

Estimate change 

TP change

Rating change 

Bloomberg	UPLL IN
Equity Shares (m)	765
M.Cap.(INRb)/(USD\$b)	400.6 / 4.8
52-Week Range (INR)	780 / 527
1, 6, 12 Rel. Per (%)	-11/-26/-47
12M Avg Val (INR M)	1565

#### Financials & Valuations (INR b)

Y/E Mar	2024E	2025E	2026E
Sales	438.6	496.6	541.1
EBITDA	53.4	78.5	99.0
PAT	0.3	20.2	40.7
EBITDA (%)	12.2	15.8	18.3
EPS (INR)	0.4	26.5	53.2
EPS Gr. (%)	(99.3)	6,008.4	101.0
BV/Sh. (INR)	529	548	607

#### Ratios

Net D/E	0.8	0.7	0.5
RoE (%)	0.1	7.4	13.9
RoCE (%)	5.0	8.3	11.2
Payout (%)	(95.4)	52.9	26.3

#### Valuations

P/E (x)	1,231.7	20.2	10.0
EV/EBITDA (x)	11.3	7.5	5.6
Div Yield (%)	2.7	2.7	2.7
FCF Yield (%)	6.3	13.8	17.0

#### Shareholding pattern (%)

	Dec-23	Sep-23	Dec-22
Promoter	32.4	32.4	30.7
DII	16.8	17.3	16.2
FII	37.7	37.6	42.7
Others	13.1	10.4	10.4

Note: FII includes depository receipts

**CMP: INR534**

**TP: INR530 (-1%)**

**Neutral**

### Global headwinds continue to dent revenue

#### Operating performance misses expectations

- UPLL reported another weak quarter, with a 28% YoY decline in revenue. It was primarily attributed to a continued downtrend in agrochemical prices (down 24% YoY), leading to continued destocking of inventory by distributors (volumes down 5% YoY). All regions (except RoW) witnessed a sales decline of at least 20% (India) to as high as 64% (North America). RoW sales grew 12% YoY.
- Gross debt (excluding perpetual bonds) increased to INR361.7b as of Dec'23 from INR328b as of Dec'22. Net debt (excluding perpetual bonds) increased to INR313.5b as of Dec'23 from INR275.3b as of Dec'22.
- Factoring in UPLL's subdued performance in 3QFY24, we cut our FY25E/FY26E EPS by 23%/11%. **Reiterate Neutral with a TP of INR530.**

#### Lower gross margins and unfavorable operating leverage hurt margins

- UPLL reported revenue of INR98.9b (est. INR100.6b) in 3QFY24, down 28% YoY (volume decline: 5%, price decline: 24%, exchange gain: 1%).
- EBITDA stood at INR4.2b (est. INR10.3b), down 86% YoY. EBITDA margin declined 18pp YoY to 4.2% (est. 10.3%), led by a steep decline in gross margins (down 15.5pp YoY) and operating deleverage. Contribution margin was impacted by high-cost inventory liquidation and higher rebates to support channel partners. Adjusted net loss stood at INR5.9b (est. INR0.6b loss) vs. adj. PAT of ~INR13.4b in 3QFY23.
- North America** revenue declined 64% YoY to INR9.9b, led by channel destocking, higher rebates, and challenges related to post-patent AI prices.
- LATAM** revenue declined 28% YoY to INR42.9b, due to pricing-related challenges, especially in key herbicides and insecticides in Brazil.
- India** revenue declined 20% YoY to INR8.6b, due to lower acreages for key crops such as cotton and pulses in North India, low glufosinate demand due to dry Kharif and Rabi season, and realignment of sales closer to season.
- Europe** revenue declined 30% YoY to INR10.1b, due to lower volumes and channel inventory-related challenges. **RoW** revenue grew 12% YoY to INR27.4b, owing to higher insecticide/herbicide volumes in China/Turkey.
- For 9MFY24, revenue/EBITDA declined 22%/56% YoY to INR290b/INR36b. Net loss for 9MFY24 stood at ~INR1m vs. Adjusted PAT of ~INR34b in 9MFY23
- NWC days as of Dec'23 stood at 155 vs. 121 as of Dec'22, owing to higher receivable days (up by 16 days) and lower payable days (down by 16 days).

#### Highlights from the management commentary

- Guidance:** UPLL expects 4QFY24 to be weaker YoY; however, it expects margin improvement QoQ. The management expects normalized business performance in 2QFY25.
- Outlook:** The management expects the price challenge to continue in the near term. UPLL is witnessing a pick-up in volumes in Latin America and double-digit growth in revenue in the RoW region.
- Cost rationalization:** UPLL reduced SG&A expenses by 19% YoY to INR22.7b and is on track to reduce SG&A by USD100m in FY25 (from the base of FY23). The major part of this reduction will be sustainable.

**Valuation and view**

- We see near-term challenges in the global agrochemical industry due to: a) the accumulation of high inventory as distributors opt for need-based tactical purchases, and b) declining agrochemical prices led by aggressive price competition from Chinese (post-patent) exporters.
- Considering the short-term challenges, cash flow generation and debt repayments remain the key monitorables.
- Factoring in UPLL's subdued performance in 3QFY24, we cut our FY25E/FY26E EPS by 23%/11%. **We reiterate our Neutral rating on the stock with a TP of INR530 (premised on 10x FY26E P/E; ~52% discount to its three-year average, and a one-year forward P/E of 21x).**

**Cons.: Quarterly Earning**

Y/E March	(INRb)											
	FY23				FY24				FY23	FY24E	FY24E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		3Q	%	
<b>Net Sales</b>	<b>108.2</b>	<b>125.1</b>	<b>136.8</b>	<b>165.7</b>	<b>89.6</b>	<b>101.7</b>	<b>98.9</b>	<b>148.4</b>	<b>535.8</b>	<b>438.6</b>	<b>100.6</b>	<b>-2%</b>
YoY Change (%)	27.1	18.4	21.1	4.5	-17.2	-18.7	-27.7	-10.5	15.9	-18.1	-26.5	
Total Expenditure	84.8	97.4	106.5	135.5	73.7	86.0	94.7	130.8	424.2	385.2	90.3	
<b>EBITDA</b>	<b>23.4</b>	<b>27.7</b>	<b>30.3</b>	<b>30.2</b>	<b>15.9</b>	<b>15.8</b>	<b>4.2</b>	<b>17.6</b>	<b>111.6</b>	<b>53.4</b>	<b>10.3</b>	<b>-60%</b>
Margins (%)	21.7	22.1	22.2	18.2	17.8	15.5	4.2	11.9	20.8	12.2	10.3	
Depreciation	5.9	6.1	6.2	7.3	6.4	6.6	6.8	6.9	25.5	26.6	7.1	
Interest	5.2	6.4	8.9	9.1	7.0	8.7	11.9	10.0	29.6	37.6	8.0	
Other Income	0.7	0.8	1.2	2.1	1.0	1.1	1.5	1.3	4.8	4.8	1.2	
Exch. difference on trade rec./payable	2.0	3.2	1.5	2.9	3.2	2.5	3.2	0.0	9.6	8.9	0.0	
<b>PBT before EO expense</b>	<b>11.1</b>	<b>12.7</b>	<b>14.8</b>	<b>13.0</b>	<b>0.4</b>	<b>-1.0</b>	<b>-16.2</b>	<b>1.9</b>	<b>51.6</b>	<b>-14.9</b>	<b>-3.6</b>	
Extra-Ord expense	0.8	0.4	0.2	0.3	0.4	0.9	0.2	0.0	1.7	1.5	0.0	
<b>PBT</b>	<b>10.3</b>	<b>12.3</b>	<b>14.6</b>	<b>12.7</b>	<b>0.0</b>	<b>-1.9</b>	<b>-16.4</b>	<b>1.9</b>	<b>49.9</b>	<b>-16.4</b>	<b>-3.6</b>	<b>NA</b>
Tax	0.6	2.3	1.4	3.1	-1.6	-1.0	-0.6	0.3	7.4	-2.8	-0.6	
Rate (%)	5.7	18.8	9.2	24.5	3,280.0	51.9	3.6	18.0	14.7	17.4	18.0	
MI & P/L of Asso. Cos.	1.0	1.8	2.4	1.7	-0.1	1.0	-3.6	0.4	6.9	-2.3	-2.4	
<b>Reported PAT</b>	<b>8.8</b>	<b>8.1</b>	<b>10.9</b>	<b>7.9</b>	<b>1.7</b>	<b>-1.9</b>	<b>-12.2</b>	<b>1.2</b>	<b>35.7</b>	<b>-11.2</b>	<b>-0.6</b>	<b>NA</b>
<b>Adj PAT</b>	<b>10.4</b>	<b>10.5</b>	<b>13.4</b>	<b>10.5</b>	<b>4.0</b>	<b>1.1</b>	<b>-5.9</b>	<b>1.2</b>	<b>44.7</b>	<b>0.3</b>	<b>-0.6</b>	<b>NA</b>
YoY Change (%)	2.9	40.3	11.1	-44.6	-61.7	-89.8	-144.2	-88.7	-7.8	-99.3	-104.2	
Margins (%)	9.7	8.4	9.8	6.3	4.5	1.0	-6.0	0.8	8.4	0.1	-0.6	

Note: Adjusted PAT = Reported PAT + forex adjustment + exceptional item

**Key Performance Indicators**

Y/E March	FY23				FY24				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Consolidated</b>										
<b>Sales Growth Split</b>										
Volume (%)	6.0	-7.0	1.0	1.0	-9.0	-7.0	-5.0	13.0	0.2	8.0
Price (%)	18.0	21.0	13.0	-3.0	-10.0	-15.0	-24.0	-2.0	10.0	-26.1
Exchange Impact (%)	3.0	4.0	7.0	6.0	2.0	3.0	1.0	1.0	5.0	0.0
<b>Cost Break-up</b>										
RM Cost (% of sales)	43.1	46.2	48.4	59.3	43.8	51.4	64.0	60.0	50.2	55.6
Staff Cost (% of sales)	11.5	9.9	9.7	7.6	13.8	12.3	11.7	8.6	9.4	11.2
Other Cost (% of sales)	23.8	21.8	19.8	14.9	24.6	20.8	20.2	19.5	19.5	21.0
Gross Margins (%)	56.9	53.8	51.6	40.7	56.2	48.6	36.0	40.0	49.8	44.4
EBITDA Margins (%)	21.7	22.1	22.2	18.2	17.8	15.5	4.2	11.9	20.8	12.2
EBIT Margins (%)	16.2	17.3	17.6	13.8	10.7	9.0	-2.6	7.2	16.1	6.1

Key exhibits

Exhibit 1: Quarterly revenue trend

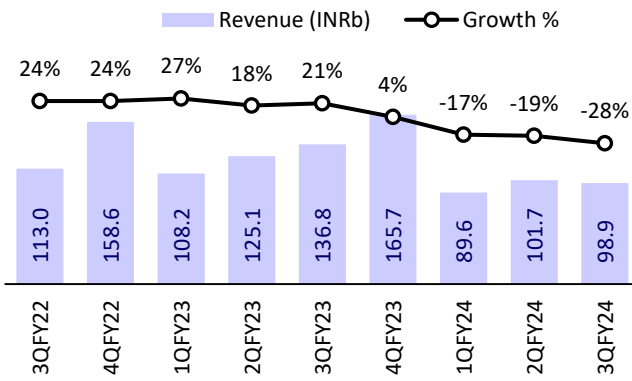


Exhibit 2: Quarterly EBITDA trend

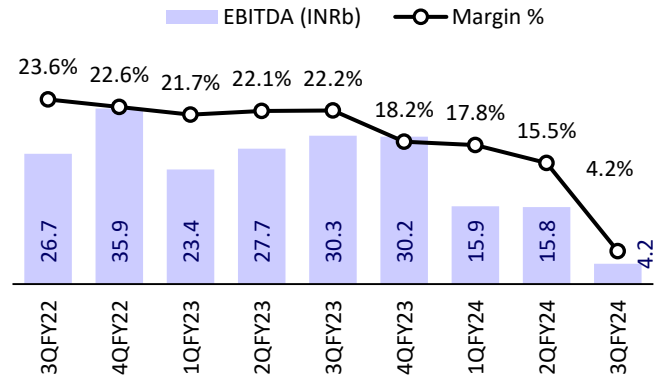


Exhibit 3: Quarterly adjusted PAT trend

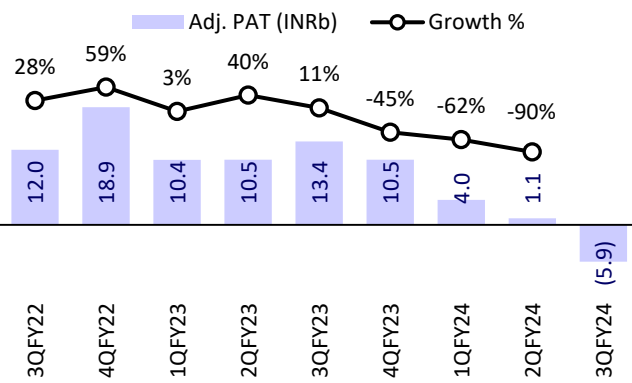


Exhibit 4: Quarterly and annual growth breakup

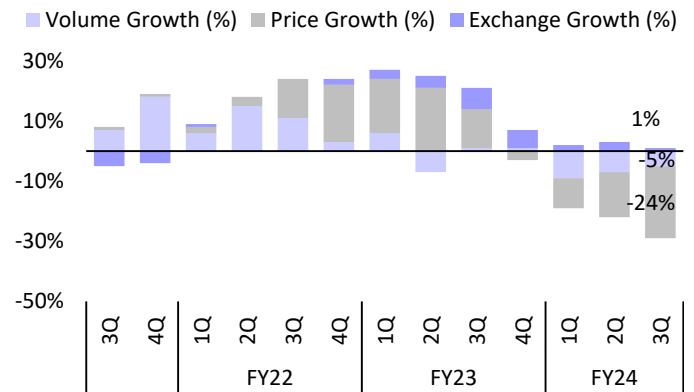


Exhibit 5: Quarterly revenue trend – India

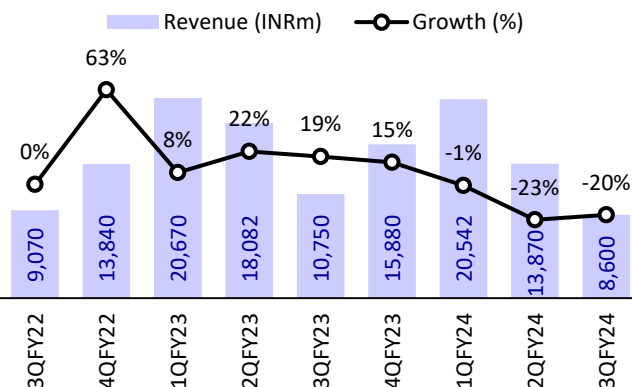
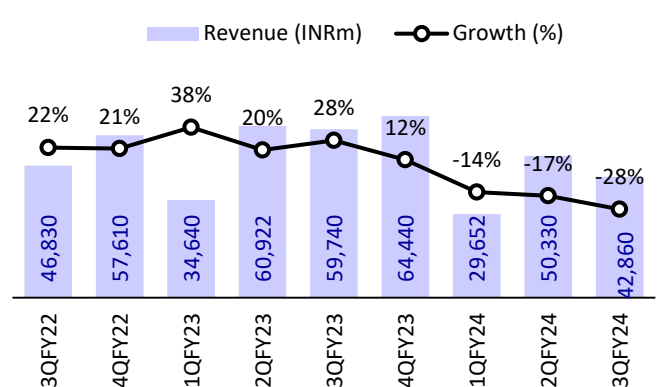
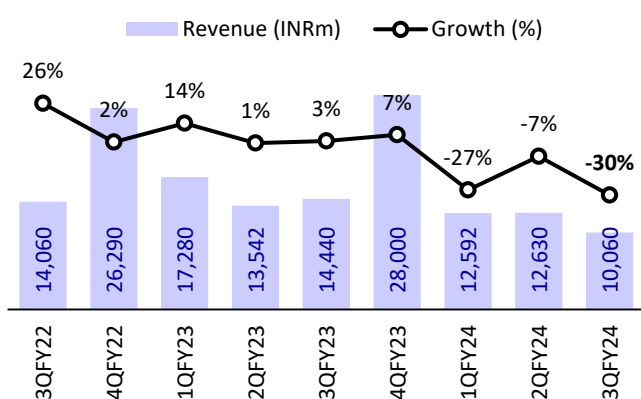


Exhibit 6: Quarterly revenue trend – LATAM

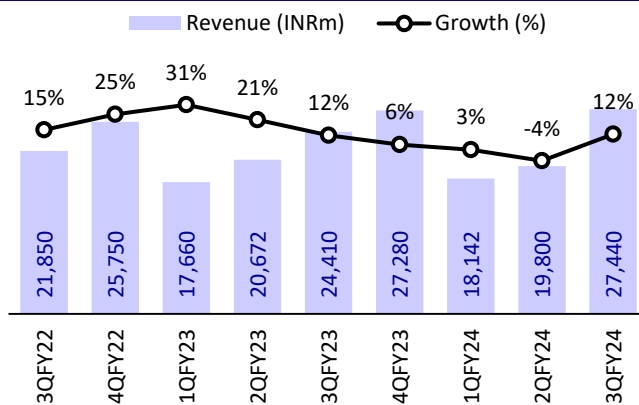


**Exhibit 7: Quarterly revenue trend – Europe**



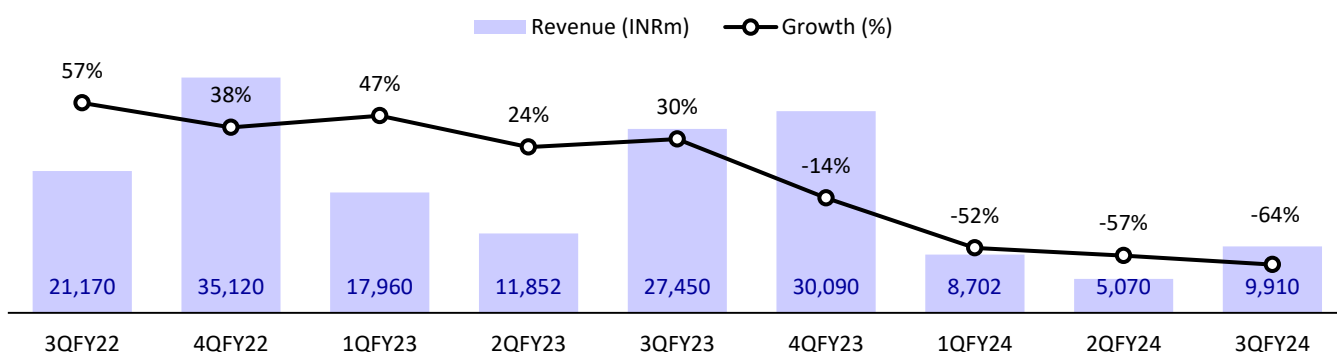
Source: Company, MOFSL

**Exhibit 8: Quarterly revenue trend – RoW**



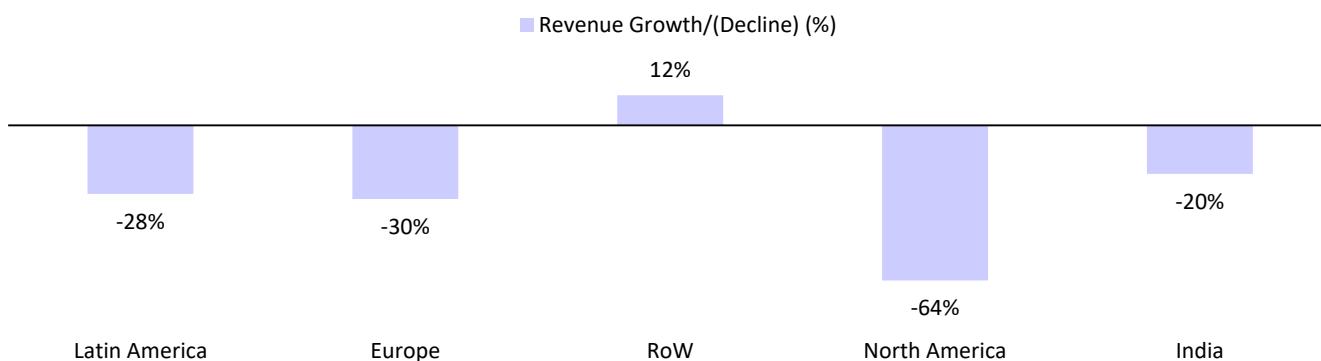
Source: Company, MOFSL

**Exhibit 9: Quarterly revenue trend – North America**



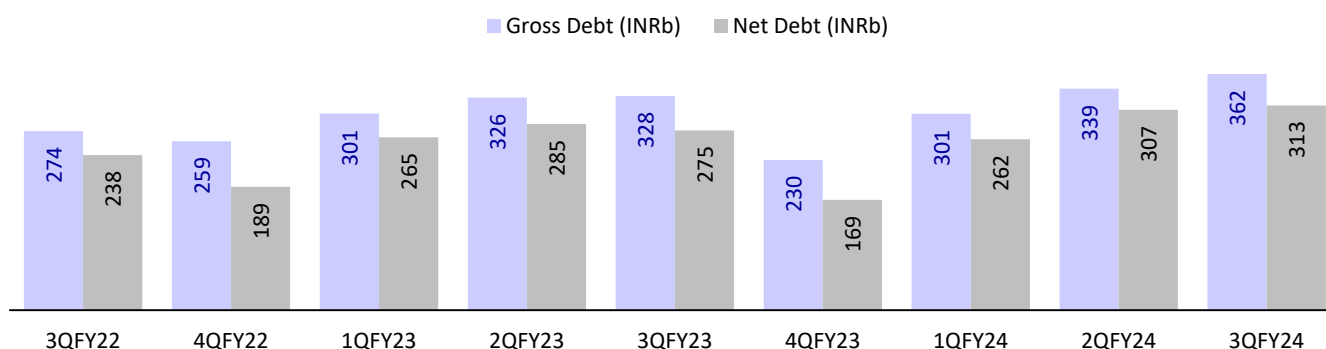
Source: Company, MOFSL

**Exhibit 10: Revenue growth/decline by region in 3QFY24**

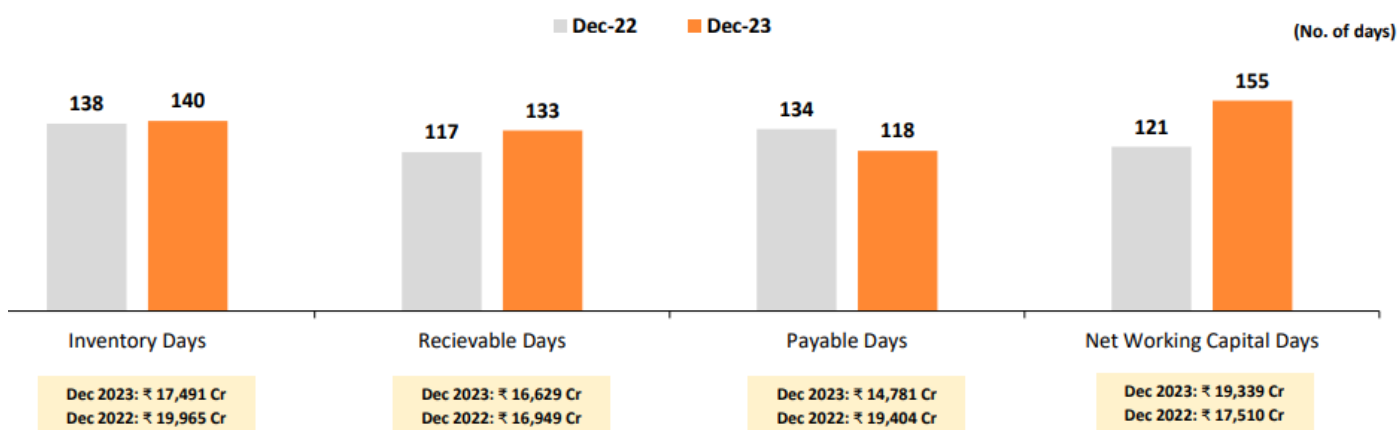


Source: Company, MOFSL

**Exhibit 11: Gross and net debt trends (excluding perpetual bond of INR29.86b)**



## Exhibit 12: Working capital analysis (no. of days)



Source: Company, MOFSL



## Highlights from the conference call

### UPL Corporation

- Revenue and EBITDA for 3Q continued to be impacted by global channel destocking and ongoing pricing pressure in post-patent space exacerbated by higher rebates.
- Liquidation of high-cost inventory, higher rebates to support channel partners, and accepting failed returns impacted contribution margin.
- Destocking continued to weigh on the global agrochemical market. Overall, prices remained stable QoQ in the crop protection business but came off significantly vs. the high base of previous year amid intense post-patent price competition.
- The company is witnessing a pick-up in volumes in Latin America and double-digit growth in revenue in the RoW region.
- Contribution margins were down marginally YoY, adjusted for the short-term impact of high-cost inventory liquidation and higher rebates to channel partners.
- The management expects normalized business performance in 2QFY25.
- It reduced SG&A expenses by 19% YoY to INR22.7b and is on track to reduce SG&A by USD100m in FY25 (from the base of FY23). The major part of this reduction will be sustainable.
- There will be some impact of high-cost inventory in 4QFY24, but the impact will be lower than in 3QFY24. Going into FY25, the proportion of high-cost inventory will be low on the books.

### Geographical performance

- Pricing pressure and destocking impacted performance in the Americas and Europe.
- UPLL continued to gain share in the key markets and the level of destocking is expected to reduce going ahead.
- Brazil and North America also face margin pressure due to rebates.
- In Brazil, its market share increased to 9.1% from 8.5% in FY23.
- In RoW, NPP (Natural Plant Protection) was up by ~20% YoY, mainly led by volume growth.

- Argentina has been a good market this year as compared to previous year, which was impacted by drought.
- Argentina will be the third-largest market in LATAM for UPLL.

### UPL SAS

- The company expects Glufosinate demand to recover in the upcoming Kharif season.
- India business performance was poor compared to peers as key crops for UPL such as cotton and pulses were hit badly this year.
- The company is slowly returning to normal inventory levels.

### Working Capital and Debt

- Working capital days increased by 34 days YoY to 155 days as on Dec'23, primarily due to a decline in payable days (lower by 16 days) and a sharp decline in procurement.
- The company witnessed a reduction in non-recourse factoring by INR28.3b on YoY basis, led to an increase in receivable days
- Working capital days at FY24-end are expected to be higher YoY due to lower payables and lower factoring.
- The company has recently announced a rights issue of up to USD500m and is exploring capital raise opportunities in addition to operational cash flows.
- The average cost of borrowing for 9MFY24 was ~7% p.a.
- Net debt stood at USD3.77b as of Dec'23. Adjusted for lower factoring (down USD346m YoY), net debt was largely flat YoY despite lower payables (down by USD568m YoY).
- The company targets to bring down net debt to USD2.5b (ex of rights). Post rights, this can be further reduced to USD2-2.2b.

### Guidance and Outlook

- UPLL expects 4QFY24 to be weaker YoY; however, it expects margin improvement on QoQ basis.
- The management believes that 3QFY24 was the most challenging quarter.
- It expects the price challenge to continue until 1QFY25, as lower pricing from China is expected to continue in the near term.

### Other highlights

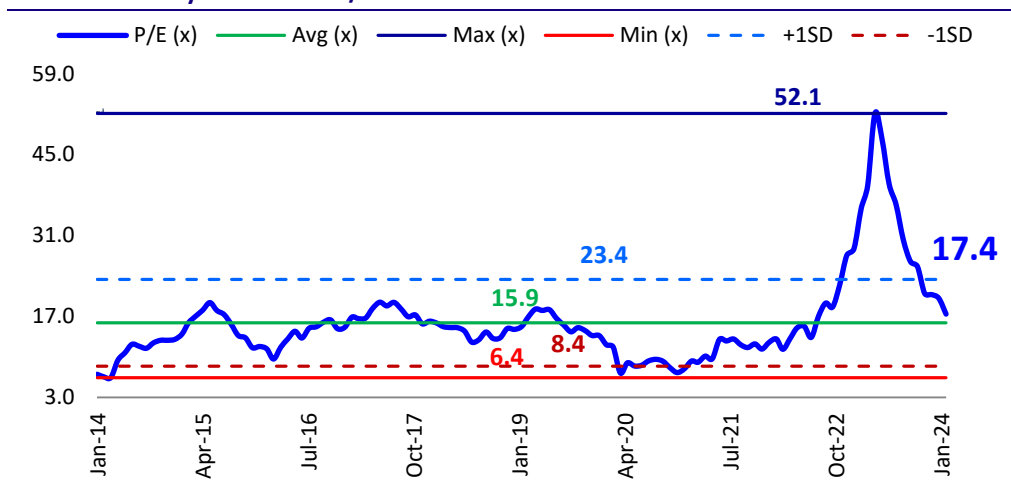
- It will be challenging for the company to retain its current credit rating with the reported and expected profitability.
- For the top 15 molecules, UPLL is cost competitive vs. China (at least 15%). And for the rest of the molecules, UPL is on a par with China in terms of costs. In one molecule, it is a little behind China.
- There is only one season for this industry, and if that is adversely impacted, then the impact is seen in the remaining three quarters.
- The company is not seeing any consolidation in the industry; however, many global players are operating at low utilization.
- In FY25, UPLL will be running plants at a slightly higher utilization level vs. FY24.
- UPLL posted lower volume YoY; however, the cost component was a little high.
- Inventory value stood at ~INR170b as of Dec'23 vs. INR200b last year.

- The company has launched CTPR in multiple geographies. However, the company has launched in the form of combination molecule.
- The company has slowed down its capex plan.

**Valuation and view**

- We see near-term challenges in the global agrochemical industry due to: a) the accumulation of high inventory as distributors opt for need-based tactical purchases, and b) declining agrochemical prices due to aggressive price competition from Chinese (post-patent) exporters.
- Considering the short-term challenges, cash flow generation and debt repayments remain the key monitorables.
- Factoring in UPLL’s subdued performance in 3QFY24, we cut our FY25E/FY26E EPS by 23%/11%. **We reiterate our Neutral rating on the stock with a TP of INR530 (premised on 10x FY25E P/E; ~52% discount to its three-year average, and a one-year forward P/E of 21x).**

**Exhibit 13: One-year forward P/E**



Source: MOFSL

**Exhibit 14: Changes to our estimates**

Particulars (INR b)	Old			New			Change		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY23E	FY25E	FY26E
Revenue	440	499	544	439	497	541	0%	-1%	-1%
EBITDA	63	84	102	53	78	99	-16%	-6%	-3%
Adj. PAT	11	26	46	0	20	41	-97%	-23%	-11%

Source: MOFSL

## Financials and valuations

### Consolidated - Income Statement

(INRm)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Total Income from Operations</b>	<b>163</b>	<b>174</b>	<b>218</b>	<b>358</b>	<b>387</b>	<b>462</b>	<b>536</b>	<b>439</b>	<b>497</b>	<b>541</b>
Change (%)	16.1	6.5	25.7	63.7	8.2	19.5	15.9	-18.1	13.2	9.0
<b>EBITDA</b>	<b>32</b>	<b>35</b>	<b>46</b>	<b>74</b>	<b>86</b>	<b>102</b>	<b>112</b>	<b>53</b>	<b>78</b>	<b>99</b>
Margin (%)	19.8	20.2	20.8	20.8	22.3	22.0	20.8	12.2	15.8	18.3
Depreciation	7	7	9	20	22	24	25	27	29	30
<b>EBIT</b>	<b>26</b>	<b>28</b>	<b>37</b>	<b>54</b>	<b>65</b>	<b>78</b>	<b>86</b>	<b>27</b>	<b>50</b>	<b>69</b>
Int. and Finance Charges	7	8	10	15	21	23	30	38	31	25
Other Income	4	4	2	1	3	3	5	5	2	3
Exchange diff on trade rec. & payables	2	0	3	3	2	6	10	9	0	0
<b>PBT bef. EO Exp.</b>	<b>20</b>	<b>25</b>	<b>27</b>	<b>37</b>	<b>45</b>	<b>52</b>	<b>52</b>	<b>-15</b>	<b>22</b>	<b>46</b>
EO Items	1	1	9	10	3	3	2	1	0	0
<b>PBT after EO Exp.</b>	<b>19</b>	<b>24</b>	<b>18</b>	<b>28</b>	<b>41</b>	<b>48</b>	<b>50</b>	<b>-16</b>	<b>22</b>	<b>46</b>
Total Tax	2	3	2	6	7	5	7	-3	4	8
Tax Rate (%)	9.7	11.5	11.3	21.2	16.6	10.9	14.7	17.4	18.0	18.0
Share of (profit)/loss of ass. & JV	0	1	0	0	0	-1	-2	2	2	2
Minority Interest	0	0	1	4	6	8	8	-4	-4	-5
<b>Reported PAT</b>	<b>17</b>	<b>20</b>	<b>15</b>	<b>18</b>	<b>29</b>	<b>36</b>	<b>36</b>	<b>-11</b>	<b>20</b>	<b>41</b>
<b>Adjusted PAT</b>	<b>21</b>	<b>22</b>	<b>25</b>	<b>27</b>	<b>35</b>	<b>49</b>	<b>45</b>	<b>0</b>	<b>20</b>	<b>41</b>
Change (%)	57.7	6.2	11.2	8.4	29.9	39.9	-7.8	-99.3	6,008.4	101.0
Margin (%)	12.8	12.8	11.3	7.5	9.0	10.5	8.4	0.1	4.1	7.5

### Consolidated - Balance Sheet

(INRm)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	1	1	1	2	2	2	2	2	2	2
Total Reserves	72	91	146	161	177	215	267	266	275	305
<b>Net Worth</b>	<b>74</b>	<b>92</b>	<b>147</b>	<b>163</b>	<b>179</b>	<b>217</b>	<b>269</b>	<b>267</b>	<b>277</b>	<b>307</b>
Minority Interest	0	0	35	33	37	46	56	52	48	43
Total Loans	64	66	291	288	238	259	230	220	211	191
Perpetual bonds	0	0	0	30	30	30	30	30	30	30
<b>Total Loans (Including Perpetual bond)</b>	<b>64</b>	<b>66</b>	<b>291</b>	<b>318</b>	<b>268</b>	<b>289</b>	<b>260</b>	<b>250</b>	<b>241</b>	<b>221</b>
Deferred Tax Liabilities	-5	-4	22	28	27	25	25	25	25	25
<b>Capital Employed</b>	<b>133</b>	<b>154</b>	<b>495</b>	<b>542</b>	<b>510</b>	<b>576</b>	<b>609</b>	<b>594</b>	<b>590</b>	<b>595</b>
Gross Block	96	106	230	260	281	311	345	378	401	421
Less: Accum. Deprn.	60	66	75	95	117	141	166	193	221	251
<b>Net Fixed Assets</b>	<b>37</b>	<b>40</b>	<b>155</b>	<b>164</b>	<b>164</b>	<b>170</b>	<b>179</b>	<b>185</b>	<b>180</b>	<b>170</b>
Goodwill on Consolidation	4	4	166	182	177	184	199	199	199	199
Capital WIP	8	13	19	21	21	25	28	16	13	13
<b>Total Investments</b>	<b>4</b>	<b>10</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>19</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>145</b>	<b>157</b>	<b>285</b>	<b>328</b>	<b>337</b>	<b>429</b>	<b>463</b>	<b>408</b>	<b>441</b>	<b>481</b>
Inventory	42	45	91	79	94	131	140	134	142	150
Account Receivables	57	61	117	119	126	153	183	156	167	185
Cash and Bank Balance	29	29	29	68	49	61	61	48	53	65
Loans and Advances	18	22	48	63	68	83	80	69	78	81
<b>Curr. Liability &amp; Prov.</b>	<b>64</b>	<b>71</b>	<b>137</b>	<b>159</b>	<b>194</b>	<b>250</b>	<b>277</b>	<b>230</b>	<b>258</b>	<b>284</b>
Account Payables	49	57	94	102	125	166	176	154	170	187
Other Current Liabilities	14	13	34	55	60	77	94	71	82	89
Provisions	1	1	9	1	9	8	7	6	7	7
<b>Net Current Assets</b>	<b>80</b>	<b>86</b>	<b>148</b>	<b>169</b>	<b>142</b>	<b>178</b>	<b>186</b>	<b>177</b>	<b>182</b>	<b>198</b>
<b>Appl. of Funds</b>	<b>133</b>	<b>154</b>	<b>495</b>	<b>542</b>	<b>510</b>	<b>576</b>	<b>609</b>	<b>594</b>	<b>590</b>	<b>595</b>



## Financials and valuations

### Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Basic (INR)</b>										
<b>EPS</b>	<b>27.3</b>	<b>29.0</b>	<b>32.2</b>	<b>34.9</b>	<b>45.4</b>	<b>63.5</b>	<b>58.5</b>	<b>0.4</b>	<b>26.5</b>	<b>53.2</b>
Cash EPS	36.1	37.8	43.7	61.2	73.8	142.8	139.0	53.3	96.8	140.4
BV/Share	96.7	119.9	192.4	213.0	234.0	429.2	531.8	529.3	548.1	607.5
DPS	7.0	5.4	5.4	6.1	10.2	10.2	10.2	14.3	14.3	14.3
Payout (%)	30.4	20.0	27.1	25.8	26.6	21.1	21.4	-95.4	52.9	26.3
<b>Valuation (x)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
P/E	19.5	18.4	16.6	15.3	11.8	8.4	9.1	1,231.7	20.2	10.0
Cash P/E	14.8	14.1	12.2	8.7	7.2	3.7	3.8	10.0	5.5	3.8
P/BV	5.5	4.5	2.8	2.5	2.3	1.2	1.0	1.0	1.0	0.9
EV/Sales	2.7	2.5	3.0	1.8	1.6	1.4	1.1	1.4	1.2	1.0
EV/EBITDA	13.5	12.4	14.6	8.7	7.2	6.2	5.4	11.3	7.5	5.6
Dividend Yield (%)	1.3	1.0	1.0	1.1	1.9	1.9	1.9	2.7	2.7	2.7
FCF per share	24.6	19.5	-357.0	90.7	68.6	32.3	33.1	33.5	73.6	90.6
<b>Return Ratios (%)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
RoE	31.4	26.8	20.6	17.2	20.3	24.5	18.4	0.1	7.4	13.9
RoCE	21.7	19.5	11.6	9.5	12.1	15.1	15.0	5.0	8.3	11.2
RoIC	25.7	26.1	12.0	9.6	12.2	15.4	15.1	4.4	8.0	11.2
<b>Working Capital Ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Fixed Asset Turnover (x)	1.7	1.6	0.9	1.4	1.4	1.5	1.6	1.2	1.2	1.3
Inventory (Days)	194	204	319	156	180	216	190	200	200	200
Debtor (Days)	127	127	195	121	119	121	125	130	123	125
Creditor (Days)	228	255	329	203	239	274	239	230	240	250
<b>Leverage Ratio (x)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Net Debt (incl perpetual bonds)/Equity	0.5	0.4	1.8	1.5	1.2	1.0	0.7	0.8	0.7	0.5

### Consolidated - Cash Flow Statement

(INRm)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
OP/(Loss) before Tax	20	25	27	28	42	50	52	-15	22	46
Depreciation	7	7	9	20	22	24	25	27	29	30
Interest & Finance Charges	6	8	10	15	21	23	30	38	31	25
Direct Taxes Paid	-4	-3	-2	-8	-7	-10	-13	3	-4	-8
(Inc)/Dec in WC	-1	-5	-10	31	-2	-18	-14	-3	0	-4
<b>CF from Operations</b>	<b>28</b>	<b>31</b>	<b>32</b>	<b>85</b>	<b>75</b>	<b>68</b>	<b>81</b>	<b>49</b>	<b>77</b>	<b>90</b>
Others	-1	-1	-9	3	-3	-4	-3	-3	-2	-2
<b>CF from Operating incl EO</b>	<b>27</b>	<b>30</b>	<b>24</b>	<b>87</b>	<b>72</b>	<b>65</b>	<b>78</b>	<b>46</b>	<b>75</b>	<b>88</b>
(Inc)/Dec in FA	-8	-16	-291	-19	-21	-41	-53	-21	-20	-20
<b>Free Cash Flow</b>	<b>18</b>	<b>15</b>	<b>-268</b>	<b>68</b>	<b>51</b>	<b>24</b>	<b>25</b>	<b>25</b>	<b>55</b>	<b>68</b>
(Pur)/Sale of Investments	0	-7	3	2	0	-13	3	0	0	0
Others	-2	3	-21	-9	0	16	35	21	0	0
<b>CF from Investments</b>	<b>-10</b>	<b>-19</b>	<b>-309</b>	<b>-26</b>	<b>-21</b>	<b>-38</b>	<b>-15</b>	<b>0</b>	<b>-20</b>	<b>-20</b>
Issue of Shares	0	-1	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	11	3	225	-29	-42	13	-46	-10	-9	-20
Interest Paid	-8	-8	-10	-16	-17	-19	-23	-38	-31	-25
Dividend Paid	-2	-4	-4	-5	-5	-8	-8	-11	-11	-11
Others	0	-1	74	28	-4	-5	15	0	0	0
<b>CF from Fin. Activity</b>	<b>1</b>	<b>-11</b>	<b>285</b>	<b>-22</b>	<b>-67</b>	<b>-19</b>	<b>-62</b>	<b>-58</b>	<b>-50</b>	<b>-56</b>
<b>Inc/Dec of Cash</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>-19</b>	<b>10</b>	<b>2</b>	<b>-13</b>	<b>5</b>	<b>12</b>
Opening Balance	12	29	29	29	68	51	59	61	48	53
<b>Closing Balance</b>	<b>29</b>	<b>29</b>	<b>29</b>	<b>68</b>	<b>49</b>	<b>61</b>	<b>61</b>	<b>48</b>	<b>53</b>	<b>65</b>

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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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