



India

ADD (no change)

Consensus ratings*: Buy 18 Hold 3 Sell 0

Current price: Rs1,269
 Target price: ▲ Rs1,530
 Previous target: Rs1,455
 Up/downside: 20.6%
 InCred Research / Consensus: 7.8%

Reuters: BRLC.BO
 Bloomberg: BCORP IN
 Market cap: US\$1,144m
 Rs97,704m
 Average daily turnover: US\$1.5m
 Rs124.2m
 Current shares o/s: 77.0m
 Free float: 36.1%

*Source: Bloomberg

Key changes in this note

- Raise EBITDA by 4-8% for FY26F-27F.
- Raise our target price to Rs1,530 from Rs1,455 earlier.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	14.3	23.6	(13.0)
Relative (%)	4.2	14.2	(23.2)

Major shareholders	% held
Promoter & Promoter Group	62.9
Nippon Life India Trustee Ltd	3.7
ICICI Prudential	3.1

Birla Corporation Ltd

Notable all-around beat; turnaround quarter

- 4Q consol. EBITDA was ~Rs5.3bn, up ~13% yoy and ~1.15x qoq (~32% above our estimate). Volume grew by ~8% yoy while realization was up by ~7% qoq.
- Volume growth is likely to be in line with the industry at ~6-8% in FY26F. BCORP has announced new expansion plans to take its capacity to 27.6mtpa by FY29F.
- We raise EBITDA estimates by 4-8% for FY26F-27F to reflect strong 4QFY25 operational performance. Maintain ADD rating with a higher TP of Rs1,530.

Strong volume & realization growth; Mukutban ramps up to ~80%

Birla Corporation or BCORP's cement sales volume in 4Q grew by ~8.2% yoy to 5.25mt. The Mukutban unit's volume stood at 0.75mt vs. 0.66mt yoy and 0.60mt qoq. In FY25, the Mukutban unit contributed ~14% to overall sales volume. In FY26F, BCORP targets the Mukutban unit's utilization level to be ~85% vs. ~78% (in 4QFY25). The company expects its vol growth to be in line with the industry growth rate of ~6-8% in FY26F. Blended realization was up by ~7% qoq and was far above our expectation, with prices recovering in northern and eastern regions and parts of Maharashtra which underperformed (pan-India improvement) during 3Q, while ex- incentives also, the realization improved by ~5% qoq, in our view. Realization also benefited from the increased volume share from the eastern region. Current QTD realization is similar to the 4QFY25 level.

Cost efficiency drives gains; unit EBITDA/t tops >Rs1,000 in 4QFY25

Total costs/t down by ~3% qoq to Rs4,345, where freight costs were flat qoq, power & fuel costs dipped ~12% yoy to Rs884/t & fixed costs fell by ~9% qoq and ~3% yoy to Rs1,241/t. Energy costs stood at Rs1.4/kcal vs. Rs1.5/kcal qoq. BCORP is working on various fuel cost mix to bring down P&F costs, with further savings from rising RE mix and full functioning of Bikram coal mines. Cement division's (reported) EBITDA/t stood at Rs1,014 during the quarter (up Rs445/t qoq & Rs50/t yoy) and achieved EBITDA/t of >Rs1,000 for the first time post 1QFY22, indicating improvement in its operational efficiency while excluding incentives (~Rs410m in 4Q) also it remained far better (~Rs940/t).

Announces new capex; capacity to reach 27.6mtpa by FY29F

BCORP announced its next phase of expansion at a cost of US\$82/t to raise capacity by ~30% to 27.6mtpa by FY29F. It will invest Rs43.3bn to reach 27.6mtpa by FY29F, with Rs23bn for clinker expansion at Maihar by 3QFY28F. Capex in FY26F to be at Rs11bn. The net debt-to-EBITDA ratio is <2x despite major expansion planned in the next three years.

Maintain ADD with a higher TP of Rs1,530 on reasonable valuation

At CMP, BCORP trades at 7.5x and US\$70 on EV/EBITDA and EV/t, respectively, on our FY27F estimates. We retain ADD rating on it with a Mar 2026F target price of Rs1,530, set at EV/EBITDA of 8.5x (Rs1,455 earlier). Downside risks: Weak demand, pricing pressure, slower-than-expected ramp-up of Mukutban unit, and a rise in input costs.

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Financial Summary

	Mar-23A	Mar-24A	Mar-25A	Mar-26F	Mar-27F
Revenue (Rsm)	86,823	96,562	92,145	99,905	109,158
Operating EBITDA (Rsm)	7,720	14,376	12,172	14,795	17,380
Net Profit (Rsm)	339	4,138	3,336	4,647	6,188
Core EPS (Rs)	4.4	53.7	43.3	60.4	80.4
Core EPS Growth	(92.1%)	1,122.4%	(19.4%)	39.3%	33.2%
FD Core P/E (x)	288.64	23.61	29.29	21.02	15.79
DPS (Rs)	2.5	10.0	10.0	10.9	14.5
Dividend Yield	0.24%	0.95%	0.95%	1.04%	1.38%
EV/EBITDA (x)	17.42	8.90	10.11	8.63	7.48
P/FCFE (x)	17.57	28.81	26.05	15.32	10.84
Net Gearing	61.4%	45.3%	36.2%	40.7%	41.1%
P/BV (x)	1.63	1.46	1.39	1.32	1.24
ROE	0.6%	6.5%	4.9%	6.5%	8.1%
% Change In Core EPS Estimates				(0.56%)	(0.50%)
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

4QFY25 results review and earnings-call takeaways ➤

Update on operational performance:

- **Volume:** Cement sales volume came in at ~5.25mt, +8% yoy and +17% qoq (+1% Incred estimate). Capacity utilization stood at 105% during the quarter vs. 92% qoq and 97% yoy. Volume in FY25F seen at 18.1mt, +2.5% yoy, with utilization level of 82% vs. 85% yoy.
- **Realization/t:** Blended realization came in at Rs5,127/t, +7% qoq (+5% Incred estimate). Reported realization (for the cement division only) came in at Rs5,103/t, down 1.4% yoy. As per management, cement prices, which were lower by ~11% on an average till Dec 2024, ended FY25, down 4-5% yoy.
- **Volume growth:** Management expects industry volume growth in FY26F to be ~6-8%, with BCORP expected to grow in line with, if not better, than industry growth.
- **Mukutban plant:** Its volume was 0.75mt during 4QFY25 and 2.45mt in FY25. Current utilization level is ~78%. Targeting ~85% utilization by FY26F.
- **Realization:** Improved in 4Q, driven by an increase in eastern region volume share. Prices in core markets (northern and eastern regions) improved, while the central region prices remained flat.
- Current QTD realization remains at a level similar to that in 4QFY25.
- **Price trend:** During 4Q, an uptick in prices in the northern & eastern regions and Maharashtra contributed to improved performance. Eastern region market prices increased the most; however, BCORP's presence in that market is limited.

Margin & costs:

- **Costs:** Overall blended costs/t were down by ~3% yoy and qoq to Rs4,345. a) Freight costs flat qoq at Rs1,324/t. b) Power & fuel costs were down 14% qoq and 12% yoy at Rs884/t. c) Fixed costs were down by 3% qoq and 9% yoy at Rs1,241/t. Renewable energy's share in FY25 stood at 24.8% vs. 23.8% yoy.
- **Energy costs:** Rs1.39/kcal vs. Rs1.5/kcal qoq.
- **Lead distance:** 350km vs. 350km qoq; for Mukutban plant, it was 415km.
- **Fuel mix optimization:** Working on various fuel mixes to reduce power and fuel costs, which is reflected in the numbers. Going ahead, the renewable energy (RE) share will increase, further reducing power and fuel costs.
- **Consolidated EBITDA** increased by ~13% yoy and was up 1.15x qoq at ~Rs5.3bn (vs. our expectation of ~Rs4.04bn); Blended EBITDA/t stood at Rs1,017 during the quarter (up by Rs466/t qoq and Rs43/t yoy) and achieved EBITDA/t of >Rs1,000 first time post 1QFY22, indicating an improvement in its operational efficiency.
- **BCORP's reported profit (after taxes) stood at** ~Rs2.6bn during the quarter vs. our expectation of ~Rs1.4bn. Reported exceptional item expenses of Rs384m during the quarter in respect of impairment loss on mining rights.

Capacity expansion & utilization update:

- **Capex:** Actual capex for FY25: Rs4.37bn (vs. Rs5bn target). Capex for FY26F is projected at Rs11bn (including expansion capex).
- **New capex:** Announced at US\$82/t; capacity to rise by ~30% to 27.6mtpa by FY29F. The 1.4mtpa grinding unit at Kundanganj is likely to be commissioned by 2QFY26F, taking the total capacity to 21.4mtpa.
- Approved Rs43.3bn investment to raise capacity to 27.6mtpa by FY29F through the expansion of an integrated unit and three new grinding units. The investment includes Rs23bn for the 3.7mtpa clinker capacity expansion at Maihar (Madhya Pradesh) by 3QFY28F, which will supply the upcoming grinding units at 1.4mtpa Prayagraj (East Uttar Pradesh) by 3QFY28F, 2mtpa

Aligarh (West Uttar Pradesh) by 4QFY29F at an outlay of Rs11.8bn, and 2.8mtpa at Gaya in Bihar (1.4mtpa each by 4QFY27F and 4QFY29F) at a capex of Rs8.6bn.

- Inter-corporate loan stood at Rs1bn on an arm's-length basis.
- **Debt management:** The company remains focused on keeping its net debt-to-EBITDA ratio below 3x in the long term. For FY26F and FY27F, it will be less than 2x.

Other updates:

- **Trade: The non-trade mix** stood at 73% vs. 68% qoq and 71% yoy. Blended cement share stood at 82% during the quarter vs. 79% qoq and 84% yoy, while the premium cement share was 59% vs. 59% qoq vs. 55% yoy in the overall trade channel.
- **Incentives:** Booked incentives worth Rs410m during the quarter and Rs1.03 bn in FY25. There were no one-off incentives during the quarter; all booked incentives were based on operational levels.
- **Jute division:** Peer companies are diversifying into adjacent segments; the jute division has been providing this benefit predominantly to the company. Jute is poised for growth, and BCORP's historical presence and experience provide a significant advantage in this segment. The company will announce a more detailed roadmap for the jute division soon.
- **RMC business:** BCORP forayed into the readymix concrete or RMC business and has secured a good response in its markets. Currently in the early stage; more information will be provided in 1QFY26F.
- **Jute division:** Revenue from exports was up 18% yoy. Jute division reported a cash profit of Rs31m.
- **Non-strategic investments:** No plans to sell non-strategic investments; capex will be funded from internal accruals.
- **Bikram coal mines:** To commence operations by 3QFY26F, with actual ramp-up beginning in FY27F.
- **Pricing & demand:** Pricing ended 4-5% lower on a yoy basis from an average ~11% lower till Dec 2024. Also, the industry benefited from lower power and fuel costs. Management expects the company to grow at ~6-7% CAGR over the next few years.

Figure 1: Consolidated quarterly performance

Particulars (Rs m)	4QFY25	4QFY25F	3QFY25	4QFY24	% Change		
					4QFY25F	3QFY25	4QFY24
Net Sales	28,149	26,465	22,567	26,544	6.4%	24.7%	6.0%
Raw Materials Consumed	4,705	3,841	3,369	4,466	22.5%	39.7%	5.4%
Freight and Forwarding Expenses	6,951	6,433	5,937	6,307	8.0%	17.1%	10.2%
Power and Fuel Costs	4,639	5,248	4,612	4,848	-11.6%	0.6%	-4.3%
Employee Costs	1,320	1,583	1,440	1,330	-16.6%	-8.3%	-0.8%
Other Expenses	5,196	5,317	4,731	4,870	-2.3%	9.8%	6.7%
Total Expenditure	22,811	22,422	20,087	21,820	1.7%	13.6%	4.5%
EBITDA	5,338	4,043	2,479	4,724	32.0%	115.3%	13.0%
Depreciation	1,422	1,512	1,391	1,497	-5.9%	2.3%	-5.0%
EBIT	3,916	2,531	1,089	3,227	54.7%	259.7%	21.3%
Interest	733	840	830	824	-12.8%	-11.7%	-11.1%
Other Income	482	170	154	257	184.5%	212.8%	87.7%
PBT	3,282	1,860	413	2,731	76.4%	693.9%	20.2%
Tax	716	465	102	797	54.0%	605.4%	-10.2%
PAT before MI & associates	2,566	1,395	312	1,933	83.9%	722.7%	32.7%
Minority interest (MI)	0	0	0	0			
Profit from Associate cos	0	0	0	0			
Recurring PAT	2,566	1,395	312	1,933	83.9%	722.7%	32.7%
Extraordinary items	384	0	0	-70			
Reported PAT	2,566	1,395	312	1,933	83.9%	722.7%	32.7%
EPS (Rs)	33.3	18.1	4.1	25.1	83.9%	722.7%	32.7%
Gross margin	42.1%	41.3%	38.3%	41.2%	76bp	378bp	96bp
EBITDA margin	19.0%	15.3%	11.0%	17.8%	369bp	798bp	117bp
EBIT margin	13.9%	9.6%	4.8%	12.2%	435bp	909bp	175bp
PBT margin	11.7%	7.0%	1.8%	10.3%	463bp	983bp	137bp
PAT margin	9.1%	5.3%	1.4%	7.3%	384bp	773bp	183bp
Tax rate	21.8%	25.0%	24.6%	29.2%	-318bp	-274bp	-738bp
Cost items as a % of sales							
RM costs	16.7%	14.5%	14.9%	16.8%	220bp	179bp	-11bp
Freight costs	24.7%	24.3%	26.3%	23.8%	38bp	-161bp	93bp
P&F costs	16.5%	19.8%	20.4%	18.3%	-335bp	-395bp	-178bp

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

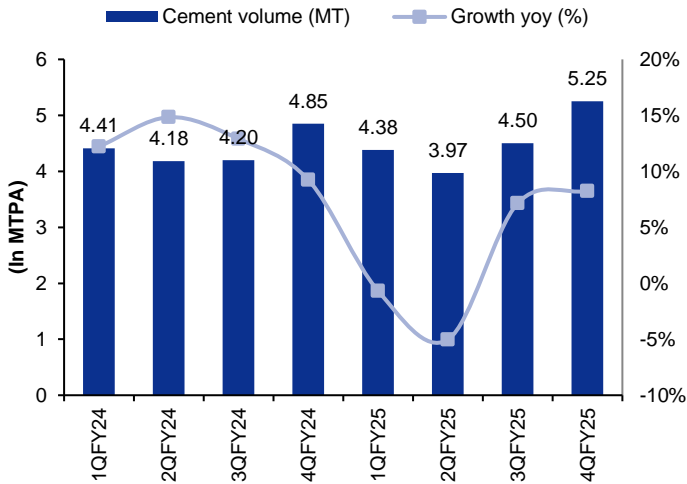
Figure 2: 4QFY25 results on per tonne analysis

Per tonne analysis	4QFY25	4QFY25F	3QFY25	4QFY24	% Change		
					4QFY25F	3QFY25	4QFY24
Sales volume (cement + clinker) (in mt)	5.25	5.18	4.50	4.85	1.4%	16.7%	8.2%
Realization	5,127	4,905	4,790	5,213	4.5%	7.0%	-1.7%
EBITDA/t	1,017	780	551	974	30.3%	84.5%	4.4%
RM cost/t	896	741	749	921	20.9%	19.7%	-2.7%
P&F costs/t	884	1,013	1,025	1,000	-12.8%	-13.8%	-11.6%
Freight costs/t	1,324	1,242	1,319	1,300	6.6%	0.4%	1.8%
Employee costs/t	251	306	320	274	-17.7%	-21.4%	-8.3%
Other expenses/t	990	1,027	1,051	1,004	-3.6%	-5.9%	-1.4%
Costs/t	4,345	4,329	4,464	4,499	0.4%	-2.7%	-3.4%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

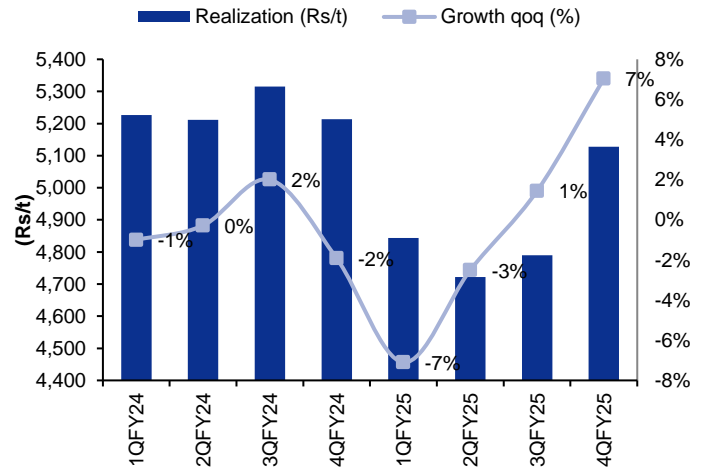
Key quarterly charts ➤

Figure 3: Cement sales volume grew by ~8% yoy to 5.25mt



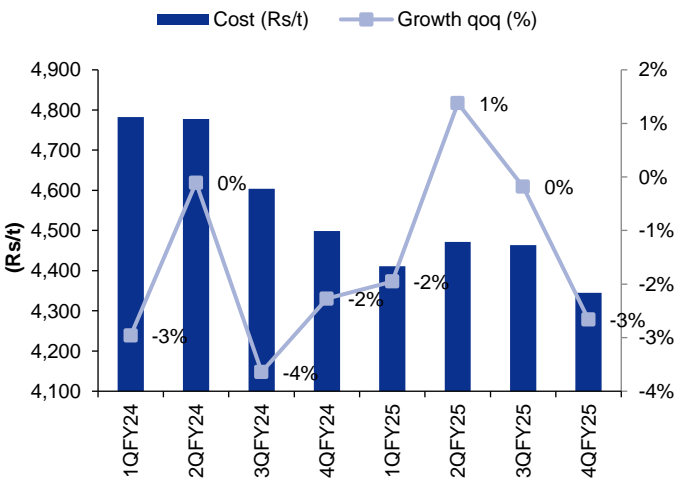
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Blended cement realization improved by ~7% qoq in 4QFY25



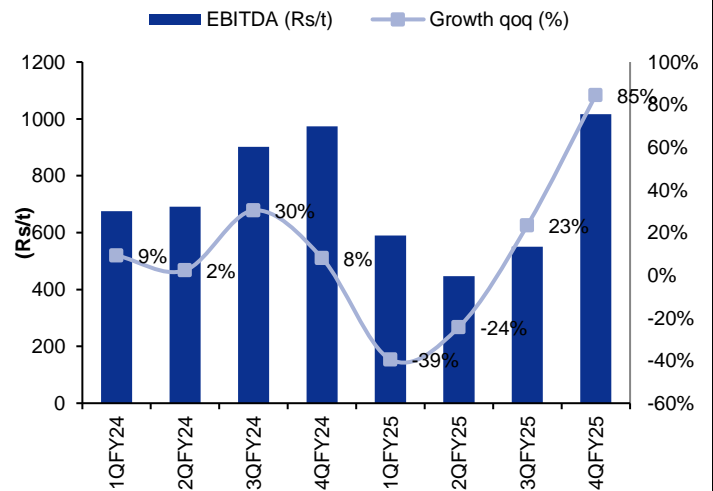
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: Blended operating costs down by Rs119/t qoq and Rs154/t yoy to Rs4,345



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: Blended EBITDA/t improved by Rs466 qoq to Rs1,017



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: Segment-wise break up (consolidated)

Segment-wise revenue (Rs m)	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Cement	23,437	23,047	21,783	22,326	25,285	21,214	18,747	21,556	26,918
Jute	1,190	1,021	1,076	796	1,258	691	784	1,013	1,234
Others	28	14	24	13	15	6	11	13	-
Total revenue	24,655	24,082	22,883	23,134	26,558	21,911	19,542	22,581	28,152
Segment EBIT (Rs m)									
Cement	1,873	1,759	1,637	2,584	3,533	1,442	615	1,405	3,863
Jute	58	50	30	4	72	-52	-29	-55	31
Others	-6	-7	-4	-6	-6	-6	-8	-7	-8
Total	1,926	1,802	1,663	2,582	3,599	1,384	578	1,344	3,886

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 8: Our revised earnings estimates

Rs. m	New		Old		Change (%)	
	FY26F	FY27F	FY26F	FY27F	FY26F	FY27F
Sales	99,905	1,09,158	99,495	1,09,658	0%	0%
EBITDA	14,795	17,380	13,600	16,672	8%	4%
PAT	4,647	6,188	4,045	5,826	13%	6%
EPS (Rs.)	60.4	80.4	52.3	75.7	13%	6%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 9: Changes in our estimates vs. Bloomberg consensus estimates

Rs. m	Incred		Consensus		Change (%)	
	FY26F	FY27F	FY26F	FY27F	FY26F	FY27F
Sales	99,905	1,09,158	97,661	1,05,241	2%	4%
EBITDA	14,795	17,380	14,210	16,626	4%	5%
PAT	4,647	6,188	4,129	5,786	13%	7%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

Figure 10: Key assumptions

	FY23A	FY24A	FY25A	FY26F	FY27F
Volume (in mtpa)	16	18	18	19	21
Yoy	11%	12%	2%	7%	8%
Realization (per tonne)	5,242	5,239	4,891	4,960	5,049
Yoy	6%	0%	-7%	1%	2%
Cost (per tonne)	5,029	4,659	4,423	4,399	4,413
Yoy	13%	-7%	-5%	-1%	0%
EBITDA (per tonne)	491	815	673	765	836
Yoy	-37%	66%	-17%	14%	9%
EBITDA (Rs m)	7,720	14,376	12,172	14,795	17,380
Yoy	-30%	86%	-15%	22%	17%

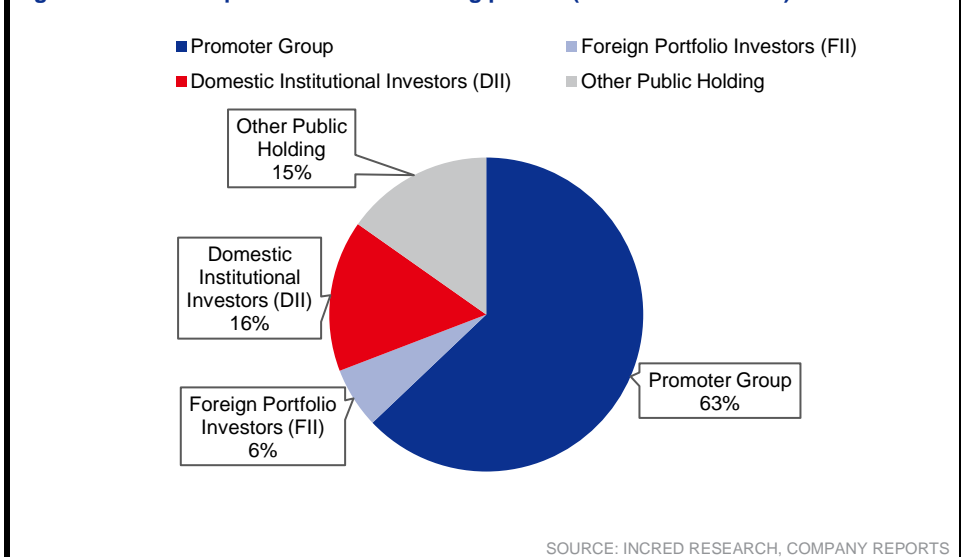
SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 11: Maintain ADD rating on the stock with a Mar 2026F target price of Rs1,530, set at an EV/EBITDA of 8.5x

Valuation		TP
Target EV/EBITDA (x)		8.5
Target EV (Rs m)		1,47,727
Net debt / (cash) (Rs m)		30,009
No. of shares (m)		77
Fair value per share (Rs)		1,530

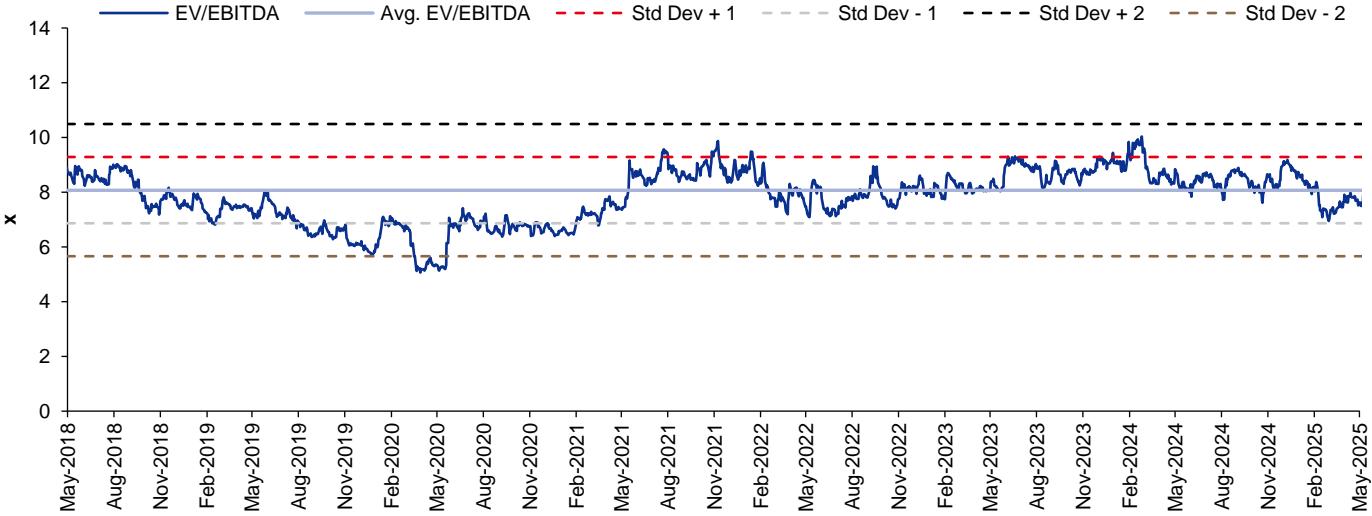
SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 12: Birla Corporation's shareholding pattern (as of end-Mar 2025)



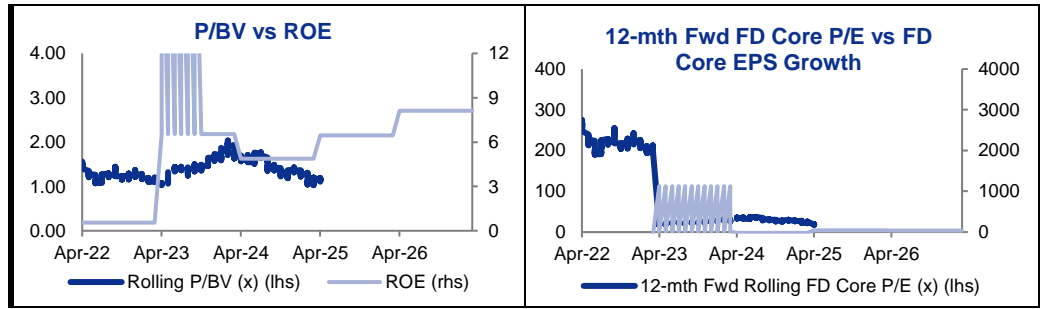
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 13: BCORP's one-year forward EV/EBITDA is trading close to its historical level



SOURCE: INCRED RESEARCH, BLOOMBERG

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-23A	Mar-24A	Mar-25A	Mar-26F	Mar-27F
Total Net Revenues	86,823	96,562	92,145	99,905	109,158
Gross Profit	86,823	96,562	92,145	99,905	109,158
Operating EBITDA	7,720	14,376	12,172	14,795	17,380
Depreciation And Amortisation	(5,099)	(5,783)	(5,719)	(6,004)	(6,305)
Operating EBIT	2,621	8,593	6,454	8,791	11,075
Financial Income/(Expense)	(3,387)	(3,717)	(3,271)	(3,434)	(3,606)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	1,131	856	979	881	837
Profit Before Tax (pre-EI)	365	5,732	4,162	6,238	8,306
Exceptional Items					
Pre-tax Profit	365	5,732	4,162	6,238	8,306
Taxation	(26)	(1,594)	(826)	(1,591)	(2,118)
Exceptional Income - post-tax					
Profit After Tax	339	4,138	3,336	4,647	6,188
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	339	4,138	3,336	4,647	6,188
Recurring Net Profit	339	4,138	3,336	4,647	6,188
Fully Diluted Recurring Net Profit	339	4,138	3,336	4,647	6,188

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25A	Mar-26F	Mar-27F
EBITDA	7,720	14,376	12,172	14,795	17,380
Cash Flow from Invt. & Assoc.					
Change In Working Capital	1,131	(2,185)	(1,821)	(1,436)	458
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	1,131	856	979	881	837
Other Operating Cashflow	1,487	8,465	9,462	9,462	9,462
Net Interest (Paid)/Received	(3,387)	(3,717)	(3,271)	(3,434)	(3,606)
Tax Paid	(26)	(1,594)	(826)	(1,591)	(2,118)
Cashflow From Operations	8,055	16,201	16,695	18,677	22,413
Capex	(6,263)	(5,255)	(4,436)	(11,200)	(13,200)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	2,613	(1,745)	(4,421)	(1,600)	(700)
Cash Flow From Investing	(3,650)	(7,001)	(8,857)	(12,800)	(13,900)
Debt Raised/(repaid)	1,156	(5,809)	(4,087)	500	500
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(193)	(770)	(770)	(837)	(1,114)
Preferred Dividends					
Other Financing Cashflow	(4,146)	(3,118)	(3,370)	(9,637)	(9,696)
Cash Flow From Financing	(3,183)	(9,698)	(8,227)	(9,974)	(10,309)
Total Cash Generated	1,221	(497)	(389)	(4,096)	(1,797)
Free Cashflow To Equity	5,560	3,391	3,751	6,378	9,013
Free Cashflow To Firm	7,792	12,918	11,109	9,312	12,119

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet

(Rs mn)	Mar-23A	Mar-24A	Mar-25A	Mar-26F	Mar-27F
Total Cash And Equivalents	6,750	7,439	8,220	4,124	2,327
Total Debtors	3,233	4,149	3,391	4,106	4,486
Inventories	10,616	9,646	9,670	10,401	11,065
Total Other Current Assets	9,600	8,582	8,026	8,792	9,278
Total Current Assets	30,199	29,816	29,306	27,422	27,157
Fixed Assets	98,418	97,893	95,338	100,334	107,029
Total Investments	4,116	7,035	7,579	8,379	8,879
Intangible Assets	3,577	4,805	5,605	6,405	6,605
Total Other Non-Current Assets	4,411	4,813	5,480	5,680	5,880
Total Non-current Assets	110,521	114,546	114,003	120,798	128,394
Short-term Debt	5,114	5,845	6,979	6,979	6,979
Current Portion of Long-Term Debt					
Total Creditors	9,197	8,680	8,724	9,057	9,973
Other Current Liabilities	9,029	10,659	11,146	11,589	12,662
Total Current Liabilities	23,340	25,184	26,849	27,625	29,615
Total Long-term Debt	38,383	31,853	26,654	27,154	27,654
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	19,189	20,587	19,655	19,655	19,655
Total Non-current Liabilities	57,572	52,440	46,309	46,809	47,309
Total Provisions					
Total Liabilities	80,912	77,624	73,158	74,434	76,923
Shareholders Equity	59,808	66,738	70,151	73,786	78,627
Minority Interests					
Total Equity	59,808	66,738	70,152	73,787	78,627

Key Ratios

	Mar-23A	Mar-24A	Mar-25A	Mar-26F	Mar-27F
Revenue Growth	16.4%	11.2%	(4.6%)	8.4%	9.3%
Operating EBITDA Growth	(30.5%)	86.2%	(15.3%)	21.6%	17.5%
Operating EBITDA Margin	8.9%	14.9%	13.2%	14.8%	15.9%
Net Cash Per Share (Rs)	(477.20)	(392.94)	(330.02)	(389.71)	(419.53)
BVPS (Rs)	776.67	866.66	910.99	958.20	1,021.05
Gross Interest Cover	0.77	2.31	1.97	2.56	3.07
Effective Tax Rate	7.2%	27.8%	19.9%	25.5%	25.5%
Net Dividend Payout Ratio	68.8%	22.5%	27.9%	21.8%	21.8%
Accounts Receivables Days	13.16	13.95	14.93	13.69	14.36
Inventory Days	39.55	38.29	38.25	36.66	35.89
Accounts Payables Days	38.80	39.70	39.72	38.13	37.84
ROIC (%)	2.3%	7.8%	6.0%	7.6%	9.1%
ROCE (%)	2.5%	8.3%	6.2%	8.3%	10.0%
Return On Average Assets	2.7%	5.5%	4.6%	5.5%	6.4%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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Recommendation Framework

Stock Ratings

Definition:

- Add** The stock's total return is expected to exceed 10% over the next 12 months.
- 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.

Sector Ratings

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.

Country Ratings

Definition:

- Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
- Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
- Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.