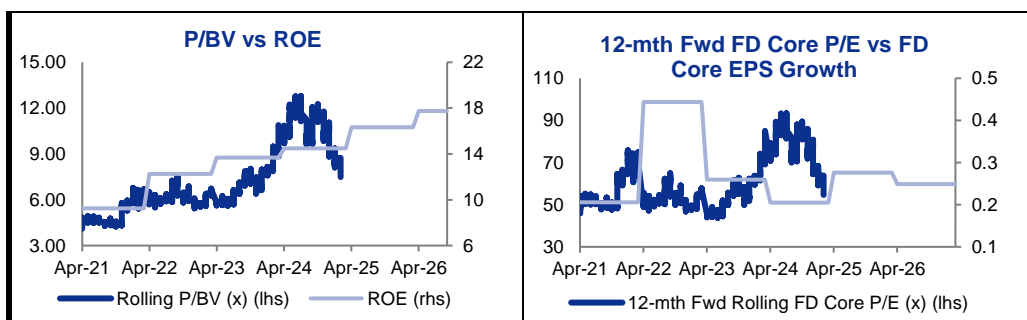
Figure 12: Earnings revision summary

New Estimates	Old Estimates	Change
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(Rs m)	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Revenue	1,06,965	1,30,490	1,55,427	1,10,186	1,36,557	1,65,488	-2.9%	-4.4%	-6.1%
EBITDA	9,474	11,811	14,484	9,904	13,308	16,167	-4.3%	-11.2%	-10.4%
Core PAT	6,838	8,727	10,896	7,649	10,330	12,805	-10.6%	-15.5%	-14.9%

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>80,898</b>	<b>93,235</b>	<b>106,965</b>	<b>130,490</b>	<b>155,427</b>
<b>Gross Profit</b>	<b>34,651</b>	<b>41,039</b>	<b>47,516</b>	<b>58,150</b>	<b>69,263</b>
<b>Operating EBITDA</b>	<b>5,976</b>	<b>7,974</b>	<b>9,474</b>	<b>11,811</b>	<b>14,484</b>
Depreciation And Amortisation	(1,169)	(1,481)	(1,517)	(1,695)	(1,812)
<b>Operating EBIT</b>	<b>4,807</b>	<b>6,493</b>	<b>7,956</b>	<b>10,116</b>	<b>12,672</b>
Financial Income/(Expense)	(376)	(876)	(1,106)	(1,242)	(1,392)
Pretax Income/(Loss) from Assoc.	(2)	(10)	(10)	(10)	(11)
Non-Operating Income/(Expense)	1,602	2,326	2,417	2,776	3,264
<b>Profit Before Tax (pre-EI)</b>	<b>6,031</b>	<b>7,933</b>	<b>9,258</b>	<b>11,640</b>	<b>14,532</b>
Exceptional Items		755			
<b>Pre-tax Profit</b>	<b>6,031</b>	<b>8,688</b>	<b>9,258</b>	<b>11,640</b>	<b>14,532</b>
Taxation	(1,524)	(2,258)	(2,420)	(2,913)	(3,636)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>4,507</b>	<b>6,430</b>	<b>6,838</b>	<b>8,727</b>	<b>10,896</b>
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>4,507</b>	<b>6,430</b>	<b>6,838</b>	<b>8,727</b>	<b>10,896</b>
Recurring Net Profit	4,507	5,872	6,838	8,727	10,896
<b>Fully Diluted Recurring Net Profit</b>	<b>4,507</b>	<b>5,872</b>	<b>6,838</b>	<b>8,727</b>	<b>10,896</b>

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
<b>EBITDA</b>	<b>5,976</b>	<b>7,974</b>	<b>9,474</b>	<b>11,811</b>	<b>14,484</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(2,893)	(4,760)	(5,431)	(1,421)	(2,561)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	3,025	1,122	1,604	1,762	2,021
Net Interest (Paid)/Received					
Tax Paid	(1,512)	(1,863)	(2,420)	(2,913)	(3,636)
<b>Cashflow From Operations</b>	<b>4,596</b>	<b>2,473</b>	<b>3,227</b>	<b>9,240</b>	<b>10,308</b>
Capex	(6,499)	(7,185)	(608)	(2,750)	(2,750)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(297)	2,093	(856)	(4,781)	(5,240)
<b>Cash Flow From Investing</b>	<b>(6,797)</b>	<b>(5,092)</b>	<b>(1,463)</b>	<b>(7,531)</b>	<b>(7,990)</b>
Debt Raised/(repaid)	4,481	4,306	628	659	692
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(1,021)	(1,128)	(1,299)	(1,658)	(2,070)
Preferred Dividends					
Other Financing Cashflow	235	(171)	(1,054)	(699)	(928)
<b>Cash Flow From Financing</b>	<b>3,695</b>	<b>3,008</b>	<b>(1,725)</b>	<b>(1,698)</b>	<b>(2,306)</b>
Total Cash Generated	1,494	389	39	10	11
<b>Free Cashflow To Equity</b>	<b>2,280</b>	<b>1,687</b>	<b>2,392</b>	<b>2,368</b>	<b>3,010</b>
<b>Free Cashflow To Firm</b>	<b>(2,201)</b>	<b>(2,619)</b>	<b>1,764</b>	<b>1,708</b>	<b>2,318</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**BY THE NUMBERS...cont'd**

<b>Balance Sheet</b>					
<b>(Rs mn)</b>	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
Total Cash And Equivalents	11,316	9,753	11,051	10,819	11,708
Total Debtors	17,621	21,164	24,910	30,388	36,195
Inventories	7,556	7,649	10,257	12,513	14,904
Total Other Current Assets	10,380	12,280	14,360	17,518	20,866
<b>Total Current Assets</b>	<b>46,873</b>	<b>50,846</b>	<b>60,577</b>	<b>71,237</b>	<b>83,673</b>
Fixed Assets	16,789	24,279	23,310	24,365	25,303
Total Investments	16,261	17,651	17,114	20,878	24,868
Intangible Assets	30	30	30	30	30
Total Other Non-Current Assets	8,433	8,724	11,017	13,049	15,543
<b>Total Non-current Assets</b>	<b>41,513</b>	<b>50,684</b>	<b>51,472</b>	<b>58,322</b>	<b>65,744</b>
Short-term Debt	3,880	4,665	4,898	5,143	5,400
Current Portion of Long-Term Debt					
Total Creditors	14,979	15,329	17,583	19,663	23,421
Other Current Liabilities	23,196	24,207	26,375	32,175	38,324
<b>Total Current Liabilities</b>	<b>42,055</b>	<b>44,200</b>	<b>48,856</b>	<b>56,981</b>	<b>67,145</b>
Total Long-term Debt	4,225	7,895	8,290	8,704	9,139
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	1,367	1,984	2,036	2,579	3,043
<b>Total Non-current Liabilities</b>	<b>5,592</b>	<b>9,879</b>	<b>10,325</b>	<b>11,283</b>	<b>12,182</b>
Total Provisions	2,037	3,053	2,931	4,290	4,258
<b>Total Liabilities</b>	<b>49,684</b>	<b>57,132</b>	<b>62,112</b>	<b>72,554</b>	<b>83,585</b>
Shareholders Equity	38,681	44,398	49,937	57,006	65,832
Minority Interests	22				
<b>Total Equity</b>	<b>38,702</b>	<b>44,398</b>	<b>49,937</b>	<b>57,006</b>	<b>65,832</b>

<b>Key Ratios</b>					
	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
Revenue Growth	32.0%	15.2%	14.7%	22.0%	19.1%
Operating EBITDA Growth	41.8%	33.4%	18.8%	24.7%	22.6%
Operating EBITDA Margin	7.4%	8.6%	8.9%	9.1%	9.3%
Net Cash Per Share (Rs)	28.51	(24.92)	(18.97)	(26.89)	(25.14)
BVPS (Rs)	343.48	394.25	443.43	506.20	584.57
Gross Interest Cover	12.79	7.41	7.20	8.15	9.10
Effective Tax Rate	25.3%	26.0%	26.1%	25.0%	25.0%
Net Dividend Payout Ratio	22.7%	19.0%	16.5%	12.9%	10.3%
Accounts Receivables Days	71.87	75.92	78.61	77.34	78.18
Inventory Days	58.51	53.16	54.97	57.44	58.07
Accounts Payables Days	116.71	105.97	101.04	93.97	91.25
ROIC (%)	15.5%	13.7%	14.5%	16.0%	18.1%
ROCE (%)	11.3%	12.5%	13.3%	15.1%	16.8%
Return On Average Assets	5.9%	6.7%	7.2%	8.0%	8.5%

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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