

Estimate change	↓
TP change	↔
Rating change	↔

CMP: INR2,325 TP: INR2,250 (-3%) Neutral

Weakness in chemicals and packaging businesses continues

Operating profitability below our estimate

Bloomberg	SRF IN
Equity Shares (m)	297
M.Cap.(INRb)/(USDb)	689.2 / 8.3
52-Week Range (INR)	2637 / 2040
1, 6, 12 Rel. Per (%)	-6/-3/-16
12M Avg Val (INR M)	1223

- SRF reported another subdued operating performance in 3QFY24 with a significant decline in operating profitability (EBIT down 39% YoY), led by continuing weakness in the Chemical/Packaging Film businesses (EBIT dipped 43%/62% YoY), which offset the strong recovery in the Technical textile business (EBIT surged 2x YoY).
- We cut our FY24 EBITDA estimate factoring in the sub-par performance of the chemicals and packaging businesses in 3QFY24, while largely maintaining our FY25E/FY26E EBITDA. We value the stock on an SoTP-basis to arrive at our TP of INR2,250. **Reiterate NEUTRAL.**

Financials & Valuations (INR b)

Y/E Mar	2024E	2025E	2026E
Sales	132.8	163.2	184.7
EBITDA	26.8	38.5	44.8
PAT	13.7	21.6	26.1
EBITDA (%)	20.2	23.6	24.2
EPS (INR)	46.0	72.8	87.6
EPS Gr. (%)	(39.6)	58.2	20.4
BV/Sh. (INR)	379	437	508

Ratios

Net D/E	0.4	0.3	0.3
RoE (%)	12.7	17.8	18.6
RoCE (%)	10.1	13.9	14.7
Payout (%)	27.3	20.6	19.4

Valuations

P/E (x)	50.5	31.9	26.5
EV/EBITDA (x)	27.4	19.1	16.4
Div Yield (%)	0.5	0.6	0.7
FCF Yield (%)	(0.7)	0.8	1.7

Chemicals and packaging businesses drag the operating performance

- SRF reported an overall revenue of INR30.5b (est. of INR32.7) in 3QFY24, down ~12% YoY. EBITDA margin contracted 540bp YoY to 19.1% (est. of 19.4%). EBITDA stood at INR5.8b (est. of INR6.4b), down 31% YoY. Adj. PAT declined 48% YoY to INR2.7b (est. of INR3b).
- **Chemicals'** revenue (46%/70% of total sales/EBIT in 3QFY24) dropped 21% YoY to INR13.9b; while EBIT declined 43% YoY to INR3.2b. EBIT margin contracted 900bp YoY to 23.1%. The specialty chemicals business continued to face headwinds due to inventory rationalization by certain key customers, while the Fluorochemicals business was hit by seasonally low demand for refrigerants.
- **Packaging Film's** revenue (36%/10% of total sales/EBIT in 3QFY24) declined 9% YoY to INR10.9b, and EBIT was down 62% YoY to INR449m. Margin contracted 570bp YoY to 4.1%. Substantial supply additions in both the BOPET and BOPP film segments continue to hamper the business, resulting in significant pressure on margins.
- **Technical Textiles'** revenue (15% each of total sales/EBIT in 3QFY24) grew 8% YoY to INR4.6b; EBIT margin expanded 700bp YoY to 15%. EBIT surged 2x YoY to INR688m. The segment performed well owing to healthy domestic demand for its flagship Nylon Tyre Cord Fabric coupled with strong demand for belting fabrics and polyester yarn.
- For 9MFY24, Revenue/EBITDA/Adj. PAT declined 14%/27%/42% YoY to INR95.7b/INR19.5b/INR9.7b.

Shareholding pattern (%)

As On	Dec-23	Sep-23	Dec-22
Promoter	50.5	50.5	50.5
DII	14.6	14.2	14.9
FII	19.6	19.8	18.3
Others	15.4	15.7	16.3

Note: FII includes depository receipts

Highlights from the management commentary

- **The specialty chemicals** segment witnessed headwinds due to inventory rationalization. However, it witnessed improved performance in later part of quarter. Management is expecting a recovery in 4QFY24.
- Lower realizations across HFCs in key global markets led to a pressure on margins within the Fluorochemicals business. Prices are expected to be more rationale going forward.
- **Capex:** Management plans to incur ~INR20-22b of capex in FY25 (v/s earlier guided capex of ~INR28-30b), with ~80% of capex to be incurred within the chemicals segment.

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

Valuation and view

- The chemicals business is expected to witness improvement in both the segments, fluorochemicals and specialty chemicals, in 4QFY24; while the near-term pain in the Packaging business is expected to continue.
- We cut our FY24 EBITDA estimate factoring in the sub-par performance of the chemicals and packaging businesses in 3QFY24, while largely maintaining our FY25E/FY26E EBITDA. We value the stock on an SoTP-basis to arrive at our TP of INR2,250. Reiterate **NEUTRAL**.

Consolidated - Quarterly Earnings Model

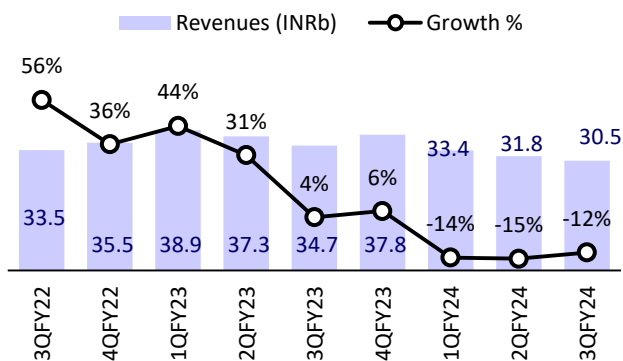
Y/E March	(INR m)											
	FY23				FY24E				FY23	FY24E	FY24E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3Q	%
Net Sales	38,947	37,278	34,697	37,781	33,384	31,774	30,530	37,145	1,48,703	1,32,833	32,741	-7
YoY Change (%)	44.3	31.3	3.7	6.4	-14.3	-14.8	-12.0	-1.7	19.6	-10.7	-5.6	
Total Expenditure	28,749	29,226	26,211	28,185	26,184	25,320	24,691	29,788	1,12,371	1,05,983	26,373	
EBITDA	10,198	8,052	8,486	9,596	7,200	6,453	5,839	7,357	36,332	26,849	6,368	-8
Margins (%)	26.2	21.6	24.5	25.4	21.6	20.3	19.1	19.8	24.4	20.2	19.4	
Depreciation	1,307	1,393	1,507	1,546	1,566	1,612	1,689	1,750	5,753	6,617	1,700	
Interest	325	445	620	659	656	793	674	700	2,048	2,823	770	
Other Income	99	327	100	223	118	291	188	309	749	905	110	
PBT before EO expense	8,665	6,542	6,460	7,614	5,095	4,339	3,664	5,216	29,280	18,314	4,008	
Extra-Ord expense & DO	249	361	150	280	237	191	181	0	1,040	609	0	
PBT	8,416	6,181	6,309	7,334	4,858	4,148	3,483	5,216	28,240	17,705	4,008	
Tax	2,336	1,371	1,200	1,709	1,265	1,140	949	1,277	6,617	4,631	981	
Rate (%)	27.0	21.0	18.6	22.5	24.8	26.3	25.9	24.5	22.6	25.3	24.5	
Reported PAT	6,080	4,810	5,109	5,625	3,593	3,008	2,534	3,939	21,623	13,074	3,026	
Adj PAT	6,329	5,171	5,259	5,905	3,830	3,199	2,715	3,939	22,663	13,683	3,026	-10
YoY Change (%)	63.1	42.9	11.4	-0.6	-39.5	-38.1	-48.4	-33.3	24.8	-39.6	-42	
Margins (%)	16.2	13.9	15.2	15.6	11.5	10.1	8.9	10.6	15.2	10.3	9.2	

Key Performance Indicators

Y/E March	FY23				FY24E				FY23	FY24E	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			
Consolidated											
Segment Revenue (INRm)											
Technical Textile	5,710	4,662	4,259	4,307	4,647	5,062	4,584	5,082	18,939	17,875	4,600
Chemicals	17,224	18,302	17,566	21,017	16,605	14,263	13,941	18,915	74,109	73,490	14,404
Packaging Film	14,960	13,310	12,027	11,531	10,948	11,215	10,907	12,107	51,828	47,816	12,628
Others	1,056	1,004	923	943	1,187	1,269	1,136	1,040	3,926	4,057	1,108
Segment Revenue Growth (%)											
Technical Textile	15.8	-16.4	-20.8	-13.3	-18.6	8.6	7.6	18.0	-9.2	2.3	8.0
Chemicals	54.7	62.5	23.0	33.7	-3.6	-22.1	-20.6	-10.0	41.4	-14.0	-18.0
Packaging Film	43.7	24.2	-5.7	-17.1	-26.8	-15.7	-9.3	5.0	8.4	-12.8	5.0
Other	96.9	16.3	-13.7	1.0	12.4	26.4	23.0	10.3	15.4	18.0	20.0
Segment Results (INRm)											
Technical Textile	1,162	629	342	484	607	750	688	813	2,617	2,857	552
Chemicals	5,202	5,173	5,639	7,393	4,601	3,478	3,219	4,634	23,407	15,931	3,529
Packaging Film	2,952	1,014	1,186	410	513	773	449	726	5,562	2,461	947
Others	68	76	91	113	232	331	212	192	348	967	199
Segment EBIT Margins (%)											
Technical Textile	20.4	13.5	8.0	11.2	13.1	14.8	15.0	16.0	13.8	14.7	12.0
Chemicals	30.2	28.3	32.1	35.2	27.7	24.4	23.1	24.5	31.6	25.0	24.5
Packaging Film	19.7	7.6	9.9	3.6	4.7	6.9	4.1	6.0	10.7	5.4	7.5
Others	6.4	7.6	9.9	12.0	19.5	26.1	18.7	18.5	8.9	20.9	18.0
Cost Break-up											
RM Cost (% of sales)	47.7	52.4	48.8	50.0	50.9	51.0	50.9	52.0	49.7	51.2	47.4
Staff Cost (% of sales)	5.0	5.2	6.1	5.7	6.5	7.1	8.0	6.7	5.5	7.1	7.1
Power and Fuel Cost (% of sales)	10.5	10.0	9.9	9.1	10.6	10.8	10.5	10.2	9.9	10.5	10.6
Other Cost (% of sales)	10.6	10.7	10.7	9.8	10.4	10.7	11.5	11.3	10.5	11.0	10.3
Gross Margins (%)	52.3	47.6	51.2	50.0	49.1	49.0	49.1	48.0	50.3	48.8	52.6
EBITDA Margins (%)	26.2	21.6	24.5	25.4	21.6	20.3	19.1	19.8	24.4	20.2	19.4
EBIT Margins (%)	22.8	17.9	20.1	21.3	16.9	15.2	13.6	15.1	20.6	15.2	14.6

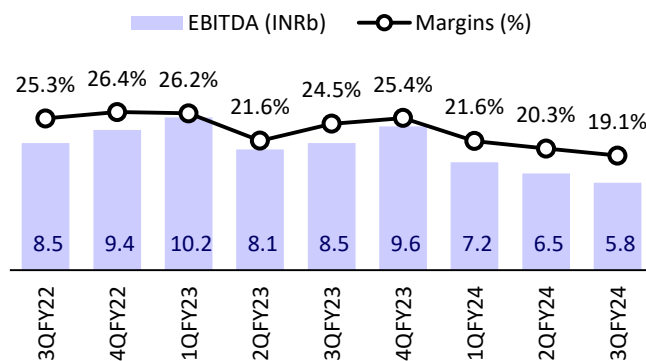
Key Exhibits

Exhibit 1: Consolidated revenue trend



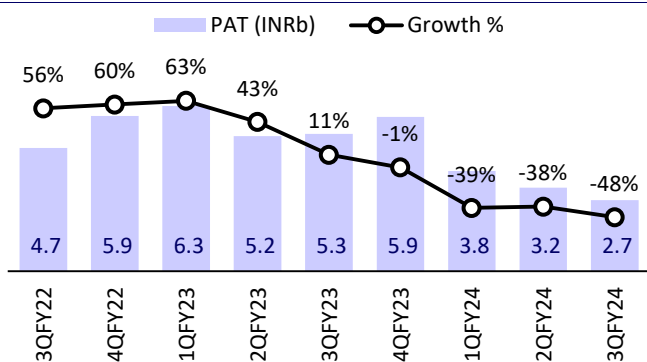
Source: Company, MOFSL

Exhibit 2: Consolidated EBITDA trend



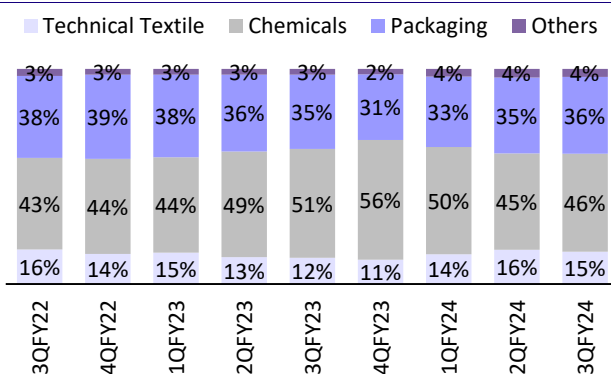
Source: Company, MOFSL

Exhibit 3: Consolidated adjusted PAT trend



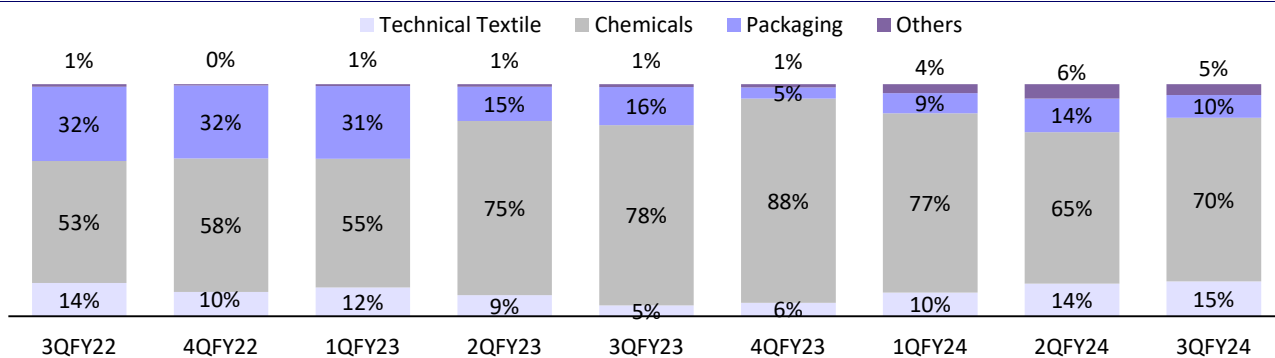
Source: Company, MOFSL

Exhibit 4: Revenue mix trend



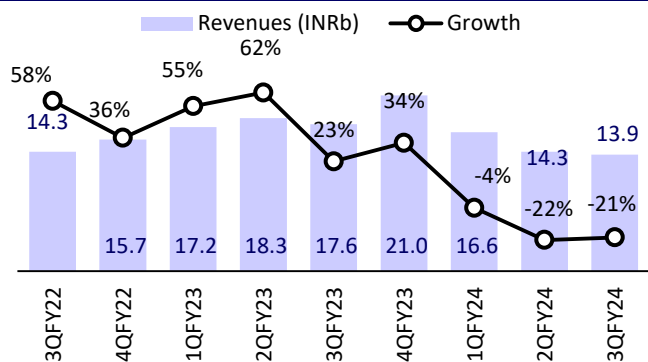
Source: Company, MOFSL

Exhibit 5: EBIT mix trend



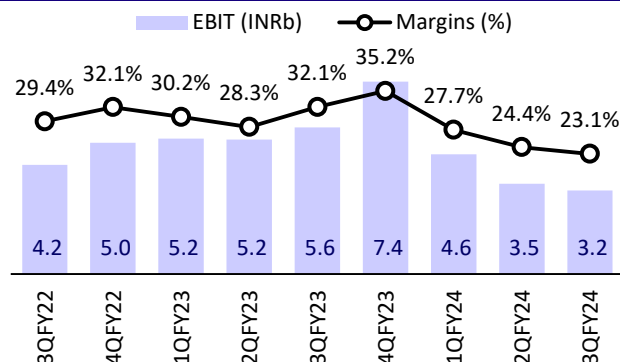
Source: Company, MOFSL

Exhibit 6: Revenue trend in the Chemicals business



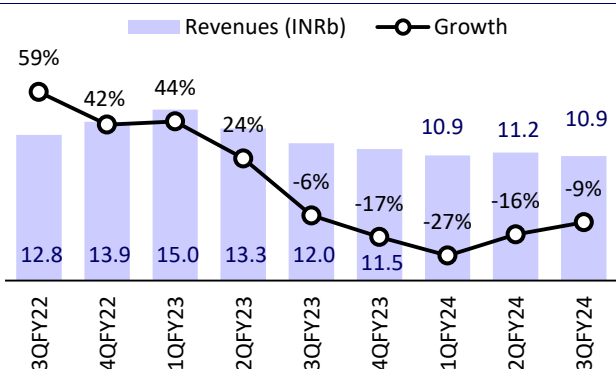
Source: Company, MOFSL

Exhibit 7: EBIT trend in the Chemicals business



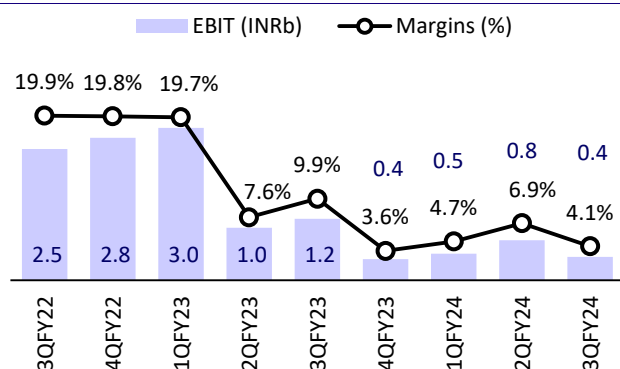
Source: Company, MOFSL

Exhibit 8: Revenue trend in the Packaging Film business



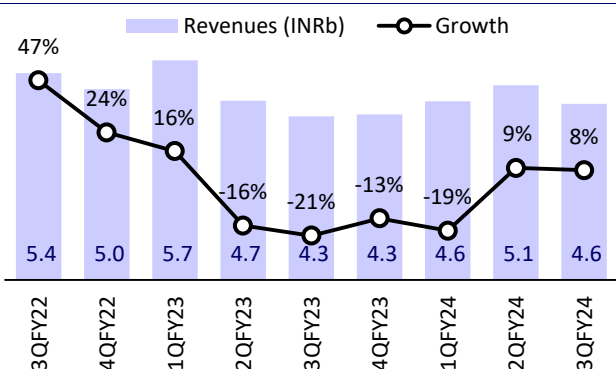
Source: Company, MOFSL

Exhibit 9: EBIT trend in the Packaging Film business



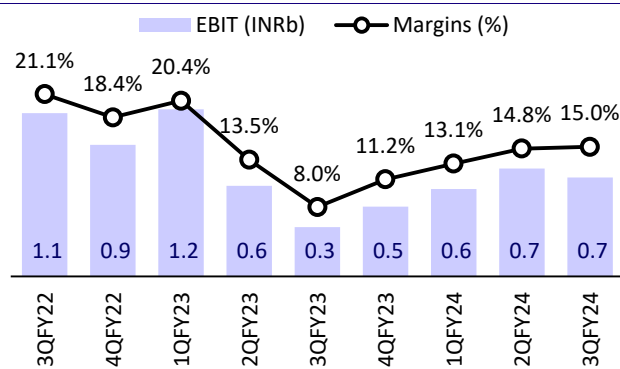
Source: Company, MOFSL

Exhibit 10: Revenue trend in the Technical Textiles business



Source: Company, MOFSL

Exhibit 11: EBIT trend in the Technical Textiles business



Source: Company, MOFSL



Key highlights from the management commentary

Chemicals business:

- **The specialty chemicals** segment witnessed headwinds due to inventory rationalization. However, it witnessed improved performance in the later part of the quarter.
- Going forward, management is expecting a significant recovery in 4QFY24.
- Overall demand outlook for mid-to-long term remains strong
- Fundamentally, the specialty chemicals business remains in good stead. China +1 and global customers' de-risking theme will continue to benefit the company.
- The company has maintained its strong customer engagement for complex downstream products. It has launched three new products in the agro vertical.
- SRF has capitalized ~INR11b of capex in 9MFY24 with ~INR7b being scheduled for commissioning in 4QFY24. Such large capex reflects company confidence within the business
- **Fluorochemicals segment** witnessed subdued performance due to the seasonally weak quarter.
- Lower realizations across HFCs in key global market led to pressure on margins. Pricing are expected to be more rationale going ahead.
- The sluggish growth in the agrochemical and pharmaceutical industries hurt demand for some industrial chemicals
- Going ahead, the company expects improvement in performance in 4QFY24 led by healthy upcoming season and rebound in exports in key regions.
- The company have capitalized its PTFE and R32 plant in 3QFY24 and will focus on ramping up of the same going ahead.
- First quarter of a fiscal year is the strongest quarter for the Fluorochemicals market from domestic demand perspective.
- Domestic HFCs market is witnessing growth. There are no major player (other than SRF) in the domestic HFC space. Some of the export markets of HFCs are also witnessing growing.

Packaging film business

- The business continued to face supply overhang in both BOPP and BOPET, resulting in pressure on margins
- The demand-supply imbalance and margin pressure are expected to continue in the near term.
- Persistent competition from Chinese players is expected to continue within Southeast Asia while Red sea crisis is leading to logistic issues and therefore European customers are preferring local suppliers.
- However, management believes the down cycle is at its peak and the industry's overcapacity will taper over time.
- Going ahead, SRF's focus remains on cost optimization, increasing operational efficiencies, and improving share of the value-added products.
- SRF has commissioned the Aluminum foil facility on 1st Jan'24 at the cost of INR5.4b. It will focus on ramping up the sales over the upcoming quarters. The company is expecting global approvals to come through for its aluminum foil products over the next 6-12 months.

Technical textile business:

- The business recorded healthy performance in 3QFY24 (despite the cyclone impact on the Manali plant), led by improved domestic demand for NTCF.
- The Manali plant operations were adversely impacted in Dec'23 by the Cyclone Michaung. All the employees were safe and the operations were largely resumed by end of Jan'24.
- The company also witnessed an improved performance in Belting fabrics and Polyester Industrial Yarn.
- Going ahead, management is expecting stable demand in NTCF, while domestic demand of belting fabrics is also expected to be strong.
- SRF's witnessed strong demand for its coated fabric business. The demand is expected to remain stable going ahead.
- SRF posted notable growth in the value-added products leading to healthy margins during the quarter.
- For laminated fabric business, oversupply situation continues. However, management expects steady sales in the upcoming quarters.

Capex:

- SRF has sanctioned multiple projects worth INR11b. The remaining capex for these projects will be incurred in FY25/ FY26
- The company expects overall capex of ~INR20-22b in FY25 (~80% in chemical business and balance in others)
- Management is focusing on adding capacities for the complex and value-added products; the desirable IRR is witnessed after 5-10 years of commissioning of the project. However, management has witnessed an expected or even better-than-expected IRR in the previously completed projects.

Other key highlights:

- On overall basis, margins for 4QFY24 are expected to be better than that of 3QFY24.
- The company has further diversified its raw material supply source
- Effective tax rate (ETR) for the standalone entity will be ~25.5%-25.8%.

Valuation and view

- The chemicals business is expected to witness improvement in both the segments, fluorochemicals and specialty chemicals, in 4QFY24; while the near-term pain in the Packaging business is expected to continue.
- We cut our FY24 EBITDA estimate factoring in the sub-par performance of the chemicals and packaging businesses in 3QFY24, while largely maintaining our FY25E/FY26E EBITDA. We value the stock on an SoTP-basis to arrive at our TP of INR2,250. **Reiterate NEUTRAL.**

Exhibit 12: Valuation methodology

EV/EBITDA	FY26 EBITDA		EV (INRm)
	(INRm)	Multiple (x)	
Technical Textiles	4,898	8	41,143
Chemicals	31,194	18	5,71,782
Packaging Films	11,474	8	96,385
Others	1,271	5	6,482
Total EV			7,15,792
Less: Debt			48,916
Less: Minority Interest			-
Add: Cash & Cash Equivalents			2,256
Target Mcap (INR m)			6,69,133
Outstanding share (m)			297.4
Target Price (INR)			2,250

Source: MOFSL

Exhibit 13: Revisions to our estimates

Earnings Change (INR m)	Old			New			Change (%)		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY25E
Revenue	1,38,626	1,70,108	1,92,632	1,32,833	1,63,210	1,84,722	-4	-4	-4
EBITDA	29,016	39,941	46,543	26,849	38,500	44,794	-7	-4	-4
Adj. PAT	15,186	22,576	27,153	13,683	21,641	26,061	-10	-4	-4

Source: MOFSL

Financials and valuations

Consolidated - Income Statement							(INRm)		
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Income from Operations	56,849	70,996	72,094	84,000	1,24,337	1,48,703	1,32,833	1,63,210	1,84,722
Less: Excise Duty	958	0	0	0	0	0	0	0	0
Total Income from Operations	55,890	70,996	72,094	84,000	1,24,337	1,48,703	1,32,833	1,63,210	1,84,722
Change (%)	15.9	27.0	1.5	16.5	48.0	19.6	-10.7	22.9	13.2
Cost of Materials Consumed	30,320	39,671	36,870	40,189	60,669	73,935	68,054	83,901	92,163
% of Sales	54.2	55.9	51.1	47.8	48.8	49.7	51.2	51.4	49.9
Personnel Expenses	4,740	4,608	5,419	6,214	7,800	8,138	9,384	8,650	11,637
% of Sales	8.5	6.5	7.5	7.4	6.3	5.5	7.1	5.3	6.3
Other Expenses	11,768	13,508	15,221	16,264	24,835	30,297	28,545	32,159	36,128
% of Sales	21.1	19.0	21.1	19.4	20.0	20.4	21.5	19.7	19.6
Total Expenditure	46,828	57,787	57,510	62,667	93,305	1,12,371	1,05,983	1,24,710	1,39,928
% of Sales	83.8	81.4	79.8	74.6	75.0	75.6	79.8	76.4	75.8
EBITDA	9,062	13,209	14,584	21,333	31,032	36,332	26,849	38,500	44,794
Margin (%)	16.2	18.6	20.2	25.4	25.0	24.4	20.2	23.6	24.2
Depreciation	3,158	3,582	3,886	4,531	5,172	5,753	6,617	7,990	9,088
EBIT	5,904	9,627	10,698	16,803	25,860	30,579	20,232	30,510	35,705
Int. and Finance Charges	1,239	1,984	2,007	1,340	1,159	2,048	2,823	2,931	2,490
Other Income	688	280	491	545	428	749	905	1,086	1,304
PBT bef. EO Exp.	5,353	7,923	9,182	16,008	25,128	29,280	18,314	28,665	34,520
EO Items	463	262	997	116	727	-1,040	-609	0	0
PBT after EO Exp.	5,817	8,185	10,179	16,123	25,856	28,240	17,705	28,665	34,520
Current Tax	1,200	1,769	265	4,154	7,139	6,617	4,631	7,024	8,458
Deferred Tax	0	0	-277	-10	-173	0	0	0	0
Tax Rate (%)	20.6	21.6	-0.1	25.7	26.9	23.4	26.2	24.5	24.5
Less: Minority Interest	0	0	0	0	0	0	0	0	0
Reported PAT	4,617	6,416	10,191	11,979	18,889	21,623	13,074	21,641	26,061
Adjusted PAT	4,154	6,155	9,194	11,864	18,162	22,663	13,683	21,641	26,061
Change (%)	-19.3	48.2	49.4	29.0	53.1	24.8	-39.6	58.2	20.4
Margin (%)	7.4	8.7	12.8	14.1	14.6	15.2	10.3	13.3	14.1

Consolidated - Balance Sheet							(INRm)		
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	575	575	585	603	2,974	2,974	2,974	2,974	2,974
Preference Capital	0	0	0	0	0	0	0	0	0
Total Reserves	35,071	40,718	48,748	67,962	82,679	1,00,296	1,09,801	1,26,981	1,47,986
Net Worth	35,646	41,293	49,333	68,564	85,654	1,03,271	1,12,775	1,29,955	1,50,960
Minority Interest	0	0	0	0	0	0	0	0	0
Deferred Liabilities	2,914	3,420	1,755	3,862	6,775	8,092	8,092	8,092	8,092
Total Loans	31,418	37,302	40,468	33,950	35,394	43,541	49,541	51,541	48,041
Capital Employed	69,978	82,014	91,556	1,06,376	1,27,822	1,54,903	1,70,408	1,89,588	2,07,093
Gross Block	87,502	68,322	76,934	96,167	1,06,943	1,28,622	1,60,622	1,88,622	2,08,622
Less: Accum. Deprn.	36,327	12,269	15,540	20,071	25,243	30,997	37,614	45,604	54,692
Net Fixed Assets	51,175	56,053	61,394	76,096	81,699	97,626	1,23,009	1,43,019	1,53,931
Goodwill on Consolidation	41	41	6	6	0	0	0	0	0
Capital WIP	5,588	7,536	13,933	7,723	16,716	24,055	21,055	15,055	17,055
Current Investments	1,217	1,005	1,985	4,125	3,167	4,901	4,901	4,901	4,901
Total Investments	1,218	1,006	2,027	4,167	3,209	4,942	4,942	4,942	4,942
Curr. Assets, Loans&Adv.	25,608	34,243	31,265	41,121	56,025	60,735	53,018	64,025	72,274
Inventory	9,582	12,247	12,012	14,658	21,385	22,743	20,137	24,825	27,270
Account Receivables	6,807	10,288	8,911	12,746	17,925	17,856	16,377	20,122	22,774
Cash and Bank Balance	967	1,989	1,255	2,820	4,594	6,165	1,136	1,403	1,905
Loans and Advances	8,252	9,719	9,088	10,898	12,123	13,972	15,369	17,674	20,325
Curr. Liability & Prov.	13,653	16,865	17,211	22,918	29,944	32,642	31,803	37,639	41,296
Account Payables	10,442	13,824	11,117	15,852	20,964	22,313	20,509	25,285	27,775
Other Current Liabilities	2,831	2,600	5,653	6,544	8,391	9,642	10,606	11,667	12,834
Provisions	380	441	442	522	590	687	687	687	687
Net Current Assets	11,955	17,378	14,054	18,203	26,081	28,093	21,215	26,385	30,978
Deferred Tax assets	0	0	143	181	116	187	187	187	187
Appl. of Funds	69,978	82,014	91,556	1,06,376	1,27,822	1,54,903	1,70,408	1,89,588	2,07,093

Financials and valuations

Ratios

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Basic (INR)									
EPS	14.0	20.7	30.9	39.9	61.1	76.2	46.0	72.8	87.6
Cash EPS	24.6	32.7	44.0	55.1	78.5	95.5	68.3	99.6	118.2
BV/Share	119.8	138.8	165.9	230.5	288.0	347.2	379.2	436.9	507.5
DPS	3.1	3.9	2.8	4.9	16.8	7.2	12.0	15.0	17.0
Payout (%)	23.1	20.8	9.6	12.1	26.4	9.9	27.3	20.6	19.4
Valuation (x)									
P/E	166.4	112.3	75.2	58.3	38.1	30.5	50.5	31.9	26.5
Cash P/E	94.5	71.0	52.8	42.2	29.6	24.3	34.1	23.3	19.7
P/BV	19.4	16.7	14.0	10.1	8.1	6.7	6.1	5.3	4.6
EV/Sales	12.9	10.2	10.1	8.6	5.8	4.9	5.5	4.5	4.0
EV/EBITDA	79.5	54.9	49.9	33.7	23.2	19.9	27.4	19.1	16.4
Dividend Yield (%)	0.1	0.2	0.1	0.2	0.7	0.3	0.5	0.6	0.7
FCF per share	-20.3	-5.3	-2.3	19.1	9.7	0.0	-15.6	19.0	38.8
Return Ratios (%)									
EBITDA Margins (%)	16.2	18.6	20.2	25.4	25.0	24.4	20.2	23.6	24.2
Net Profit Margins (%)	7.4	8.7	12.8	14.1	14.6	15.2	10.3	13.3	14.1
RoE	12.3	16.0	20.3	20.1	23.6	24.0	12.7	17.8	18.6
RoCE	8.5	10.7	13.3	13.4	17.2	17.9	10.1	13.9	14.7
RoIC	13.8	18.0	15.3	26.3	34.2	34.7	20.3	25.3	26.2
Working Capital Ratios									
Accum. Dep/Gross Block (x)	0	0	0	0	0	0	0	0	0
Fixed Asset Turnover (x)	0.6	1.0	0.9	0.9	1.2	1.2	0.8	0.9	0.9
Asset Turnover (x)	0.8	0.9	0.8	0.8	1.0	1.0	0.8	0.9	0.9
Inventory (Days)	115	113	119	133	129	112	108	108	108
Debtor (Days)	44	53	45	55	53	44	45	45	45
Creditor (Days)	126	127	110	144	126	110	110	110	110
Working Cap. Turnover (Days)	72	79	65	67	63	54	55	56	57
Leverage Ratio (x)									
Current Ratio	1.9	2.0	1.8	1.8	1.9	1.9	1.7	1.7	1.8
Interest Cover Ratio	5	5	5	13	22	15	7	10	14
Debt/Equity	0.9	0.9	0.8	0.5	0.4	0.4	0.4	0.4	0.3

Consolidated - Cash Flow Statement

(INRm)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
OP/(Loss) before Tax	5,817	8,269	10,706	16,099	25,856	28,240	17,705	28,665	34,520
Depreciation	3,158	3,669	3,929	4,531	5,172	5,753	6,617	7,990	9,088
Interest & Finance Charges	1,239	2,016	2,016	1,340	1,159	2,048	2,823	2,931	2,490
Direct Taxes Paid	-1,176	-1,502	-1,427	-2,553	-4,016	-6,617	-4,631	-7,024	-8,458
(Inc)/Dec in WC	-1,909	-3,165	-239	-1,236	-6,645	-408	1,850	-4,903	-4,091
CF from Operations	7,129	9,286	14,984	18,181	21,527	29,017	24,364	27,660	33,548
Others	-349	-330	-1,940	-464	-469	0	0	0	0
CF from Operating incl EO	6,780	8,956	13,044	17,717	21,057	29,017	24,364	27,660	33,548
(inc)/dec in FA	-12,829	-10,526	-13,730	-12,047	-18,171	-29,019	-29,000	-22,000	-22,000
Free Cash Flow	-6,049	-1,570	-685	5,670	2,886	-2	-4,636	5,660	11,548
(Pur)/Sale of Investments	840	332	-886	-1,886	1,028	-1,733	0	0	0
Others	35	53	2,813	-1,064	1,265	1,138	0	0	0
CF from Investments	-11,953	-10,142	-11,803	-14,997	-15,877	-29,614	-29,000	-22,000	-22,000
Inc/(Dec) in Debt	4,095	2,677	3,205	-6,856	622	8,147	6,000	2,000	-3,500
Interest Paid	-1,299	-2,241	-2,040	-1,574	-1,173	-2,048	-2,823	-2,931	-2,490
Dividend Paid	-829	-836	-803	-1,408	-2,117	-2,142	-3,569	-4,462	-5,056
Others	3,213	2,606	-2,337	1,182	-741	-1,789	0	0	0
CF from Fin. Activity	5,179	2,207	-1,975	-1,155	-3,406	2,168	-392	-5,393	-11,046
Inc/Dec of Cash	6	1,021	-734	1,565	1,774	1,571	-5,028	267	502
Opening Balance	961	967	1,989	1,255	2,820	4,594	6,164	1,136	1,403
Closing Balance	967	1,989	1,255	2,820	4,594	6,164	1,136	1,403	1,905

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