

# Container Corporation

Estimate change

TP change

Rating change



**CMP: INR677**

**TP: INR750 (+11%)**

**Buy**

## Lower realization in EXIM and domestic cargo drag performance

- Container Corporation (CCRI) reported a volume growth of 8% YoY in 1QFY24. Revenues declined 3% YoY to INR19.2b in 1QFY24 (16% below our estimate).
- Total volumes increased 8% YoY to 1.09m TEUs with EXIM/Domestic volumes at 0.84m/0.25m TEUs (up 7%/up 10% YoY). Volumes were largely in line with our estimate.
- Blended realization decreased 10% YoY to INR17,550/TEU. EXIM/Domestic realization stood at INR14,631/INR37,305 per TEU (down 12%/down 8% YoY). CCRI offered discounts during the quarter to attract volumes, which led to lower realization.
- EBITDA margin came in at 20.4% (vs. our estimate of 22.2%). Margin was down 350bp YoY. EBITDA declined 17% YoY to INR3.9b (against our estimate of INR5.0b). Land License fee for 1QFY24 stood at INR1.3b (INR1.04b in 4QFY23). Weak operating performance, on account of lower realization, led to a 16% YoY decline in PAT to INR2.4b.
- CCRI expects volumes to improve in the coming quarters and has kept its volumes growth guidance unchanged for FY24. It sees LLF to be at INR5b in FY24.
- We believe there could be some near-term challenges in achieving volume guidance, given a weak macro-economic environment and higher competition. We cut our EPS estimates for FY24/25 by ~9%/12%, factoring in subdued volume growth and lower realizations. We reiterate our BUY rating with a revised TP of INR750.

## Highlights from the management commentary

- CCRI's performance has been volatile during the quarter, resulting in weakness in volumes and margins. Despite gaining momentum in April and May 2023 onwards, the domestic business suffered due to the Orissa train accident in June 2023 on the eastern front. Further, the ban on rice exports is adversely impacting both domestic and EXIM traffic, but demand is now improving.
- The implementation of double stack containers in Dadri is expected to result in savings, which will be passed on to customers without compromising the company's margins. Management remains confident of achieving 10% volume growth in EXIM in FY24.

## Valuation and view

- The EXIM volumes are expected to pick up going forward as CCRI is looking at maintaining its discounts in certain routes. The outlook on the domestic demand continues to be robust.
- We expect EBITDA margins to be at ~22% in FY24, while the LLF is expected to be about INR5b and grow at ~7%. The stock trades at 14.9x FY25E EV/EBITDA. We reiterate our BUY rating on CCRI with a DCF-based TP of INR750.



Bloomberg	CCRI IN
Equity Shares (m)	609
M.Cap.(INRb)/(USD\$b)	412.7 / 5
52-Week Range (INR)	829 / 555
1, 6, 12 Rel. Per (%)	0/2/-13
12M Avg Val (INR M)	1061

## Financial Snapshot (INR b)

Y/E MARCH	2023	2024E	2025E
Sales	81.0	90.0	105.2
EBITDA	18.4	19.6	23.5
Adj. PAT	11.7	12.5	15.1
EBITDA Margin (%)	22.7	21.8	22.3
Adj. EPS (INR)	19.2	20.5	24.8
EPS Gr. (%)	10.2	6.7	20.8
BV/Sh. (INR)	184.6	195.4	208.6

## Ratios

Net D:E	(0.3)	(0.3)	(0.4)
RoE (%)	10.6	10.8	12.3
RoCE (%)	11.0	11.1	12.6
Payout (%)	46.9	46.9	46.9

## Valuations

P/E (x)	35.2	33.0	27.3
P/BV (x)	3.7	3.5	3.2
EV/EBITDA(x)	20.0	18.4	14.9
Div. Yield (%)	1.3	1.4	1.7
FCF Yield (%)	2.0	2.4	3.4

## Shareholding pattern (%)

As On	Jun-23	Mar-23	Jun-22
Promoter	54.8	54.8	54.8
DII	20.6	19.3	16.9
FII	21.6	22.2	23.7
Others	3.0	3.7	4.6

FII Includes depository receipts

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

Motilal Oswal research is available on [www.motilaloswal.com/Institutional-Equities](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

## Standalone quarterly snapshot

(INR m)

Y/E March	FY23				FY24E				FY23	FY24E	FY24	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
<b>Net Sales</b>	<b>19,783</b>	<b>19,707</b>	<b>19,884</b>	<b>21,660</b>	<b>19,193</b>	<b>22,205</b>	<b>23,090</b>	<b>25,499</b>	<b>81,034</b>	<b>89,988</b>	<b>22,808</b>	<b>(16)</b>
YoY Change (%)	9.4	8.0	3.6	6.0	-3.0	12.7	16.1	17.7	6.7	11.0	15.3	
<b>EBITDA</b>	<b>4,723</b>	<b>4,986</b>	<b>4,264</b>	<b>4,447</b>	<b>3,916</b>	<b>4,721</b>	<b>5,011</b>	<b>5,961</b>	<b>18,421</b>	<b>19,608</b>	<b>5,063</b>	<b>(23)</b>
Margins (%)	23.9	25.3	21.4	20.5	20.4	21.3	21.7	23.4	22.7	21.8	22.2	
YoY Change (%)	9.0	16.9	-6.4	7.7	-17.1	-5.3	17.5	34.0	6.6	6.4	7.2	
Depreciation	1,312	1,341	1,357	1,531	1,378	1,420	1,422	1,436	5,541	5,655	1,500	
Interest	139	143	142	146	141	140	138	131	570	550	150	
Other Income	629	520	1,136	955	815	823	823	830	3,240	3,290	823	
<b>PBT before EO expense</b>	<b>3,901</b>	<b>4,022</b>	<b>3,901</b>	<b>3,725</b>	<b>3,212</b>	<b>3,983</b>	<b>4,273</b>	<b>5,225</b>	<b>15,550</b>	<b>16,693</b>	<b>4,236</b>	<b>(24)</b>
Extra-Ord expense	0	0	0	13	0	0	0	0	13	0	0	
<b>PBT</b>	<b>3,901</b>	<b>4,022</b>	<b>3,901</b>	<b>3,713</b>	<b>3,212</b>	<b>3,983</b>	<b>4,273</b>	<b>5,225</b>	<b>15,537</b>	<b>16,693</b>	<b>4,236</b>	<b>(24)</b>
Tax	988	994	936	928	771	1,016	1,090	1,331	3,847	4,207	1,067	
Rate (%)	25.3	24.7	24.0	25.0	24.0	25.5	25.5	25.5	24.8	25.2	25.2	
<b>Reported PAT</b>	<b>2,913</b>	<b>3,028</b>	<b>2,965</b>	<b>2,785</b>	<b>2,441</b>	<b>2,967</b>	<b>3,184</b>	<b>3,894</b>	<b>11,691</b>	<b>12,486</b>	<b>3,168</b>	<b>(23)</b>
<b>Adj PAT</b>	<b>2,913</b>	<b>3,028</b>	<b>2,965</b>	<b>2,785</b>	<b>2,441</b>	<b>2,967</b>	<b>3,184</b>	<b>3,894</b>	<b>11,703</b>	<b>12,486</b>	<b>3,168</b>	<b>(23)</b>
YoY Change (%)	14.3	14.7	3.5	8.4	-16.2	-2.0	7.4	39.8	10.2	6.7	8.8	
Margins (%)	14.7	15.4	14.9	12.9	12.7	13.4	13.8	15.3	14.4	13.9	13.9	



## Highlights from the management commentary

## Operational highlights

- The company's performance has been volatile during the quarter, resulting in weakness in volumes and margins. Despite gaining momentum in April and May 2023 onwards, the domestic business suffered due to the Orissa train accident in June 2023 on the eastern front. Further, the ban on rice exports is impacting both domestic and EXIM traffic, but overall demand is now improving.
- Also, unusual rainfall across India negatively affected domestic demand during 1QFY24.
- The demand has rebounded and is showing positive trends. The management is confident that the company would achieve its volumes guidance provided at the start of FY24.
- The operations of DFC are now stable, and the travel time between Dadri and Mundra has stabilized to 30 hours. The reduction in travel time is facilitating the movement of lightweight cargo, and thereby, improving efficiency.
- The discount provided by CCRI for double-stacked containers is aimed at attracting new traffic, not cutting rates. This discount has contributed to the company's growth.
- Domestic containers are now being operated by CONCOR in double-stack trains.
- Rail freight margin during the quarter stood at 26.19%, which has increased from 25.6% in 1QFY23.
- LLF for 1QFY24 stood at INR1.3b and the management expects LLF fee of INR5b for FY24.
- The implementation of double-stack containers in Dadri is expected to result in savings, which will be passed on to customers without compromising the company's margins.
- Out of a total of 1,184 double-stack trains that were operational in 1QFY24, the Dadri facility managed 238 trains on its own.
- CONCOR's market share at various ports is as follows: JNPT - 60%, Mundra - 37%, Pipavav - 45%.

- Although discounts are being offered at different points and places, the company is ensuring that margins are not compromised in the process. Offering discounts is an ongoing practice for the company.
- Empty running costs in 1QFY24 stood at ~INR 1.16b (EXIM/Domestic: ~INR0.28m/INR0.86b).

#### Volumes

- Total volumes increased 8% YoY to 1.09m TEUs with EXIM/Domestic volumes at 0.84m/0.25m TEUs (up 7%/up 10% YoY).
- Blended realization decreased 10% YoY to INR17,550/TEU. EXIM/Domestic realization stood at INR14,631/INR37,305 per TEU (down 12%/down 8% YoY).
- Originating volumes in 1QFY24 stood at 0.57m TEUs (EXIM/Domestic at 0.47/0.1m TEUs).

#### Capex

- CCRI incurred a capex of INR5.6b in FY23 toward rolling stock, rakes, and containers.
- The management has guided for a capex of INR6b in FY24, which would be largely toward rolling stock and handling equipment.

#### Guidance

- Domestic shipment volumes are projected to outpace EXIM volumes. However, the potential for margin expansion within the domestic sector could be limited due to the impact of empty running.
- The primary objective is to capture a larger market share in commodities currently being transported by road, with the intention of transitioning them to rail transportation.

#### Exhibit 1: Revised forecasts

(INR m)	FY24E			FY25E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	89,988	93,499	-3.8	1,05,244	1,10,270	-4.6
EBITDA	19,608	21,254	-7.7	23,522	26,321	-10.6
<b>EBITDA Margin (%)</b>	<b>21.8</b>	<b>22.7</b>	<b>-94.2</b>	<b>22.3</b>	<b>23.9</b>	<b>-151.9</b>
PAT	12,486	13,680	-8.7	15,083	17,176	-12.2
<b>EPS (INR)</b>	<b>20.5</b>	<b>22.5</b>	<b>-8.7</b>	<b>24.8</b>	<b>28.2</b>	<b>-12.2</b>

Source: Company, MOFSL

## Key exhibits

### Exhibit 2: Financial summary (INR m)

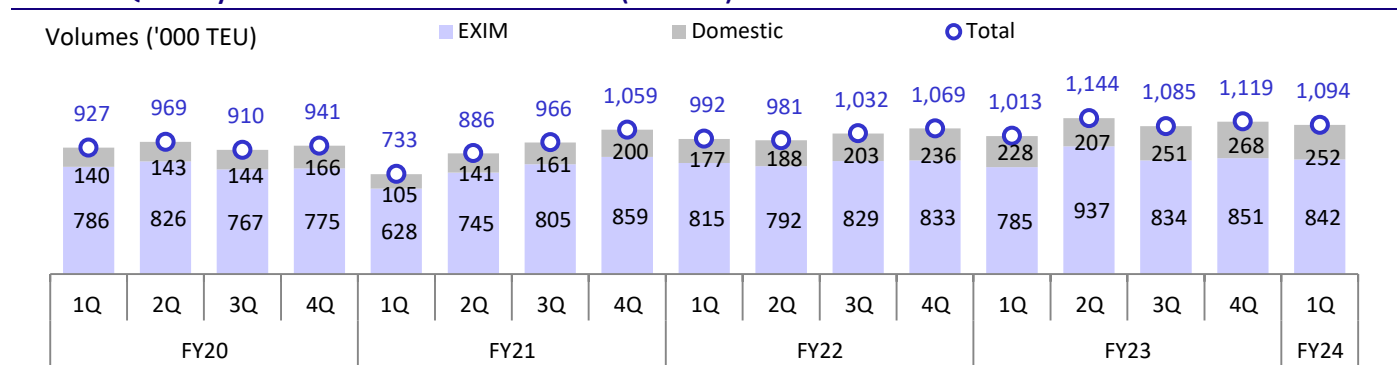
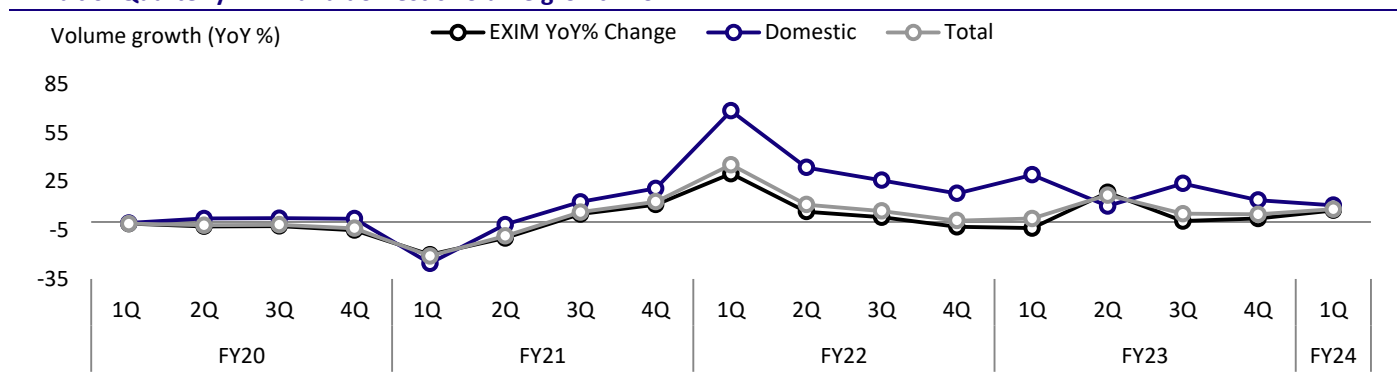
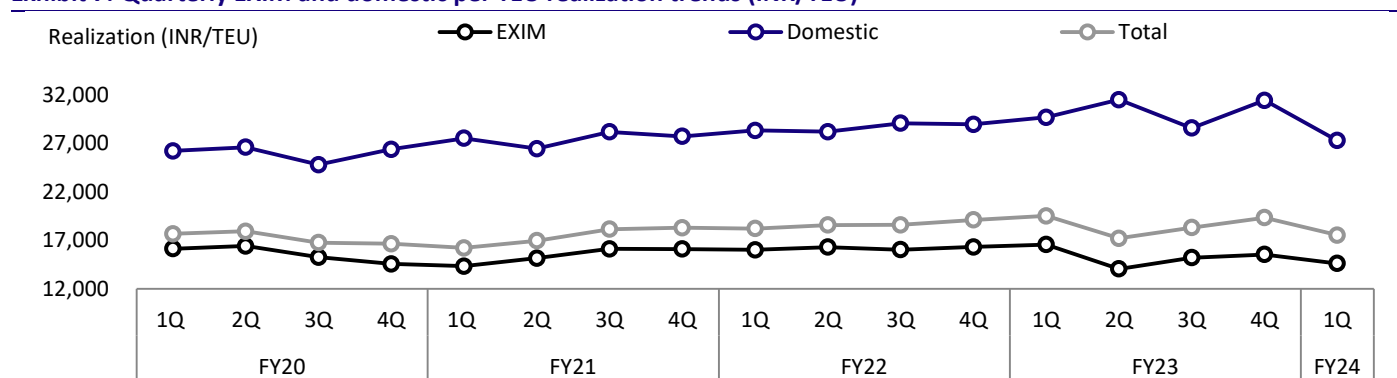
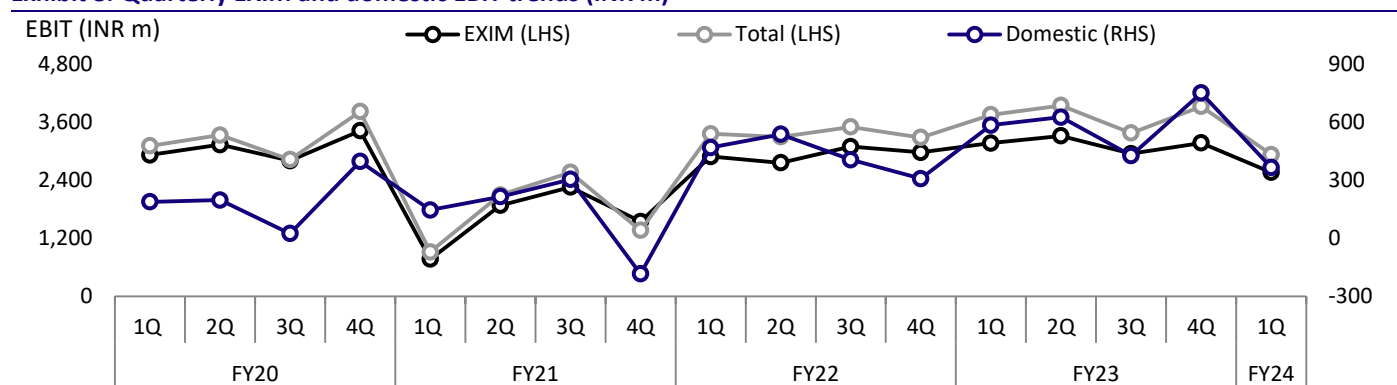
	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	YoY (%)	QoQ (%)
<b>Net Sales</b>	<b>19,200</b>	<b>20,430</b>	<b>19,783</b>	<b>19,707</b>	<b>19,884</b>	<b>21,660</b>	<b>19,193</b>	<b>-3%</b>	<b>-11%</b>
Terminal and Service Charges	10,431	11,138	10,875	10,679	11,356	12,133	10,685	-2%	-12%
Employee Expenses	962	1,212	1,034	923	1,077	1,241	1,059	3%	-15%
Other Expenses	3,251	3,952	3,151	3,119	3,188	3,839	3,533	12%	-8%
<b>EBITDA</b>	<b>4,556</b>	<b>4,127</b>	<b>4,723</b>	<b>4,986</b>	<b>4,264</b>	<b>4,447</b>	<b>3,916</b>	<b>-17%</b>	<b>-12%</b>
EBITDA margin (%)	24%	20%	24%	25%	21%	21%	20%		
Depreciation	1,324	1,309	1,312	1,341	1,357	1,531	1,378	5%	-10%
<b>EBIT</b>	<b>3,232</b>	<b>2,818</b>	<b>3,411</b>	<b>3,645</b>	<b>2,907</b>	<b>2,916</b>	<b>2,538</b>	<b>-26%</b>	<b>-13%</b>
Interest	132	140	139	143	142	146	141	2%	-3%
Other Income	632	694	629	520	1,136	955	815	30%	-15%
<b>PBT</b>	<b>3,733</b>	<b>3,372</b>	<b>3,901</b>	<b>4,022</b>	<b>3,901</b>	<b>3,725</b>	<b>3,212</b>	<b>-18%</b>	<b>-14%</b>
Total Tax	867	804	988	994	936	928	771	-22%	-17%
Tax rate (%)	23%	24%	25%	25%	24%	25%	24%		
<b>PAT</b>	<b>2,865</b>	<b>2,568</b>	<b>2,913</b>	<b>3,028</b>	<b>2,965</b>	<b>2,785</b>	<b>2,441</b>	<b>-16%</b>	<b>-12%</b>
<b>EPS (INR)</b>	<b>4.7</b>	<b>4.2</b>	<b>4.8</b>	<b>5.0</b>	<b>4.9</b>	<b>4.6</b>	<b>4.0</b>	<b>-16%</b>	<b>-12%</b>

### Exhibit 3: Segmental revenue and profitability

	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	YoY (%)	QoQ (%)
<b>Revenue (INR m)</b>									
EXIM	13,295	13,599	13,007	13,186	12,697	13,239	12,315	-5%	-7%
Domestic	5,905	6,832	6,777	6,521	7,187	8,421	6,879	2%	-18%
<b>Total Segment Revenue</b>	<b>19,200</b>	<b>20,430</b>	<b>19,783</b>	<b>19,707</b>	<b>19,884</b>	<b>21,660</b>	<b>19,193</b>	<b>-3%</b>	<b>-11%</b>
<b>Segmental EBIT</b>									
EXIM	3,098	2,978	3,171	3,321	2,953	3,176	2,566	-19%	-19%
Domestic	407	309	586	627	428	752	366	-37%	-51%
<b>Total</b>	<b>3,505</b>	<b>3,287</b>	<b>3,757</b>	<b>3,948</b>	<b>3,381</b>	<b>3,927</b>	<b>2,932</b>	<b>-22%</b>	<b>-25%</b>
<b>EBIT Margin (%)</b>									
EXIM	23.3%	21.9%	24.4%	25.2%	23.3%	24.0%	20.8%		
Domestic	6.9%	4.5%	8.6%	9.6%	6.0%	8.9%	5.3%		
<b>Total</b>	<b>18.3%</b>	<b>16.1%</b>	<b>19.0%</b>	<b>20.0%</b>	<b>17.0%</b>	<b>18.1%</b>	<b>15.3%</b>		

### Exhibit 4: Realization snapshot

	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	YoY (%)	QoQ (%)
<b>Volumes (TEU)</b>									
EXIM	828,661	832,863	7,84,857	9,36,950	8,33,796	8,51,261	8,41,690	7%	-1%
Domestic	203,040	235,858	2,28,191	2,06,945	2,51,358	2,67,773	2,51,920	10%	-6%
<b>Total</b>	<b>1,031,701</b>	<b>1,068,721</b>	<b>10,13,048</b>	<b>11,43,895</b>	<b>10,85,154</b>	<b>11,19,034</b>	<b>10,93,610</b>	<b>8%</b>	<b>-2%</b>
<b>Realization (INR/TEU)</b>									
EXIM	16,044	16,327	16,572	14,073	15,228	15,553	14,631	-12%	-6%
Domestic	29,082	28,965	29,697	31,511	28,593	31,446	27,305	-8%	-13%
<b>Total</b>	<b>18,610</b>	<b>19,116</b>	<b>19,528</b>	<b>17,228</b>	<b>18,324</b>	<b>19,356</b>	<b>17,550</b>	<b>-10%</b>	<b>-9%</b>
<b>EBIT (INR/TEU)</b>									
EXIM	3,739	3,576	4,041	3,544	3,542	3,730	3,048	-25%	-18%
Domestic	2,003	1,311	2,567	3,029	1,702	2,808	1,453	-43%	-48%
<b>Total</b>	<b>3,397</b>	<b>3,076</b>	<b>3,709</b>	<b>3,451</b>	<b>3,115</b>	<b>3,510</b>	<b>2,681</b>	<b>-28%</b>	<b>-24%</b>

**Exhibit 5: Quarterly EXIM and domestic volume trends ('000 TEU)****Exhibit 6: Quarterly EXIM and domestic volume growth YoY****Exhibit 7: Quarterly EXIM and domestic per TEU realization trends (INR/TEU)****Exhibit 8: Quarterly EXIM and domestic EBIT trends (INR m)**

Source: MOFSL, Company

## Financials and valuations

### Standalone – Income Statement

Y/E March (INR m)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
<b>Total Income from Operations</b>	<b>53,946</b>	<b>58,893</b>	<b>65,427</b>	<b>64,738</b>	<b>63,850</b>	<b>75,945</b>	<b>81,034</b>	<b>89,988</b>	<b>1,05,244</b>
Change (%)	-8.9	9.2	11.1	-1.1	-1.4	18.9	6.7	11.0	17.0
<b>Total Expenditure</b>	<b>43,593</b>	<b>46,814</b>	<b>51,019</b>	<b>47,989</b>	<b>53,521</b>	<b>58,661</b>	<b>62,613</b>	<b>70,379</b>	<b>81,722</b>
As a percentage of Sales	80.8	79.5	78.0	74.1	83.8	77.2	77.3	78.2	77.7
<b>EBITDA</b>	<b>10,354</b>	<b>12,079</b>	<b>14,408</b>	<b>16,749</b>	<b>10,329</b>	<b>17,284</b>	<b>18,421</b>	<b>19,608</b>	<b>23,522</b>
Margin (%)	19.2	20.5	22.0	25.9	16.2	22.8	22.7	21.8	22.3
Depreciation	3,518	3,927	4,246	5,130	5,219	5,298	5,541	5,655	6,098
<b>EBIT</b>	<b>6,835</b>	<b>8,152</b>	<b>10,162</b>	<b>11,619</b>	<b>5,109</b>	<b>11,986</b>	<b>12,880</b>	<b>13,953</b>	<b>17,424</b>
Int. and Finance Charges	37	1	7	361	340	546	570	550	600
Other Income	2,892	5,705	6,735	2,797	2,855	2,631	3,240	3,290	3,340
<b>PBT bef. EO Exp.</b>	<b>9,691</b>	<b>13,856</b>	<b>16,889</b>	<b>14,056</b>	<b>7,625</b>	<b>14,071</b>	<b>15,550</b>	<b>16,693</b>	<b>20,164</b>
EO Items	1,250	-129	0	-8,816	-834	-1	-13	0	0
<b>PBT</b>	<b>10,941</b>	<b>13,727</b>	<b>16,889</b>	<b>5,240</b>	<b>6,791</b>	<b>14,070</b>	<b>15,537</b>	<b>16,693</b>	<b>20,164</b>
Current Tax	3,206	3,862	4,841	3,208	2,129	3,805	3,840	4,207	5,081
Deferred Tax	-845	-579	-107	-1,726	-371	-358	6	0	0
Tax	2,361	3,283	4,735	1,482	1,758	3,447	3,847	4,207	5,081
Tax Rate (%)	21.6	23.9	28.0	28.3	25.9	24.5	24.8	25.2	25.2
<b>Reported PAT</b>	<b>8,580</b>	<b>10,445</b>	<b>12,154</b>	<b>3,758</b>	<b>5,033</b>	<b>10,623</b>	<b>11,691</b>	<b>12,486</b>	<b>15,083</b>
<b>Adjusted PAT</b>	<b>7,331</b>	<b>10,574</b>	<b>12,154</b>	<b>10,120</b>	<b>5,867</b>	<b>10,624</b>	<b>11,703</b>	<b>12,486</b>	<b>15,083</b>
Change (%)	-22.9	44.2	14.9	-16.7	-42.0	81.1	10.2	6.7	20.8
Margin (%)	13.6	18.0	18.6	15.6	9.2	14.0	14.4	13.9	14.3

### Standalone – Balance Sheet

Y/E March (INR m)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	1,950	2,437	3,047	3,047	3,047	3,047	3,047	3,047	3,047
Total Reserves	86,512	91,574	1,00,632	97,601	98,991	104,727	1,09,403	1,16,033	1,24,041
<b>Net Worth</b>	<b>88,462</b>	<b>94,011</b>	<b>1,03,679</b>	<b>1,00,647</b>	<b>1,02,037</b>	<b>107,773</b>	<b>1,12,450</b>	<b>1,19,079</b>	<b>1,27,087</b>
Deferred Liabilities	2,769	2,533	1,616	0	0	0	0	0	0
Total Loans	0	0	7,007	0	0	0	0	0	0
<b>Capital Employed</b>	<b>91,231</b>	<b>96,544</b>	<b>1,12,301</b>	<b>1,00,647</b>	<b>1,02,037</b>	<b>107,773</b>	<b>1,12,450</b>	<b>1,19,079</b>	<b>1,27,087</b>
Gross Block	40,676	47,332	57,038	70,379	81,028	87,217	92,104	99,604	1,07,104
Less: Accum. Deprn.	6,978	10,848	15,091	20,686	28,011	33,309	38,850	44,505	50,603
<b>Net Fixed Assets</b>	<b>33,698</b>	<b>36,484</b>	<b>41,947</b>	<b>49,694</b>	<b>53,018</b>	<b>53,908</b>	<b>53,254</b>	<b>55,098</b>	<b>56,500</b>
Capital WIP	5,071	6,710	6,247	9,375	9,198	7,482	8,265	8,265	8,265
<b>Total Investments</b>	<b>13,737</b>	<b>13,890</b>	<b>14,029</b>	<b>14,441</b>	<b>14,452</b>	<b>14,356</b>	<b>14,425</b>	<b>14,425</b>	<b>14,425</b>
<b>Curr. Assets, Loans, and Adv.</b>	<b>46,904</b>	<b>49,395</b>	<b>63,845</b>	<b>42,013</b>	<b>44,735</b>	<b>51,365</b>	<b>56,063</b>	<b>62,990</b>	<b>73,131</b>
Inventory	229	275	233	261	239	307	372	418	485
Account Receivables	425	604	884	1,591	1,555	1,761	2,131	2,366	2,768
Cash and Bank Balance	16,835	19,817	1,704	21,686	24,732	28,879	30,479	37,124	46,796
Loans and Advances	29,415	28,699	61,025	18,475	18,209	20,419	23,081	23,081	23,081
<b>Curr. Liability and Prov.</b>	<b>8,546</b>	<b>10,592</b>	<b>13,767</b>	<b>15,020</b>	<b>19,908</b>	<b>20,244</b>	<b>20,356</b>	<b>22,498</b>	<b>26,033</b>
Account Payables	2,415	2,542	3,504	1,553	2,709	4,236	3,770	4,238	4,921
Other Current Liabilities	5,441	7,344	9,544	12,776	15,500	14,428	15,150	16,824	19,676
Provisions	690	705	719	692	1,699	1,579	1,436	1,436	1,436
<b>Net Current Assets</b>	<b>38,357</b>	<b>38,804</b>	<b>50,078</b>	<b>26,992</b>	<b>24,827</b>	<b>31,122</b>	<b>35,707</b>	<b>40,492</b>	<b>47,098</b>
<b>Appl. of Funds</b>	<b>91,231</b>	<b>96,544</b>	<b>1,12,301</b>	<b>1,00,647</b>	<b>1,02,037</b>	<b>107,773</b>	<b>1,12,450</b>	<b>1,19,079</b>	<b>1,27,087</b>



## Financial and valuations

### Ratio analysis

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
<b>Basic (INR)</b>									
EPS	12.0	17.4	19.9	16.6	9.6	17.4	19.2	20.5	24.8
Cash EPS	17.8	23.8	26.9	25.0	18.2	26.1	28.3	29.8	34.8
BV/Share	145.2	154.3	170.2	165.2	167.5	176.9	184.6	195.4	208.6
DPS	6.3	6.9	8.5	3.6	5.0	9.0	9.0	9.6	11.6
Payout (%)	51.9	48.0	51.4	60.7	60.5	51.6	46.9	46.9	46.9
<b>Valuation (x)</b>									
P/E	56.3	39.0	33.9	40.8	70.3	38.8	35.2	33.0	27.3
Cash P/E	38.0	28.4	25.2	27.0	37.2	25.9	23.9	22.7	19.5
P/BV	4.7	4.4	4.0	4.1	4.0	3.8	3.7	3.5	3.2
EV/Sales	7.1	6.4	6.2	5.8	5.8	4.9	4.5	4.0	3.3
EV/EBITDA	36.9	31.4	28.0	22.5	36.1	21.4	20.0	18.4	14.9
Dividend Yield (%)	0.9	1.0	1.3	0.5	0.7	1.3	1.3	1.4	1.7
FCF per share	24.2	9.6	-44.2	53.8	9.4	12.2	13.3	16.0	23.0
<b>Return Ratios (%)</b>									
RoE	8.5	11.6	12.3	9.9	5.8	10.1	10.6	10.8	12.3
RoCE	8.6	11.2	11.6	9.7	5.8	10.5	11.0	11.1	12.6
RoIC	9.3	11.1	10.0	11.5	7.0	16.3	16.7	17.6	22.3
<b>Working Capital Ratios</b>									
Asset Turnover (x)	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.8	0.8
Inventory (Days)	2	2	1	1	1	1	2	2	2
Debtor (Days)	3	4	5	9	9	8	10	10	10
Creditor (Days)	26	26	34	16	29	38	31	31	31
<b>Leverage Ratio (x)</b>									
Current Ratio	5.5	4.7	4.6	2.8	2.2	2.5	2.8	2.8	2.8
Net Debt/Equity	-0.2	-0.2	0.1	-0.2	-0.2	-0.3	-0.3	-0.3	-0.4

### Standalone – Cash Flow Statement

Y/E March (INR m)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
OP/(Loss) before Tax	11,806	13,857	16,889	5,240	6,791	14,070	15,537	16,693	20,164
Depreciation	3,650	3,927	4,246	5,130	5,219	5,298	5,541	5,655	6,098
Interest and Finance Charges	-2,514	-2,332	-2,247	-1,678	-1,648	-1,302	-1,667	-2,740	-2,740
Direct Taxes Paid	-3,868	-3,360	-5,404	-1,382	-2,444	-3,568	-4,251	-4,207	-5,081
(Inc.)/Dec. in WC	9,575	1,169	-33,386	26,758	1,691	-1,003	-1,219	1,860	3,067
<b>CF from Operations</b>	<b>18,650</b>	<b>13,260</b>	<b>-19,902</b>	<b>34,067</b>	<b>9,610</b>	<b>13,496</b>	<b>13,942</b>	<b>17,262</b>	<b>21,507</b>
Others	-69	19	15	8,621	633	-90	-117	0	0
<b>CF from Operations incl. EO</b>	<b>18,581</b>	<b>13,279</b>	<b>-19,887</b>	<b>42,689</b>	<b>10,243</b>	<b>13,406</b>	<b>13,825</b>	<b>17,262</b>	<b>21,507</b>
(inc.)/dec. in FA	-9,143	-8,595	-7,040	-9,888	-4,501	9,597	-5,723	-7,500	-7,500
<b>Free Cash Flow</b>	<b>9,438</b>	<b>4,684</b>	<b>-26,927</b>	<b>32,801</b>	<b>5,741</b>	<b>23,002</b>	<b>8,101</b>	<b>9,762</b>	<b>14,007</b>
(Pur.)/Sale of Investments	0	-153	-139	-618	-570	595	-82	0	0
Others	2,978	3,451	21,639	-15,227	2,310	-13,684	-231	3,290	3,340
<b>CF from Investments</b>	<b>-6,165</b>	<b>-5,297</b>	<b>14,461</b>	<b>-25,733</b>	<b>-2,761</b>	<b>-3,492</b>	<b>-6,036</b>	<b>-4,210</b>	<b>-4,160</b>
Issue of Shares	0	0	0	0	0	0	0	0	0
(Inc.)/Dec. in Debt	0	0	7,007	-7,007	0	0	0	0	0
Interest Paid	-37	-1	-7	-81	-1	0	1	50	0
Dividend Paid	-2,944	-4,168	-1,828	-5,666	-3,564	-4,874	-7,311	-5,857	-7,075
Others	-599	-831	-366	-1,714	-869	-893	-1,079	-600	-600
<b>CF from Fin. Activity</b>	<b>-3,580</b>	<b>-4,999</b>	<b>4,805</b>	<b>-14,467</b>	<b>-4,434</b>	<b>-5,767</b>	<b>-8,389</b>	<b>-6,407</b>	<b>-7,675</b>
<b>Inc./Dec. in Cash</b>	<b>8,836</b>	<b>2,983</b>	<b>-621</b>	<b>2,489</b>	<b>3,047</b>	<b>4,146</b>	<b>-601</b>	<b>6,645</b>	<b>9,672</b>
Opening Balance	7,999	16,835	19,817	19,196	21,685	24,732	31,080	30,479	37,124
<b>Closing Balance</b>	<b>16,835</b>	<b>19,817</b>	<b>19,196</b>	<b>21,685</b>	<b>24,732</b>	<b>28,879</b>	<b>30,479</b>	<b>37,124</b>	<b>46,796</b>

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NOTES



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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
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