

PI Industries

Estimate change

TP change

Rating change



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Bloomberg	PI IN
Equity Shares (m)	152
M.Cap.(INRb)/(USDb)	476.2 / 6
52-Week Range (INR)	3533 / 2334
1, 6, 12 Rel. Per (%)	9/24/-7
12M Avg Val (INR M)	896

Financials & Valuations (INR b)

Y/E Mar	2022	2023E	2024E
Sales	53.0	65.9	78.0
EBITDA	11.4	15.3	18.6
PAT	8.4	11.5	14.2
EBITDA (%)	21.6	23.2	23.9
EPS (INR)	55.5	75.7	93.3
EPS Gr. (%)	14.3	36.3	23.3
BV/Sh. (INR)	403	472	560

Ratios

Net D/E	(0.3)	(0.4)	(0.4)
RoE (%)	14.7	17.3	18.1
RoCE (%)	14.1	16.7	17.6
Payout (%)	9.0	7.9	6.4

Valuations

P/E (x)	56.5	41.5	33.6
EV/EBITDA (x)	40.8	30.1	24.4
Div Yield (%)	0.2	0.2	0.2
FCF Yield (%)	0.4	1.4	1.9

Shareholding pattern (%)

As on	Jun-22	Mar-22	Jun-21
Promoter	46.7	46.7	46.7
DII	25.9	25.3	22.0
FII	16.0	16.5	19.7
Others	11.4	11.5	11.6

Note: FII includes depository receipts

CMP: INR3,139
TP: INR3,630 (+16%)
Buy

CSM business drives business performance

Earnings better than our estimates

- PI reported strong consolidated revenue growth of 29% YoY in 1QFY23, led by the CSM business (revenue up 42%, volume growth of 30%, favorable price increase of 12% and currency movement). Revenue in the domestic Crop Protection segment grew 4% YoY. EBITDA margin expanded by 150bp to 22.4%, with gross margin remaining flat YoY.
- Factoring in a better than expected sales growth in the CSM business and an upward revision in its FY23 sales guidance to over 20%, we raise our FY23/FY24 earnings estimate by 10%/12%. We maintain our **Buy** rating on the stock.

Higher volume growth in CSM drives sales

- Revenue grew 29% YoY to INR15.4b (est. INR13.6b) in 1QFY23. EBITDA grew 39% YoY to INR3.5b (est. INR3b). EBITDA margin expanded by 150bp YoY to 22.4% (est. 21.9%). Gross margin stood flat YoY at 43.8%. Other expenses grew 40bp YoY to 13.4% of sales. Adjusted PAT grew 40% YoY to INR2.6b (est. INR2.2b).
- The trend in rising input costs continued, with cost pass-through undertaken both in exports (CSM) and the domestic market in 1QFY23.
- Exports grew 42% YoY to INR11.4b in 1QFY23, driven by volume growth of ~30% and a favorable price and currency movement of ~12%.
- The domestic business grew 4% YoY to INR4b in 1QFY23 due to a price increase and a favorable product mix. With sowing delayed due to the late arrival of rains, rice/corn acreage under Kharif fell ~15%/~5% YoY, hurting domestic business.
- Its net cash position stood at INR22.2b in Jun'22 v/s a net cash of INR20b in Mar'22. Net cash flow from operating activity was INR1.9b (v/s INR5.3b in FY22). In terms of days of sales, trade working capital stands at 102 days v/s 103 days as of 31st Mar'22.

Highlights from the management interaction

- Guidance:** The management raised its revenue growth guidance to over 20% in FY23 from 18-20% earlier, given the continued improvement in margin and returns. The CSM business will grow due to continued scale-up in demand for existing and recently launched products.
- New products:** PI aims to commercialize seven new molecules in the CSM business and five new products in the domestic business in FY23. Two new process innovations will be commercialized in FY23. It has commercialized one new molecule in CSM in 1QFY23, with over 40 products at different development stages, of which over 35% products are targeted at the non-Agrochemical space.
- Total **capex** was contained at INR506m in 1QFY23. The management's focus remains on driving higher capacity utilization by improving throughput. It has raised its FY23 capex guidance to INR6-6.5b from INR5b earlier.

- The order book in the CSM business remained ~USD1.4b, exhibiting good visibility for the future. PI has received 13 inquiries with over 15% of them being from the non-Agrochemical space.

Valuation and view

- PI has levers in place to sustain the near-term growth momentum, led by: a) sustained growth momentum in the CSM business, due to a strong (USD1.4b) order book, the rising pace of commercialization of new molecules, and a sales ramp-up in existing molecules; and b) product launches in the domestic market (four launches in FY22 and five planned in FY23), thus providing earnings visibility.
- We expect a revenue/EBITDA/PAT CAGR of 21%/28%/30% over FY22-24.
- Factoring in a better-than-expected sales growth in the CSM business and an upward revision its FY23 sales guidance to over 20%, we raise our FY23/FY24 earnings estimate by 10%/12%.
- We value the stock at 39x EPS (in line with its three-year average one-year forward P/E) to arrive at our TP of INR3,630. We maintain our **BUY** rating.

Quarterly Earning Model

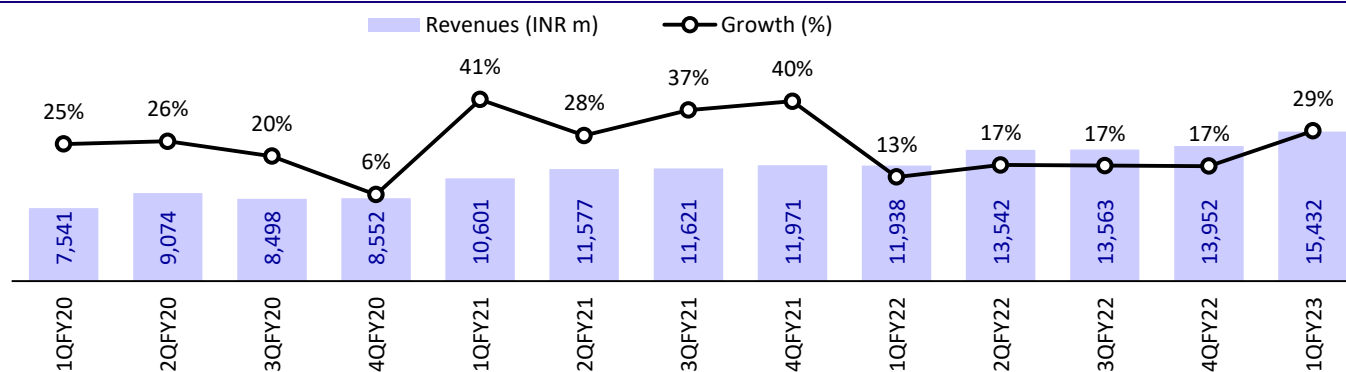
Y/E March	FY22				FY23				(INRm)			
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY22	FY23E	FY23E	Var (%)
Net Sales	11,938	13,542	13,563	13,952	15,432	16,955	16,547	16,994	52,995	65,928	13,636	13
YoY Change (%)	12.6	17.0	16.7	16.5	29.3	25.2	22.0	21.8	15.8	24.4	10.8	
Total Expenditure	9,449	10,622	10,598	10,902	11,976	12,999	12,652	13,006	41,571	50,633	10,650	
EBITDA	2,489	2,920	2,965	3,050	3,456	3,956	3,895	3,988	11,424	15,295	2,986	16
Margins (%)	20.8	21.6	21.9	21.9	22.4	23.3	23.5	23.5	21.6	23.2	21.9	
Depreciation	487	492	503	536	560	580	610	630	2,018	2,380	560	
Interest	34	34	33	27	36	40	37	34	128	147	40	
Other Income	277	277	260	200	241	280	280	300	1,014	1,101	300	
PBT before EO expense	2,245	2,671	2,689	2,687	3,101	3,616	3,528	3,624	10,292	13,869	2,686	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	2,245	2,671	2,689	2,687	3,101	3,616	3,528	3,624	10,292	13,869	2,686	
Tax	405	370	466	649	516	629	617	645	1,890	2,408	497	
Rate (%)	18.0	13.9	17.3	24.2	16.6	17.4	17.5	17.8	18.4	17.4	18.5	
Minority Interest & Profit/Loss of Asso. Cos.	-32	5	-3	-6	-39	6	-3	-7	-36	-43	-35	
Reported PAT	1,872	2,296	2,226	2,044	2,624	2,981	2,914	2,986	8,438	11,505	2,224	
Adj PAT	1,872	2,296	2,226	2,044	2,624	2,981	2,914	2,986	8,438	11,505	2,224	18
YoY Change (%)	28.7	5.5	13.9	13.7	40.2	29.8	30.9	46.1	14.3	36.3	18.8	
Margins (%)	15.7	17.0	16.4	14.7	17.0	17.6	17.6	17.6	15.9	17.5	16.3	

Key Performance Indicators

Y/E March	FY22				FY23				FY22		FY23E	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Particulars												
CSM Revenue (INRm)	8,070	9,930	10,754	11,142	11,421	12,839	13,401	13,903	39,896		51,564	
% Change	31.3	24.3	19.2	10.8	41.5	29.3	24.6	24.8	20.1		29.2	
Domestic Formulation (INRm)	3,870	3,610	2,809	2,810	4,011	4,115	3,146	3,091	13,099		14,364	
% Change	-13.1	0.6	8.0	47.1	3.6	14.0	12.0	10.0	4.4		9.7	
Cost Break-up												
RM Cost (% of sales)	56.2	55.0	53.6	55.9	56.2	55.0	54.0	55.0	55.2		55.0	
Staff Cost (% of sales)	10.0	9.0	9.2	8.2	8.1	7.7	8.5	8.5	9.1		8.2	
Other Cost (% of sales)	12.9	14.5	15.3	14.0	13.4	14.0	14.0	13.0	14.2		13.6	
Gross Margins (%)	43.8	45.0	46.4	44.1	43.8	45.0	46.0	45.0	44.8		45.0	
EBITDA Margins (%)	20.8	21.6	21.9	21.9	22.4	23.3	23.5	23.5	21.6		23.2	
EBIT Margins (%)	16.8	17.9	18.2	18.0	18.8	19.9	19.9	19.8	17.7		19.6	

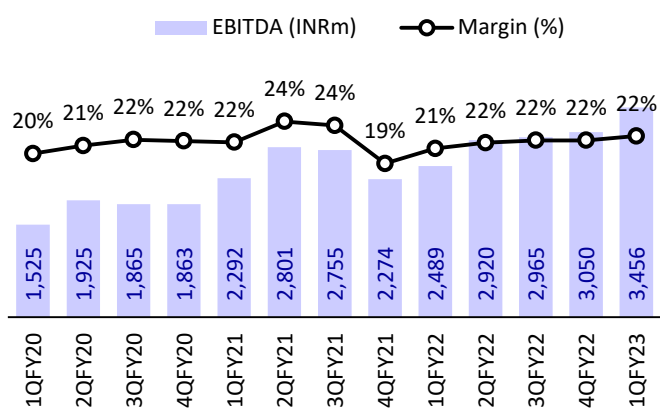
Key exhibits

Exhibit 1: Revenue growth trend



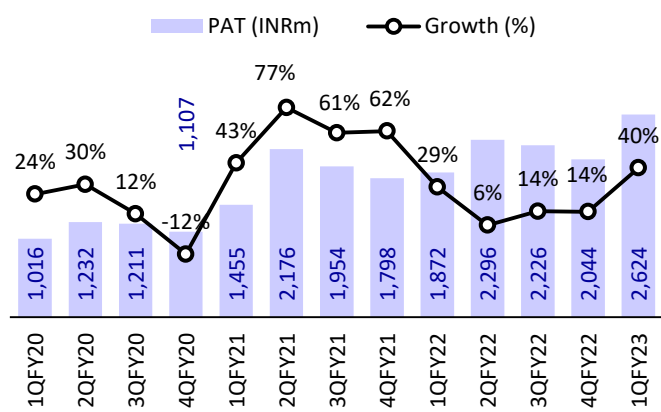
Source: Company, MOFSL

Exhibit 2: EBITDA trend



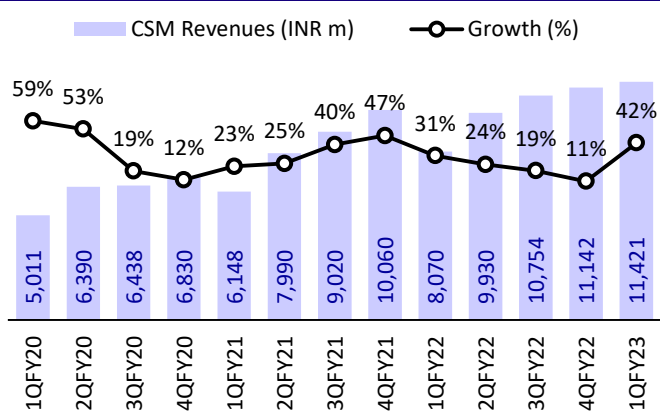
Source: Company, MOFSL

Exhibit 3: PAT trend



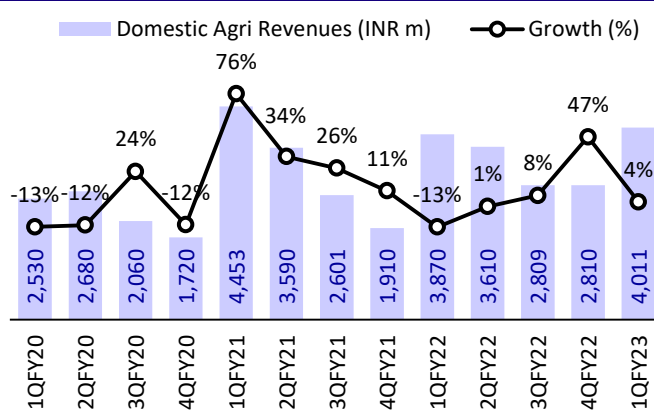
Source: Company, MOFSL

Exhibit 4: CSM revenue trend



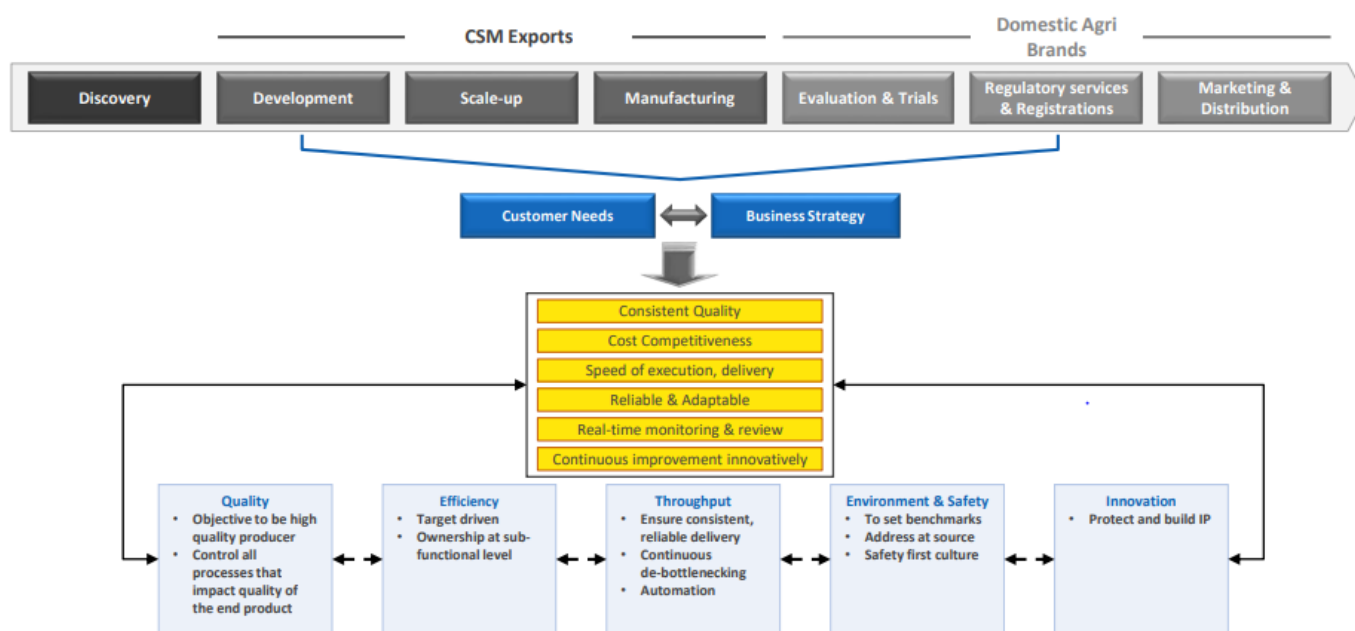
Source: Company, MOFSL

Exhibit 5: Revenue trend in Agri Inputs



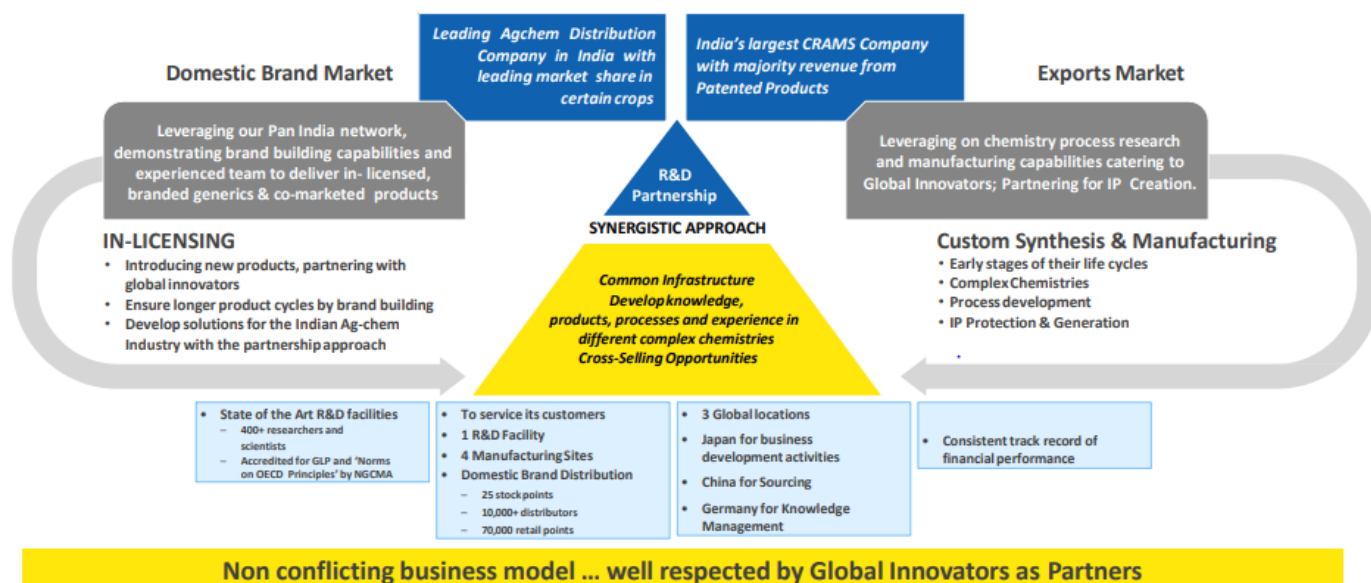
Source: Company, MOFSL

Exhibit 6: Presence across the agchem value chain



Source: Company, MOFSL

Exhibit 7: Robust business model built on strong foundations/principles



Source: Company, MOFSL


Exhibit 8: New product launches for the fiscal

Q1

Herbicide with pre-emergence to post-emergence application on Cotton

PROVIDE

- DUAL mode of action - works through roots and leaves
- ALS and AC Case inhibitor
- Gives control on broad spectrum weeds of cotton
- Advanced MEC formulation



Dual action insecticide for Cotton

DINOACE™


- DUAL mode of action; Systemic and Contact activity
- DINOACE™ gives quick knock down and long duration control on target pest
- Provides lush green crop



Combination Fungicide with excellent curative control against Downy mildew & late blight

SECTIN®

- Combination fungicide giving dual contact and systemic activity against Phycomycetes diseases
- Excellent curative control of diseases



Q2

Revolutionary insecticide: Bringing technological advancement for Indian Farmers

BROFREYA

- A meta-diamide GABA-gated Cl⁻ channel allosteric modulator
- Broad spectrum control (Lepidopterans + Sucking pests)



JIVAGRO: Novel mode of action

JIVAGRO

Forming ULTIMARE® HORTICARE SPECIALIST

J131

- Broad spectrum insecticide for horticulture - Effective against resistant Lepidopterans
- Higher yields



Exhibit 9: Growth momentum to continue in FY23

Domestic:

Focus on portfolio diversification with launch of novel offerings

- Strong demand is expected for insecticides, fungicides, herbicides and bio-nutrients on the back of normal monsoon predictions
- “Dual growth engine” with **JIVAGRO** focusing on horticulture segment
- Commodity prices remain robust owing to rising global demand
- 5 new products scheduled to be launched in FY23

CSM Export:

R&D focused approach to drive incremental business

- Continued scale up in demand of some of the existing products
- Commercialization of 7 new molecules planned in FY23
- Momentum in new enquiries and conversion to continue
- Higher capital efficiency in FY23 with focused program to reduce Trade Working Capital

Efforts to drive strategic initiatives continues

- 2 new process innovations to be commercialized in FY23
- Identifying new chemistries and building blocks for future growth
- Precision farming services through farm mechanization (Boom-sprays, Drones)
- Evaluation of inorganic growth opportunities in pharma continues, both domestic and international options being evaluated

...Confident of delivering 20%+ revenue growth with continued improvement in margins and returns

Source: Company, MOFSL



Highlights from management interaction

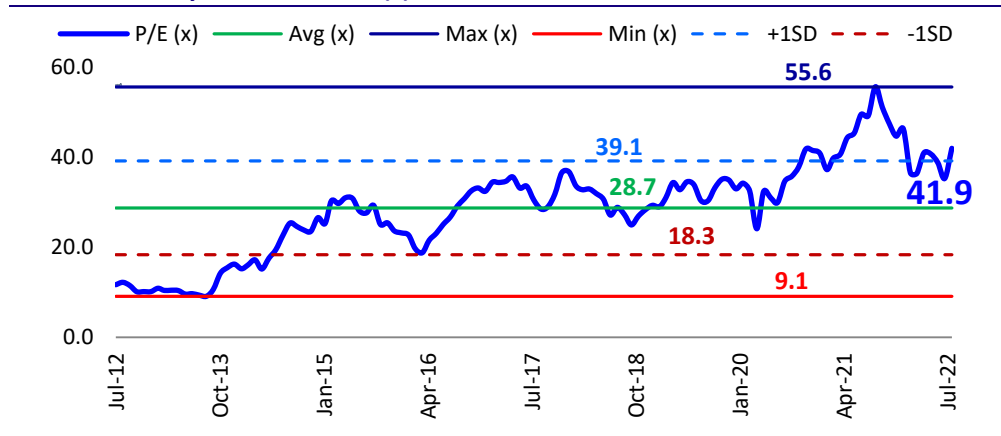
- **Margins:** EBITDA margin expanded by 150bp YoY to 22.4% (est. 21.9%). Gross margin stood flat YoY at 43.8%. Other expenses grew 40bp YoY to 13.4% of sales. Adjusted PAT grew 40% YoY to INR2.6b (est. INR2.2b).
- The trend in rising input costs continued, with cost pass-through undertaken both in exports (CSM) and the domestic market in 1QFY23.
- Large companies are alluding to facing brunt of unavailability of gas on operations, while the company faced no such impact from European imports.
- **Pharma:** PI expects to grow the Pharma Intermediary segment through inorganic expansions coming into play over the near-term, as per the management guidance.

- **Capex:** Total capex for 1QFY23 was contained at INR506m. The company's key focus remains on driving higher capacity utilization by improving throughput. The management has increased its capex guidance of FY23 to INR6-6.5b from INR5b earlier. The capex in totality including quantum set aside for inorganic expansions is over INR20b over near to mid-term.
- CSM order book remained at ~USD1.4b levels, showing a good visibility for the future. Company has commercialized one new product and has received 13 new enquiries with more than 15% of them being from the non-agrochemical space. Management expects momentum of new enquiries and its conversion to continue.
- **New CSM molecules:** PI has also commercialized one new molecule in 1QFY23 with over 40 products at different development stages of which over 35% is non-agrochemical.
- **New products:** PI aims to commercialize seven new molecules under the CSM business in FY23 and five new products under the domestic business in FY23. Two new process innovations would be commercialized in FY23.
- Domestic Crop Protection business has a focus on crops such as cotton, rice, horticulture and wheat. It has 17+ products at different stages of development and registration. During 1QFY23, the company received regulatory approval for one insecticide. The company launched three new products in Domestic Agri Brands.
- The two commissioned MPPs (multi-purpose plant) is currently at 55% to 60% utilization levels, as volumes continue to elevate the utilization could move up to 85% levels in a year or year and a half.
- The company has been working on efficiency improvement initiatives which would be realized in H2FY23 across plants.
- **Inventory:** PI has rapidly increased its inventory level to INR15.8b v/s INR14.2b in FY22 to avert supply chain disruptions and meet customer supply schedules / continue operations.
- **Working capital:** Trade working capital in terms of Days of Sales is 102 days vs. 103 days as on 31st Mar'22, primarily on account of inventory levels surging 11% YoY higher in order to avert supply chain disruptions and meet customer supply schedules, leading to stress on the WC cycle in the quarter.
- **Guidance:** The management raised revenue growth guidance from 18-20% to 20%+ in FY23 with continued improvement in margins and returns. CSM business would grow on continued scale-up in demand of existing and newly launched products.
- The company is envisioning a growth of 20% CAGR over 3 to 4 years for CSM business
- The company has guided to drive higher capital efficiency in FY23 with focused program to reduce trade working capital under the CSM business.
- The company is evaluating inorganic growth opportunities in Pharmaceuticals, both domestic and international markets.
- The company has guided an average tax rate of 16.5% for the current fiscal.
- Freshness index on an average has been over 25% of portfolio in the past three years and usually remains a higher growth component than existing molecules.
- The company has a focus on a partnership model for its tech capabilities and growth. It believes in long-term niche molecule based relationships, and maintains this strategy while discovering new geographies.
- **Electronic Chemicals:** PI Industries is expanding capacities to commercial scale for a few new products in addition to those released in the previous year.

Valuation and view

- PI has levers in place to sustain the near-term growth momentum, led by: a) sustained growth momentum in the CSM business due to a strong (USD1.4b) order book, the rising pace of commercialization of new molecules, and a sales ramp-up in existing molecules, and b) product launches in the domestic market (four new launches in FY22 and five new launches planned in FY23), thus providing earnings visibility.
- We expect a revenue/EBITDA/PAT CAGR of 21%/28%/30% over FY22–24.
- Factoring in better than expected sales growth in CSM business and upward revision of sales guidance to 20%+ for FY23, we raised our FY23/FY24 earnings estimates by 10%/12%.
- We value the stock at 39x EPS (in line with its three-year avg. one-year forward P/E) to arrive at our TP of INR3,630. Maintain **BUY**.

Exhibit 10: One-year forward P/E (x)



Source: MOFSL

Exhibit 11: Change in estimates

Earnings Change (INR m)	Old		New		Change	
	FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Revenue	61,679	70,458	65,928	77,982	7%	11%
EBITDA	14,051	16,814	15,295	18,610	9%	11%
Adj. PAT	10,480	12,653	11,505	14,187	10%	12%

Source: MOFSL

Financials and valuations

Income Statement (Consolidated)									(INRm)
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Gross Revenue	21,974	23,833	23,087	28,409	33,665	45,770	52,995	65,928	77,982
Excise Duty	1,011	1,065	316	0	0	0	0	0	0
Net Revenue	20,963	22,768	22,771	28,409	33,665	45,770	52,995	65,928	77,982
Change (%)	8.0	8.6	0.0	24.8	18.5	36.0	15.8	24.4	18.3
Cost of Materials Consumed	11,585	11,632	11,690	15,502	18,474	25,712	29,228	36,274	42,500
% of Sales	55.3	51.1	51.3	54.6	54.9	56.2	55.2	55.0	54.5
Personnel Expenses	1,931	2,226	2,432	2,647	3,209	4,169	4,804	5,396	6,239
% of Sales	9.2	9.8	10.7	9.3	9.5	9.1	9.1	8.2	8.0
Other Expenses	3,135	3,378	3,715	4,496	4,804	5,767	7,539	8,964	10,634
% of Sales	15.0	14.8	16.3	15.8	14.3	12.6	14.2	13.6	13.6
Total Expenditure	16,651	17,236	17,837	22,645	26,487	35,648	41,571	50,633	59,372
% of Sales	79.4	75.7	78.3	79.7	78.7	77.9	78.4	76.8	76.1
EBITDA	4,312	5,533	4,934	5,764	7,178	10,122	11,424	15,295	18,610
Margin (%)	20.6	24.3	21.7	20.3	21.3	22.1	21.6	23.2	23.9
Depreciation	543	730	830	930	1,367	1,748	2,018	2,380	2,629
EBIT	3,770	4,802	4,104	4,834	5,811	8,374	9,406	12,915	15,980
Int. and Finance Charges	96	72	53	50	170	282	128	147	165
Other Income	355	366	603	595	489	1,249	1,014	1,101	1,326
PBT bef. EO Exp.	4,028	5,096	4,653	5,379	6,130	9,341	10,292	13,869	17,141
EO Items	0	0	0	0	0	0	0	0	0
PBT after EO Exp.	4,028	5,096	4,653	5,379	6,130	9,341	10,292	13,869	17,141
Current Tax	909	1,035	1,001	1,176	1,259	1,753	1,950	2,442	3,000
Deferred Tax	4	-534	-22	101	313	249	-60	-34	0
Tax Rate (%)	22.7	9.8	21.0	23.7	25.6	21.4	18.4	17.4	17.5
Less: MI/Profit & Loss of associates	0	1	-2	0	-8	-44	-36	-43	-46
Reported PAT	3,116	4,594	3,676	4,102	4,566	7,383	8,438	11,505	14,187
Adjusted PAT	3,116	4,594	3,676	4,102	4,566	7,383	8,438	11,505	14,187
Change (%)	26.7	47.5	-20.0	11.6	11.3	61.7	14.3	36.3	23.3
Margin (%)	14.9	20.2	16.1	14.4	13.6	16.1	15.9	17.5	18.2

Balance Sheet (Consolidated)									(INRm)
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Equity Share Capital	137	138	138	138	138	152.0	152.0	152.0	152.0
Total Reserves	11,572	16,134	19,111	22,716	26,053	53,272	61,052	71,645	84,920
Net Worth	11,709	16,272	19,248	22,854	26,191	53,424	61,204	71,797	85,072
Deferred Liabilities	353	0	0	0	102	796	875	867	867
Total Loans	1,514	1,198	834	99	5,077	3,279	2,678	2,750	2,750
Capital Employed	13,576	17,470	20,082	22,953	31,370	57,499	64,757	75,414	88,689
Gross Block	11,503	12,942	14,298	17,109	24,366	28,921	34,082	39,082	43,082
Less: Accum. Deprn.	2,762	3,492	4,322	5,252	6,619	8,367	10,385	12,765	15,394
Net Fixed Assets	8,742	9,450	9,977	11,857	17,747	20,554	23,697	26,317	27,688
Capital WIP	713	773	899	1,828	1,828	2,875	1,145	2,645	2,645
Current Investments	0	824	1,595	1,119	1,325	8,517	8,547	9,547	10,547
Total Investments	3	833	1,607	1,291	1,504	8,724	8,995	9,995	10,995
Curr. Assets, Loans&Adv.	10,028	11,760	13,515	16,431	21,169	37,866	44,074	51,633	65,131
Inventory	3,948	4,320	4,520	5,357	7,989	10,528	14,234	13,547	16,024
Account Receivables	3,978	4,237	5,268	6,618	6,465	7,035	8,687	10,838	13,887
Cash and Bank Balance	560	1,326	1,307	892	1,342	14,757	14,102	19,007	25,862
Loans and Advances	1,543	1,877	2,420	3,564	5,373	5,546	7,051	8,241	9,358
Curr. Liability & Prov.	5,910	5,544	6,182	8,595	10,878	12,520	13,154	15,176	17,769
Account Payables	3,661	2,878	3,687	5,130	5,909	7,960	9,242	10,335	12,110
Other Current Liabilities	2,054	2,350	2,155	3,049	4,421	4,008	3,555	4,483	5,303
Provisions	196	316	340	416	548	552	357	357	357
Net Current Assets	4,118	6,216	7,333	7,836	10,291	25,346	30,920	36,457	47,361
Deferred Tax assets	0	198	267	141	0	0	0	0	0
Appl. of Funds	13,576	17,470	20,082	22,953	31,370	57,499	64,757	75,414	88,689

Financials and valuations

Ratios									
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Basic (INR)									
EPS	20.5	30.2	24.2	27.0	30.0	48.6	55.5	75.7	93.3
Cash EPS	24.1	35.0	29.6	33.1	39.0	60.1	68.8	91.3	110.6
BV/Share	77.0	107.1	126.6	150.4	172.3	351.5	402.7	472.3	559.7
DPS	2.8	3.6	5.0	3.6	3.6	5.0	5.0	6.0	6.0
Payout (%)	16.6	14.6	25.1	16.4	14.7	10.3	9.0	7.9	6.4
Valuation (x)									
P/E	153.1	103.8	129.8	116.3	104.5	64.6	56.5	41.5	33.6
Cash P/E	130.4	89.6	105.9	94.8	80.4	52.2	45.6	34.4	28.4
P/BV	40.7	29.3	24.8	20.9	18.2	8.9	7.8	6.6	5.6
EV/Sales	22.8	20.9	20.9	16.8	14.3	10.2	8.8	7.0	5.8
EV/EBITDA	110.9	86.2	96.6	82.6	67.0	46.0	40.8	30.1	24.4
Dividend Yield (%)	0.1	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.2
FCF per share	3.5	14.4	10.9	1.7	2.1	18.9	12.7	45.3	58.8
Return Ratios (%)									
EBITDA Margins (%)	20.6	24.3	21.7	20.3	21.3	22.1	21.6	23.2	23.9
Net Profit Margins (%)	14.9	20.2	16.1	14.4	13.6	16.1	15.9	17.5	18.2
RoE	29.9	32.8	20.7	19.5	18.6	18.5	14.7	17.3	18.1
RoCE	27.1	30.4	19.8	19.2	17.3	17.2	14.1	16.7	17.6
RoIC	27.4	32.3	21.0	20.9	18.9	22.8	21.4	25.3	28.4
Working Capital Ratios									
Fixed Asset Turnover (x)	1.8	1.8	1.6	1.7	1.4	1.6	1.6	1.7	1.8
Asset Turnover (x)	1.5	1.3	1.1	1.2	1.1	0.8	0.8	0.9	0.9
Inventory (Days)	69	69	72	69	87	84	98	75	75
Debtor (Days)	66	65	83	85	70	56	60	60	65
Creditor (Days)	115	90	115	121	117	113	115	104	104
Working Cap. Turnover (Days)	62	78	97	89	97	84	116	97	101
Growth (%)									
Sales	8.0	8.6	0.0	24.8	18.5	36.0	15.8	24.4	18.3
EBITDA	15.7	28.3	-10.8	16.8	24.5	41.0	12.9	33.9	21.7
PAT	26.7	47.5	-20.0	11.6	11.3	61.7	14.3	36.3	23.3
Leverage Ratio (x)									
Current Ratio	1.7	2.1	2.2	1.9	1.9	3.0	3.4	3.4	3.7
Interest Cover Ratio	39	67	77	97	34	30	73	88	
Debt/Equity	0.1	0.1	0.04	0.00	0.2	0.1	0.0	0.0	0.0

Cash Flow Statement (Consolidated)								(INRM)	
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
OP/(Loss) before Tax	4,028	5,095	4,655	5,379	6,138	9,385	10,328	13,869	17,141
Depreciation	543	730	830	930	1,367	1,748	2,018	2,380	2,629
Interest & Finance Charges	96	72	53	50	170	282	128	147	165
Direct Taxes Paid	-958	-1,212	-963	-1,183	-1,048	-1,647	-1,751	-2,416	-3,000
(Inc)/Dec in WC	20	-1,234	-1,045	-1,503	255	-1,303	-5,276	-632	-4,049
CF from Operations	3,730	3,451	3,530	3,673	6,882	8,465	5,447	13,349	12,886
Others	-62	-63	-336	235	99	-1,216	-160	43	46
CF from Operating incl EO	3,668	3,388	3,194	3,908	6,981	7,249	5,287	13,392	12,932
(inc)/dec in FA	-3,188	-1,413	-1,696	-3,677	-6,693	-4,375	-3,362	-6,500	-4,000
Free Cash Flow	480	1,976	1,498	231	288	2,874	1,925	6,892	8,932
(Pur)/Sale of Investments	-57	-1,090	-375	427	1,014	-5,516	39	-1,000	-1,000
Others	212	151	266	34	-4,170	-14,413	2,219	0	0
CF from Investments	-3,034	-2,351	-1,805	-3,216	-9,849	-24,304	-1,104	-7,500	-5,000
Issue of Shares	1	0	0	0	0	19,736	0	0	0
Inc/(Dec) in Debt	1,587	-248	-365	-399	4,562	-1,786	-720	72	0
Interest Paid	-101	-72	-53	-50	-179	-244	-85	-147	-165
Dividend Paid	-725	-248	-662	-831	-748	-607	-758	-912	-912
Others	-1,156	297	-329	173	-317	13,371	-3,275	0	0
CF from Fin. Activity	-394	-271	-1,409	-1,107	3,318	30,470	-4,838	-987	-1,077
Inc/Dec of Cash	240	766	-20	-415	450	13,415	-655	4,905	6,855
Opening Balance	320	560	1,326	1,307	892	1,342	14,757	14,102	19,007
Closing Balance	560	1,326	1,307	892	1,342	14,757	14,102	19,007	25,862

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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