Choice Institutional Equities

Transcript Pulse

Birla Corporation

BUY

June 03, 2026 | CMP: INR 976 | Target Price: INR 1,490

Sector View: Positive

MP BIRLA GROUP

Q4FY26 Conference Call Transcript

Actual vs CIE Estimate			
INR Bn	Q4FY26A	CIE Estimate	Dev.%
Revenue	28.4	27.5	2.3
EBITDA	5.1	4.5	13.0
EBITDAM %	18.0	16.4	159 bps
PAT	2.9	2.9	1.8

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Volumes (Mnt)	5.5	5.3	3.8	4.2	28.8
Revenue	28,361	28,149	0.8	21,587	31.4
COGS	4,965	4,705	5.5	2,499	98.7
Power Cost	4,693	4,639	1.2	4,438	5.7
Freight Exp	7,159	6,951	3.0	5,651	26.7
Employee Cost	1,326	1,320	0.5	1,482	(10.5)
Other Expenses	5,116	5,196	(1.5)	4,593	11.4
EBITDA	5,103	5,338	(4.4)	2,926	74.4
EBITDA Margin (%)	18.0	19.0	(97) bps	13.6	444 bps
Depreciation	1,344	1,423	(5.5)	1,325	1.4
EBIT	3,759	3,916	(4.0)	1,600	134.8
EBIT Margin (%)	13.3	13.9	(66) bps	7.4	584 bps
Other Income	390	482	(19.2)	192	103.4
Interest	619	733	(15.5)	653	(5.2)
PBT	3,529	3,665	(3.7)	1,139	209.9
Tax	857	716	19.7	270	217.9
PAT	2,948	2,566	14.9	528	458.7
EPS (INR)	38.3	33.3	14.9	6.9	458.7

Key Financials					
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	92.1	96.6	103.9	112.3	121.9
YoY (%)	(4.6)	4.8	7.6	8.1	8.5
EBITDA	12.2	14.5	16.0	18.3	20.9
EBITDAM %	13.2	15.1	15.4	16.3	17.1
Adj PAT	3.0	5.6	6.2	7.5	9.4
EPS (INR)	38.3	72.4	80.9	97.1	122.7
ROE %	4.2	7.6	7.8	8.6	9.8
ROCE %	6.2	8.9	9.3	10.2	11.5
PE(x)	33.1	14.5	13.0	10.8	8.6
EV/EBITDA	10.7	7.7	7.0	6.2	5.0
EV/IC	1.4	1.1	1.1	1.0	0.9

Shareholding Pattern (%)			
	Mar-26	Dec-25	Sep-25
Promoters	62.90	62.90	62.90
FIIs	6.26	6.54	6.70
DIIs	16.72	15.49	15.79
Public	14.12	15.07	14.61

Relative Performance (%)			
YTD	3Y	2Y	1Y
BSE Infra	107.8	9.8	15.0
BCORP Ltd.	6.9	(26.0)	2.0

Key Conference Call Highlights

Conservative FY27 outlook amid uncertainty

- Management remains cautious due to global macro and geopolitical uncertainties.
- FY27 volume growth expected in the **mid-single-digit range**
- EBITDA in FY27 is likely to remain broadly similar to FY26 levels despite cost pressures

INR 45 Bn expansion program underway

- Capacity expansion from **21.5 MTPA to 27.5 MTPA by FY29**
- Total investment outlay stands at **~INR 45 Bn**. FY27 capex guidance at **INR 9 Bn**

New capacity pipeline

- **Prayagraj Grinding Unit (1.4 MTPA)** expected in Q3/Q4FY28
- **Gaya Phase-I Grinding Unit (1.4 MTPA)** expected in Q3/Q4FY28
- The entire expansion program is scheduled for commissioning by FY29

Cost inflation remains a major headwind

- Management expects **INR150–175/t cost inflation from Q1FY27**. Inflation is driven primarily by packaging costs and fuel prices
- Rising domestic fuel costs are adding pressure despite lower imported fuel dependence

Premiumisation strategy continues to deliver

- Premium flagship brand **Perfect Plus** now has a strong footprint across North and Central India
- Management highlighted that pricing in core markets is now at par or even higher than several larger peers

Debt to rise but leverage remains comfortable

- Peak net debt expected to reach around **INR 40 Bn**
- Management guided that **Net Debt/EBITDA will remain below 2.5x** despite the ongoing expansion cycle

Incentives and cash inflows

- FY27 incentives expected at approximately **INR 1,300 Mn**
- Around **INR 5,000 Mn of incentive receivables** are expected to start getting realised from FY27 onward