

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	PI IN
Equity Shares (m)	152
M.Cap.(INRb)/(USDb)	516.4 / 6.2
52-Week Range (INR)	4011 / 2869
1, 6, 12 Rel. Per (%)	0/-23/-12
12M Avg Val (INR M)	1310

#### Financials & Valuations (INR b)

Y/E Mar	2024E	2025E	2026E
Sales	78.9	95.2	110.8
EBITDA	20.2	23.9	27.8
PAT	16.5	18.3	21.3
EBITDA (%)	25.7	25.1	25.1
EPS (INR)	108.6	120.7	140.1
EPS Gr. (%)	34.3	11.1	16.1
BV/Sh. (INR)	572	681	810

#### Ratios

Net D/E	(0.3)	(0.3)	(0.4)
RoE (%)	20.8	19.3	18.8
RoCE (%)	20.9	19.2	18.7
Payout (%)	9.2	9.5	8.2

#### Valuations

P/E (x)	31.3	28.2	24.3
EV/EBITDA (x)	24.8	20.6	17.3
Div Yield (%)	0.3	0.3	0.3
FCF Yield (%)	(0.1)	2.2	2.9

#### Shareholding pattern (%)

As on	Dec-23	Sep-23	Dec-22
Promoter	46.1	46.1	46.1
DII	23.2	23.3	24.4
FII	20.4	20.0	18.6
Others	10.3	10.8	10.9

Note: FII includes depository receipts

**CMP: INR3,403**      **TP: INR4,350 (+28%)**      **Buy**

## Strong performance despite macro headwinds

### Earnings beat our estimates

- PI recorded a strong revenue growth in 3QFY24 (up 18% YoY), led by healthy growth in the CSM business (up 13% YoY) and incremental revenue from the Pharma business, which was not there in 3QFY23 (revenue mix ~7% in 3QFY24 vs. 3% in 2QFY24). However, the domestic business continued to witness subdued demand (revenue down 6% YoY).
- EBITDA grew 33% YoY in 3QFY24, but it included a one-time impact of a recovery of theft materials worth INR0.4b.
- We maintain our FY25/FY26 EPS estimates and increase our FY24 earnings estimate by 5% to factor in the strong performance in 3QFY24. We reiterate our **BUY** rating on the stock with a TP of INR4,350.

### CSM export growth primarily led by new product commercialization

- Revenue stood at INR19b (est. in-line), up 18% YoY.
- EBITDA stood at INR5.5b (est. INR4.7b), up 33% YoY. EBITDA margins grew 340bp YoY to 29.2% (est. 25%). Gross margins rose 53.6% (up 640bp YoY). Employee expenses were up 150bp YoY at 9.8%, while other expenses grew 140bp YoY to 14.6% of sales. EBITDA margin expansion included a 300bp impact of the one-time gain in EBITDA.
- Adj. PAT was up 28% YoY at INR4.5b (est. INR3.5b).
- Export (CSM) revenue grew 13% to INR15b, driven by strong growth in newly commercialized products and healthy volume growth. Domestic agrochem revenue declined 6% YoY to INR2.7b, due to delayed and erratic spread of monsoon, which was partially offset by a better product mix.
- Pharma revenue stood at INR1.3b (~7% of total revenue) in 3QFY24.
- For 9MFY24, revenue/EBITDA/PAT grew 20%/32%/38% YoY to INR59.2b/INR15.7b/INR13.1b.
- CFO in 9MFY24 stood at INR11.6b vs. INR10b in 9MFY23, while net cash stood at INR32.9b as of Dec'23. Net working capital days improved to 80 days as of Dec'23 vs. 90 days as of Dec'22.

### Highlights from the management commentary

- Guidance:** The management has maintained its revenue growth guidance of 18-20% p.a.; however, it expects to end FY24 at the lower end of the guidance. EBITDA margins would be in the range of 25-26% going ahead. Capex is expected to be around ~INR6-8b annually going ahead.
- CSM:** PI expects to commercialize four to five products every year, with ~30% of them being from the non-agchem segment.
- Domestic agro market:** The management expects the challenges in the domestic agri market to continue in 4QFY24 due to depleting reservoir levels, elevated inventory levels in the industry, and persistent pricing pressure for generics.

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

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### Valuation and view

- PI has levers in place to sustain near-term growth, led by: 1) consistent growth momentum in the CSM business, driven by a strong order book, the rising pace of commercialization of new molecules, and a sale ramp-up in existing molecules; 2) product launches in the domestic market (five new launches in 9MFY24 and a total six in FY24); and 3) the recent acquisition in the pharma API and CDMO segments, which is expected to be one of the key growth pillars for the company in the future. PI will be creating a differentiated position in the pharma sector by leveraging its core competencies.
- We expect a CAGR of 19%/22%/20% in revenue/EBIDTA/adj. PAT over FY23-26.
- We maintain our FY25/FY26 EPS estimates and increase our FY24 earnings estimate by 5% to factor in the strong performance in 3QFY24. We reiterate our BUY rating on the stock with a TP of INR4,350.

### Quarterly earnings snapshot

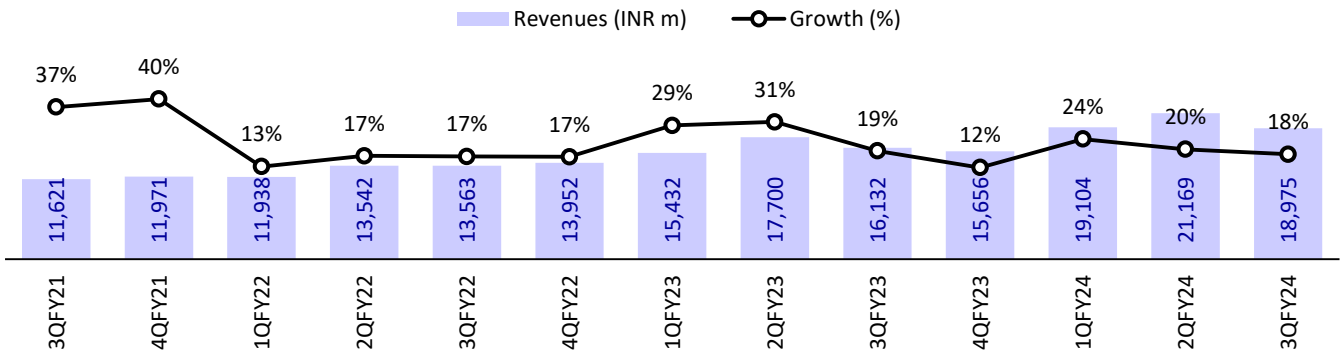
Y/E March	(INRm)											
	FY23				FY24E				FY23	FY24E	FY24E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3Q	(%)
<b>Net Sales</b>	<b>15,432</b>	<b>17,700</b>	<b>16,132</b>	<b>15,656</b>	<b>19,104</b>	<b>21,169</b>	<b>18,975</b>	<b>19,641</b>	<b>64,920</b>	<b>78,889</b>	<b>18,839</b>	<b>1</b>
YoY Change (%)	29.3	30.7	18.9	12.2	23.8	19.6	17.6	25.5	22.5	21.5	16.8	
Total Expenditure	11,976	13,381	11,981	12,228	14,426	15,655	13,439	15,128	49,566	58,648	14,134	
<b>EBITDA</b>	<b>3,456</b>	<b>4,319</b>	<b>4,151</b>	<b>3,428</b>	<b>4,678</b>	<b>5,514</b>	<b>5,536</b>	<b>4,513</b>	<b>15,354</b>	<b>20,241</b>	<b>4,705</b>	<b>18</b>
Margins (%)	22.4	24.4	25.7	21.9	24.5	26.0	29.2	23.0	23.7	25.7	25.0	
Depreciation	560	560	567	577	697	803	783	820	2,264	3,103	850	
Interest	36	111	89	33	43	78	70	50	269	241	50	
Other Income	241	317	502	495	469	469	561	420	1,555	1,919	420	
<b>PBT before EO expense</b>	<b>3,101</b>	<b>3,965</b>	<b>3,997</b>	<b>3,313</b>	<b>4,407</b>	<b>5,102</b>	<b>5,244</b>	<b>4,063</b>	<b>14,376</b>	<b>18,816</b>	<b>4,225</b>	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
<b>PBT</b>	<b>3,101</b>	<b>3,965</b>	<b>3,997</b>	<b>3,313</b>	<b>4,407</b>	<b>5,102</b>	<b>5,244</b>	<b>4,063</b>	<b>14,376</b>	<b>18,816</b>	<b>4,225</b>	
Tax	516	629	484	519	625	317	772	691	2,148	2,405	718	
Rate (%)	16.6	15.9	12.1	15.7	14.2	6.2	14.7	17.0	14.9	12.8	17.0	
Minority Interest & Profit/Loss of Asso. Cos.	-39	-12	-5	-12	-47	-20	-14	-18	-68	-99	-6	
<b>Reported PAT</b>	<b>2,624</b>	<b>3,348</b>	<b>3,518</b>	<b>2,806</b>	<b>3,829</b>	<b>4,805</b>	<b>4,486</b>	<b>3,391</b>	<b>12,296</b>	<b>16,511</b>	<b>3,513</b>	
<b>Adj PAT</b>	<b>2,624</b>	<b>3,348</b>	<b>3,518</b>	<b>2,806</b>	<b>3,829</b>	<b>4,805</b>	<b>4,486</b>	<b>3,391</b>	<b>12,296</b>	<b>16,511</b>	<b>3,513</b>	<b>28</b>
YoY Change (%)	40.2	45.8	58.0	37.3	45.9	43.5	27.5	20.8	45.7	34.3	-0.2	
Margins (%)	17.0	18.9	21.8	17.9	20.0	22.7	23.6	17.3	18.9	20.9	18.6	

### Key Performance Indicators

Y/E March	FY23				FY24				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Particulars</b>										
CSM Revenue (INRm)	11,421	12,783	13,286	12,814	15,187	15,610	15,037	14,899	<b>50,304</b>	<b>60,733</b>
% Change	41.5	28.7	23.4	15.0	33.0	22.1	13.2	16.3	<b>26.1</b>	<b>20.7</b>
Domestic Formulation (INRm)	4,011	4,917	2,846	2,842	3,474	4,840	2,665	2,842	<b>14,616</b>	<b>13,821</b>
% Change	3.6	36.2	1.6	1.1	-13.4	-1.6	-6.4	0.0	<b>11.7</b>	<b>-5.4</b>
<b>Cost Break-up</b>										
RM Cost (% of sales)	56.2	54.8	52.8	55.2	53.5	53.4	46.4	53.5	<b>54.7</b>	<b>51.8</b>
Staff Cost (% of sales)	8.1	7.6	8.3	8.6	9.1	7.7	9.8	9.5	<b>8.1</b>	<b>9.0</b>
Other Cost (% of sales)	13.4	13.2	13.2	14.3	12.9	12.8	14.6	14.0	<b>13.5</b>	<b>13.6</b>
Gross Margins (%)	43.8	45.2	47.2	44.8	46.5	46.6	53.6	46.5	<b>45.3</b>	<b>48.2</b>
EBITDA Margins (%)	22.4	24.4	25.7	21.9	24.5	26.0	29.2	23.0	<b>23.7</b>	<b>25.7</b>
EBIT Margins (%)	18.8	21.2	22.2	18.2	20.8	22.3	25.0	18.8	<b>20.2</b>	<b>21.7</b>

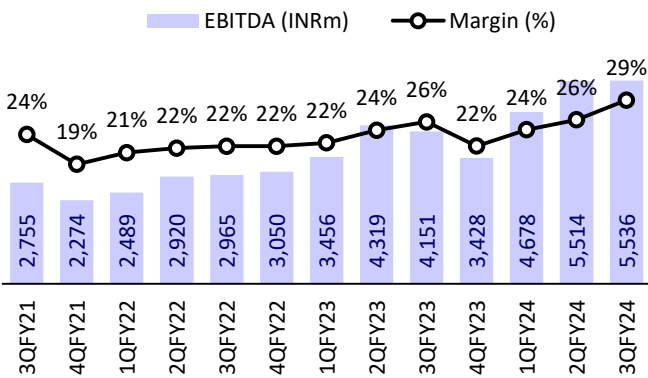
Key exhibits

Exhibit 1: Revenue growth trend



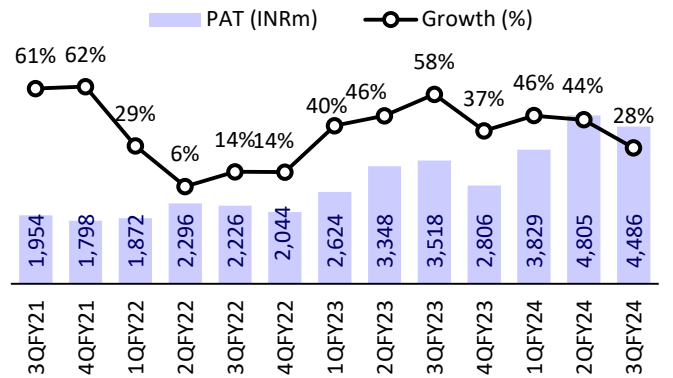
Source: Company, MOFSL

Exhibit 2: EBITDA trend



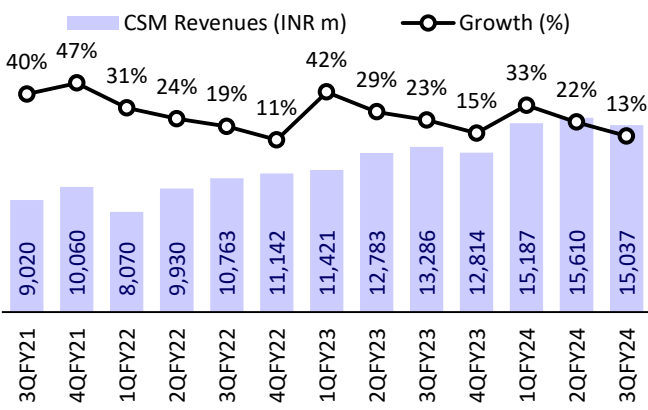
Source: Company, MOFSL

Exhibit 3: PAT trend



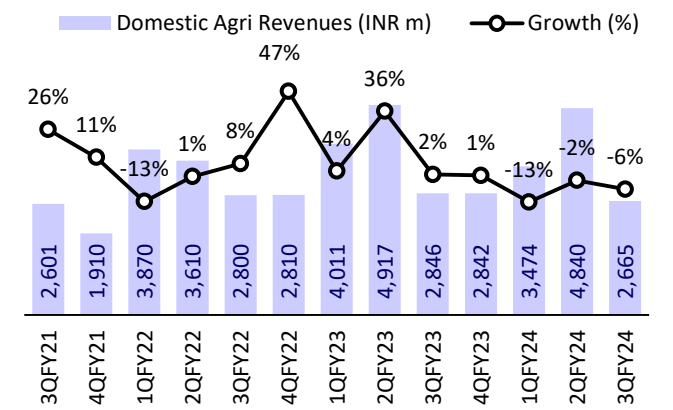
Source: Company, MOFSL

Exhibit 4: CSM revenue trend



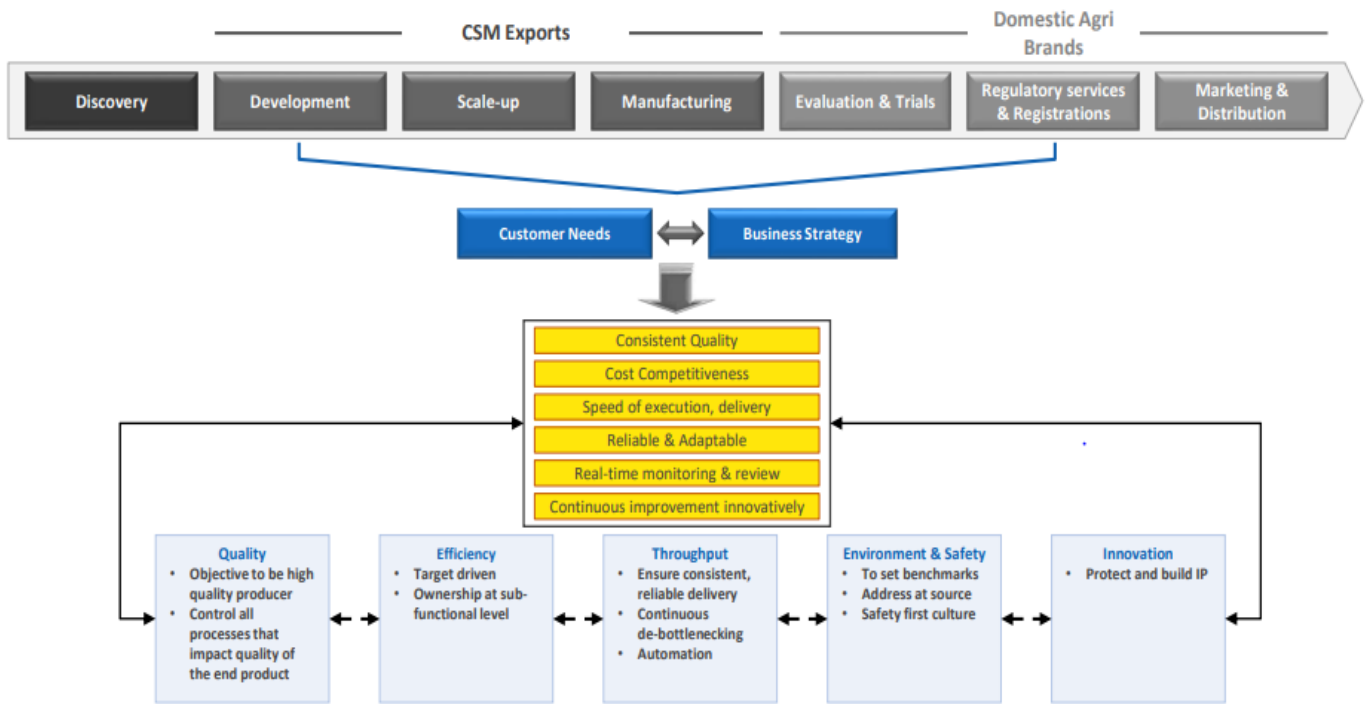
Source: Company, MOFSL

Exhibit 5: Revenue trend in agri inputs



Source: Company, MOFSL

Exhibit 6: Presence across the agchem value chain



Source: Company, MOFSL

Exhibit 7: Robust product portfolio for all major crops



Source: Company, MOFSL

## Exhibit 8: Continued momentum in new brand launches in the domestic market

## 5 Innovative Brands launched in 9MFY24



Source: Company, MOFSL



## Highlights from management interaction

## Operational Overview

- Overall, the revenue growth was driven by ~13% YoY growth in exports (CSM). The major drivers were new products in both Agchem and Pharma, which contributed ~60% of the exports.
- Gross Margin stood at 53.6% (up 640bp YoY), led by better product mix, but also included a one-time impact of recovery of theft materials worth INR0.4b.
- The increase in overhead costs was mainly attributable to developmental costs for the newly acquired Pharma business and is not comparable on a YoY basis.

## Global Agrochemical Scenario

- The global agrochem industry has seen China offloading materials in global markets. Consequently, trade channels are yet seeing high inventory, and the flow of products for manufacturers is, therefore, impaired.
- Certain geographies are more impacted than others internationally, but overall, generic products are the most impacted, declining MoM.

## Exports (CSM)

- The company is witnessing a continued scale-up in demand for newly commercialized products.
- Volume growth will drive the overall growth within the segment.
- The company had a solid R&D pipeline of a diversified portfolio of agchem, electronic, imaging, and other specialty chemicals. It expects to commercialize ~4-5 products every year.
- PI becomes the first Indian company to receive approval from International Organization for Standardization (ISO) for a ground-breaking insecticide, named "PIOXANILIPROLE".
- Outlook:** A continued scale-up in demand of the newly commercialised products to drive growth in next quarters. It has a solid R&D pipeline of diversified



portfolio of agchem, electronic, imaging and other specialty chemicals (four to five products to be commercialized every year; ~30% from non-Agchem). PI expects the capacity expansion in line with its plan to commission two plants in next one year.

### Domestic Agri inputs

- The domestic business was subdued (revenue down ~6% YoY) due to delayed and erratic spread of monsoon.
- However, the favorable product mix and improved working capital management helped PI contain the financial impact.
- The company launched ~five innovative brands in 9MFY24 (an insecticide, herbicide, two fungicides, and biological product). Overall, it expects to launch ~six new brands in FY24.
- A robust pipeline of over 20 products under registration and development.
- **Outlook:** The monsoon deficit in south and low reservoir levels; Elevated inventory levels in the industry for row crop agchem products and price pressure from generics to continue; and integrated crop solution approach with focus on quality of revenue and efficient NWC management
- **The management expects the challenges in the domestic market to continue in 4QFY24.**

### Pharma:

- Revenue stood at INR1.3b (~7% of total revenue) in 3QFY24. Gross margins stood at 51%.
- Proforma EBITDA for 9MFY24, before development spending of ~INR350m, works out to ~16%.
- Development expenses were related to augmenting resources, R&D, business development, setting up new systems and scopes.
- Inventory declined to INR865m from ~INR1.2b as on Sep'23.
- Capex for 9MFY24 stood at INR1,008m.

### Capex and capacity utilization

- Total capex for 9MFY24 stood at INR9b (including the Pharma acquisitions of ~INR5b). Excluding the same, capex stood at ~INR4b (vs. ~INR2.6b in 9MFY23).
- The company continued its focus on driving higher capacity utilization by improving the throughput.
- PI plans to invest INR6-8b annually to grow organically.

### Guidance

- The management has maintained its revenue growth guidance of 18-20% p.a.; however, it expects to end FY24 at the lower end of the guidance.
- The management targets ~25% of export revenue to come from the non-agrochemical segments, including pharma, over the next four to five years.
- EBITDA margins to be in the range of 25-26% going ahead. Capex spends to be ~INR6-8b annually going ahead.
- The tax rate for FY24 to be ~14%-15%.

### Valuation and view

- PI has levers in place to sustain near-term growth, led by: 1) consistent growth momentum in the CSM business, driven by a strong order book, the rising pace of commercialization of new molecules, and a sale ramp-up in existing molecules; 2) product launches in the domestic market (five new launches in 9MFY24 and a total six in FY24); and 3) the recent acquisition in the pharma API and CDMO segments, which is expected to be one of the key growth pillars for the company in the future. PI will be creating a differentiated position in the pharma sector by leveraging its core competencies.
- We expect a CAGR of 19%/22%/20% of revenue/EBITDA/adj. PAT over FY23-26.
- We maintain our FY24/FY25 EPS estimates and reiterate our **BUY** rating on the stock, valuing it at 31x FY26E EPS to arrive at a TP of INR4,350.

#### Exhibit 9: Change in estimates

Earnings Change (INR m)	Old			New			Change		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	79,565	95,946	1,11,519	78,889	95,232	1,10,768	-1%	-1%	-1%
EBITDA	19,620	24,097	28,008	20,241	23,918	27,819	3%	-1%	-1%
Adj. PAT	15,656	18,608	21,806	16,511	18,348	21,297	5%	-1%	-2%

Source: MOFSL

## Financials and valuations

Income Statement (Consolidated)							(INRm)		
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Gross Revenue	23,087	28,409	33,665	45,770	52,995	64,920	78,889	95,232	1,10,768
Excise Duty	316	0	0	0	0	0	0	0	0
<b>Net Revenue</b>	<b>22,771</b>	<b>28,409</b>	<b>33,665</b>	<b>45,770</b>	<b>52,995</b>	<b>64,920</b>	<b>78,889</b>	<b>95,232</b>	<b>1,10,768</b>
Change (%)	0.0	24.8	18.5	36.0	15.8	22.5	21.5	20.7	16.3
Cost of Materials Consumed	11,690	15,502	18,474	25,712	29,228	35,527	40,850	51,997	60,922
% of Sales	51.3	54.6	54.9	56.2	55.2	54.7	51.8	54.6	55.0
Personnel Expenses	2,432	2,647	3,209	4,169	4,804	5,266	7,099	7,238	8,197
% of Sales	10.7	9.3	9.5	9.1	9.1	8.1	9.0	7.6	7.4
Other Expenses	3,715	4,496	4,804	5,767	7,539	8,706	10,699	12,080	13,829
% of Sales	16.3	15.8	14.3	12.6	14.2	13.4	13.6	12.7	12.5
<b>Total Expenditure</b>	<b>17,837</b>	<b>22,645</b>	<b>26,487</b>	<b>35,648</b>	<b>41,571</b>	<b>49,499</b>	<b>58,648</b>	<b>71,314</b>	<b>82,949</b>
% of Sales	78.3	79.7	78.7	77.9	78.4	76.2	74.3	74.9	74.9
<b>EBITDA</b>	<b>4,934</b>	<b>5,764</b>	<b>7,178</b>	<b>10,122</b>	<b>11,424</b>	<b>15,421</b>	<b>20,241</b>	<b>23,918</b>	<b>27,819</b>
Margin (%)	21.7	20.3	21.3	22.1	21.6	23.8	25.7	25.1	25.1
Depreciation	830	930	1,367	1,748	2,018	2,265	3,103	3,811	4,477
<b>EBIT</b>	<b>4,104</b>	<b>4,834</b>	<b>5,811</b>	<b>8,374</b>	<b>9,406</b>	<b>13,156</b>	<b>17,138</b>	<b>20,106</b>	<b>23,342</b>
Int. and Finance Charges	53	50	170	282	128	371	241	30	30
Other Income	603	595	489	1,249	1,014	1,590	1,919	1,905	2,215
<b>PBT bef. EO Exp.</b>	<b>4,653</b>	<b>5,379</b>	<b>6,130</b>	<b>9,341</b>	<b>10,292</b>	<b>14,375</b>	<b>18,816</b>	<b>21,981</b>	<b>25,527</b>
EO Items	0	0	0	0	0	0	0	0	0
<b>PBT after EO Exp.</b>	<b>4,653</b>	<b>5,379</b>	<b>6,130</b>	<b>9,341</b>	<b>10,292</b>	<b>14,375</b>	<b>18,816</b>	<b>21,981</b>	<b>25,527</b>
Current Tax	1,001	1,176	1,259	1,753	1,950	2,592	2,405	3,737	4,340
Deferred Tax	-22	101	313	249	-60	-444	0	0	0
Tax Rate (%)	21.0	23.7	25.6	21.4	18.4	14.9	12.8	17.0	17.0
Less: MI/Profit & Loss of associates	-2	0	-8	-44	-36	-68	-99	-104	-109
<b>Reported PAT</b>	<b>3,676</b>	<b>4,102</b>	<b>4,566</b>	<b>7,383</b>	<b>8,438</b>	<b>12,295</b>	<b>16,511</b>	<b>18,348</b>	<b>21,297</b>
<b>Adjusted PAT</b>	<b>3,676</b>	<b>4,102</b>	<b>4,566</b>	<b>7,383</b>	<b>8,438</b>	<b>12,295</b>	<b>16,511</b>	<b>18,348</b>	<b>21,297</b>
Change (%)	-20.0	11.6	11.3	61.7	14.3	45.7	34.3	11.1	16.1
Margin (%)	16.1	14.4	13.6	16.1	15.9	18.9	20.9	19.3	19.2

Balance Sheet (Consolidated)							(INRm)		
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	138	138	138	152.0	152.0	152.0	152.0	152.0	152.0
Total Reserves	19,111	22,716	26,053	53,272	61,052	71,833	86,824	1,03,424	1,22,973
<b>Net Worth</b>	<b>19,248</b>	<b>22,854</b>	<b>26,191</b>	<b>53,424</b>	<b>61,204</b>	<b>71,985</b>	<b>86,976</b>	<b>1,03,576</b>	<b>1,23,125</b>
Deferred Liabilities	0	0	102	796	875	213	213	213	213
Total Loans	834	99	5,077	3,279	2,678	0	0	0	0
<b>Capital Employed</b>	<b>20,082</b>	<b>22,953</b>	<b>31,370</b>	<b>57,499</b>	<b>64,757</b>	<b>72,198</b>	<b>87,189</b>	<b>1,03,789</b>	<b>1,23,338</b>
Gross Block	14,298	17,109	24,366	28,921	34,082	37,877	46,505	56,505	64,505
Less: Accum. Deprn.	4,322	5,252	6,619	8,367	10,385	12,650	15,753	19,564	24,041
<b>Net Fixed Assets</b>	<b>9,977</b>	<b>11,857</b>	<b>17,747</b>	<b>20,554</b>	<b>23,697</b>	<b>25,227</b>	<b>30,753</b>	<b>36,941</b>	<b>40,464</b>
Goodwill on Consolidation	0	0	0	0	0	0	3,891	4,233	4,575
Capital WIP	899	1,828	1,828	2,875	1,145	1,324	6,000	3,000	2,000
Current Investments	1,595	1,119	1,325	8,517	8,547	9,843	10,843	11,843	12,843
<b>Total Investments</b>	<b>1,607</b>	<b>1,291</b>	<b>1,504</b>	<b>8,724</b>	<b>8,995</b>	<b>10,156</b>	<b>11,156</b>	<b>12,156</b>	<b>13,156</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>13,515</b>	<b>16,431</b>	<b>21,169</b>	<b>37,866</b>	<b>44,074</b>	<b>48,090</b>	<b>51,207</b>	<b>67,136</b>	<b>86,078</b>
Inventory	4,520	5,357	7,989	10,528	14,234	13,976	17,075	20,612	23,974
Account Receivables	5,268	6,618	6,465	7,035	8,687	7,720	11,887	14,350	16,691
Cash and Bank Balance	1,307	892	1,342	14,757	14,102	22,429	15,145	23,604	35,444
Loans and Advances	2,420	3,564	5,373	5,546	7,051	3,965	7,100	8,571	9,969
<b>Curr. Liability &amp; Prov.</b>	<b>6,182</b>	<b>8,595</b>	<b>10,878</b>	<b>12,520</b>	<b>13,154</b>	<b>12,599</b>	<b>15,818</b>	<b>19,678</b>	<b>22,935</b>
Account Payables	3,687	5,130	5,909	7,960	9,242	8,380	10,073	12,821	15,022
Other Current Liabilities	2,155	3,049	4,421	4,008	3,555	3,838	5,364	6,476	7,532
Provisions	340	416	548	552	357	381	381	381	381
<b>Net Current Assets</b>	<b>7,333</b>	<b>7,836</b>	<b>10,291</b>	<b>25,346</b>	<b>30,920</b>	<b>35,491</b>	<b>35,389</b>	<b>47,458</b>	<b>63,143</b>
Deferred Tax assets	267	141	0	0	0	0	0	0	0
Misc Expenditure	0	0	0	0	0	0	0	0	0
<b>Appl. of Funds</b>	<b>20,082</b>	<b>22,953</b>	<b>31,370</b>	<b>57,499</b>	<b>64,757</b>	<b>72,198</b>	<b>87,189</b>	<b>1,03,789</b>	<b>1,23,338</b>



## Financials and valuations

### Ratios

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Basic (INR)</b>									
<b>EPS</b>	<b>24.2</b>	<b>27.0</b>	<b>30.0</b>	<b>48.6</b>	<b>55.5</b>	<b>80.9</b>	<b>108.6</b>	<b>120.7</b>	<b>140.1</b>
Cash EPS	29.6	33.1	39.0	60.1	68.8	95.8	129.0	145.8	169.6
BV/Share	126.6	150.4	172.3	351.5	402.7	473.6	572.2	681.4	810.0
DPS	5.0	3.6	3.6	5.0	5.0	10.0	10.0	11.5	11.5
Payout (%)	25.1	16.4	14.7	10.3	9.0	12.4	9.2	9.5	8.2
<b>Valuation (x)</b>									
P/E	140.7	126.1	113.2	70.0	61.3	42.1	31.3	28.2	24.3
Cash P/E	114.8	102.8	87.2	56.6	49.5	35.5	26.4	23.3	20.1
P/BV	26.9	22.6	19.7	9.7	8.4	7.2	5.9	5.0	4.2
EV/Sales	22.7	18.2	15.5	11.0	9.5	7.6	6.4	5.2	4.3
EV/EBITDA	104.7	89.6	72.6	50.0	44.3	32.1	24.8	20.6	17.3
Dividend Yield (%)	0.1	0.1	0.1	0.1	0.1	0.3	0.3	0.3	0.3
FCF per share	10.9	1.7	2.1	18.9	12.7	77.3	-4.2	76.2	98.4
<b>Return Ratios (%)</b>									
EBITDA Margins (%)	21.7	20.3	21.3	22.1	21.6	23.8	25.7	25.1	25.1
Net Profit Margins (%)	16.1	14.4	13.6	16.1	15.9	18.9	20.9	19.3	19.2
RoE	20.7	19.5	18.6	18.5	14.7	18.5	20.8	19.3	18.8
RoCE	19.8	19.2	17.3	17.2	14.1	18.5	20.9	19.2	18.7
RoIC	21.0	20.9	18.9	22.8	21.4	28.4	32.1	27.8	28.1
<b>Working Capital Ratios</b>									
Accum. Dep/Gross Block (x)	0	0	0	0	0	0	0	0	0
Fixed Asset Turnover (x)	1.6	1.7	1.4	1.6	1.6	1.7	1.7	2	2
Asset Turnover (x)	1.1	1.2	1.1	0.8	0.8	0.9	0.9	0.9	0.9
Inventory (Days)	72	69	87	84	98	79	79	79	79
Debtor (Days)	83	85	70	56	60	43	55	55	55
Creditor (Days)	115	121	117	113	115	86	90	90	90
Working Cap. Turnover (Days)	97	89	97	84	116	73	94	91	91
<b>Leverage Ratio (x)</b>									
Current Ratio	2.2	1.9	1.9	3.0	3.4	3.8	3.2	3.4	3.8
Interest Cover Ratio	77	97	34	30	73	35	71	670	778
Debt/Equity	0.04	0.00	0.2	0.1	0.0	0.0	0.0	0.0	0.0

### Cash Flow Statement (Consolidated)

(INRm)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
OP/(Loss) before Tax	4,655	5,379	6,138	9,385	10,328	14,443	18,816	21,981	25,527
Depreciation	830	930	1,367	1,748	2,018	2,265	3,103	3,811	4,477
Interest & Finance Charges	53	50	170	282	128	371	241	30	30
Direct Taxes Paid	-963	-1,183	-1,048	-1,647	-1,751	-2,558	-2,405	-3,737	-4,340
(Inc)/Dec in WC	-1,045	-1,503	255	-1,303	-5,276	2,050	-7,182	-3,611	-3,845
<b>CF from Operations</b>	<b>3,530</b>	<b>3,673</b>	<b>6,882</b>	<b>8,465</b>	<b>5,447</b>	<b>16,571</b>	<b>12,574</b>	<b>18,475</b>	<b>21,851</b>
Others	-336	235	99	-1,216	-160	-1,557	99	104	109
<b>CF from Operating incl EO</b>	<b>3,194</b>	<b>3,908</b>	<b>6,981</b>	<b>7,249</b>	<b>5,287</b>	<b>15,014</b>	<b>12,673</b>	<b>18,579</b>	<b>21,960</b>
(inc)/dec in FA	-1,696	-3,677	-6,693	-4,375	-3,362	-3,263	-13,305	-7,000	-7,000
<b>Free Cash Flow</b>	<b>1,498</b>	<b>231</b>	<b>288</b>	<b>2,874</b>	<b>1,925</b>	<b>11,751</b>	<b>-632</b>	<b>11,579</b>	<b>14,960</b>
(Pur)/Sale of Investments	-375	427	1,014	-5,516	39	-941	-4,891	-1,342	-1,342
Others	266	34	-4,170	-14,413	2,219	-758	0	0	0
<b>CF from Investments</b>	<b>-1,805</b>	<b>-3,216</b>	<b>-9,849</b>	<b>-24,304</b>	<b>-1,104</b>	<b>-4,962</b>	<b>-18,196</b>	<b>-8,342</b>	<b>-8,342</b>
Issue of Shares	0	0	0	19,736	0	0	0	0	0
Inc/(Dec) in Debt	-365	-399	4,562	-1,786	-720	-2,669	0	0	0
Interest Paid	-53	-50	-179	-244	-85	-342	-241	-30	-30
Dividend Paid	-662	-831	-748	-607	-758	-1,137	-1,520	-1,748	-1,748
Others	-329	173	-317	13,371	-3,275	2,423	0	0	0
<b>CF from Fin. Activity</b>	<b>-1,409</b>	<b>-1,107</b>	<b>3,318</b>	<b>30,470</b>	<b>-4,838</b>	<b>-1,725</b>	<b>-1,761</b>	<b>-1,778</b>	<b>-1,778</b>
<b>Inc/Dec of Cash</b>	<b>-20</b>	<b>-415</b>	<b>450</b>	<b>13,415</b>	<b>-655</b>	<b>8,327</b>	<b>-7,284</b>	<b>8,459</b>	<b>11,840</b>
Opening Balance	1,326	1,307	892	1,342	14,757	14,102	22,429	15,145	23,604
<b>Closing Balance</b>	<b>1,307</b>	<b>892</b>	<b>1,342</b>	<b>14,757</b>	<b>14,102</b>	<b>22,429</b>	<b>15,145</b>	<b>23,604</b>	<b>35,444</b>

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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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