INDIA'S
INDUSTRIAL TRANSFORMATION

A look at Deloitte India's ranking methodology and assumptions

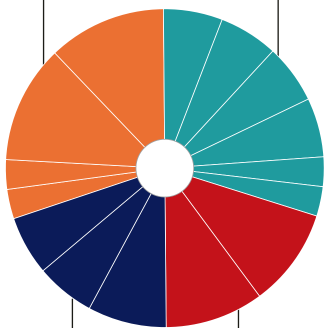
THE METHOD

Size / Scale (30%)

Metric	Metric weight	Direction
Net Sales adjusted CAGR	3%	Higher
Total Assets adjusted CAGR	3%	Higher
Natural logarithm (LN) selected-endpoint Sales	12%	Higher
LN selected-endpoint Total Assets	12%	Higher

Profitability & Efficiency (30%)

Metric	Metric weight	Direction
ROCE five-year average	6%	Higher
Gross Profit adjusted CAGR	6%	Higher
EBITDA Margin five-year average	6%	Higher
Net Profit adjusted CAGR	6%	Higher
Total Asset Turnover five-year average	3%	Higher
Inventory Turnover five-year average	3%	Higher



Liquidity & Cash Discipline (20%)

Metric	Metric weight	Direction
Current Ratio current year	8%	Higher
Working Capital Turnover current year	6%	Higher
CFO / EBITDA current year	6%	Higher

Balance Sheet Strength (20%)

Metric	Metric weight	Direction
Debt-Equity current year	10%	Lower
Interest Cover current year	10%	Higher

THIS WAS A STUDY which took over six months of detailed discussions in the *Business Today* newsroom, between *BT* and Deloitte India, and within Deloitte India. The objective was to assess the performance of manufacturing companies in India Inc and understand which are the companies and segments that are leaders in the country's manufacturing sector.

The study compares manufacturing and closely related adjacent companies in India on a consistent, peer-relative basis. It is designed to identify businesses that combine scale, sustained growth, profitability, balance-sheet resilience and cash discipline rather than rewarding absolute size alone.

Listed and unlisted companies are evaluated together within five revenue-size universes. Each company is assessed on one consistent annual reporting basis, normally using FY2025 as the endpoint and FY2024 only as the fallback.

Fifteen metrics are scored across four pillars and normalised against an economically relevant peer cluster.

The final candidate sample contains ~6,000 manufacturing and adjacent companies. After scope, financial-history and pillar-completeness checks, 5,728 companies are ranked and 329 are parked. Listed and unlisted entities are scored under the same methodology; and listing status is a disclosure field, not a scoring factor.

Companies are identified primarily by Company Code and CIN. Each legal entity is evaluated independently. A subsidiary may therefore be ranked separately even when its parent reports consolidated financial statements that include that subsidiary.

The metric weights sum to their pillar totals, and the four pillar weights sum to 100%. Missing metrics do not cause the remaining weights to be increased.

Z-scores are used to normalise different financial metrics across companies so that growth, profitability, balance-sheet strength and liquidity can be compared on a common scale. The intent is not to reward raw size alone, but to identify companies that perform better than their relevant peer set with consistency and financial discipline.

ADJUSTED CAGR IS CALCULATED AS

((Ending Value – Starting Value) ÷ ABS (Starting Value) + 1)^(1 ÷ number of actual years) – 1

The earliest comparable material year is selected. The starting value must be at least:

- Sales, COGS and Total Assets: higher of ₹1 crore, or 2% of the endpoint value.
- EBITDA, Net Profit and Gross Profit: higher of ₹0.5 crore, or 2% of the endpoint value
- Bases between 2% and 5% receive reduced reliability; bases of at least 5% receive full reliability

Note: Ranking is a structured, relative financial-performance assessment.

It is not an audit opinion, credit rating, investment recommendation or substitute for company-specific diligence.

PUBLICATION GOVERNANCE NOTE

Companies shown in the public rankings and cited in the narrative are drawn from the final publication universe after standard eligibility, data-quality, reputational and editorial suitability checks.

The study is based on a broader analytical exercise. The public release includes companies that have been ranked strictly based on publicly available data, in accordance with the published methodology, and publication-suitability criteria. Exclusions, where applicable, are made before publication and are not separately identified.

APPENDIX

Guardrails for calculating peer scores for clusters and rankings.

- Manufacturing and processing companies are included, together with economically related operating businesses such as logistics, shipping, EPC, infrastructure, mining, power and agriculture where relevant.
- Manufacturing-adjacent and service companies are placed in separate clusters, so they are not benchmarked directly against dissimilar manufacturers.
- Retail/trading businesses and pure consulting, outsourcing, shared-service or delivery-centre businesses remain parked and are not ranked.
- Names such as ‘Trading’ or ‘Commercial’ are not sufficient evidence for exclusion; the actual business model governs classification. BT

THE METRICS

Universe	Revenue criteria	Ranked	Ranked listing mix
Mega	> ₹20,000 crore	119	73 listed / 46 unlisted
Large	₹5,000-20,000 crore	357	180 listed / 177 unlisted
Medium	₹1,000-5,000 crore	1,315	455 listed / 860 unlisted
Emerging	₹250-1,000 crore	2,122	524 listed / 1,598 unlisted
Small	₹80-250 crore	1,815	439 listed / 1,376 unlisted
Total	Five mutually exclusive universes	5,728	1,671 listed / 4,057 unlisted