6 May 2025

4QFY25 Results Update | Sector: Healthcare

# Alembic Pharma

| | |
|---|---|
| Estimate change | ⟷ |
| TP change | ⟷ |
| Rating change | ⟷ |

| | |
|---|---|
| Bloomberg | ALPM IN |
| Equity Shares (m) | 197 |
| M.Cap.(INRb)/(USDb) | 174.3 / 2.1 |
| 52-Week Range (INR) | 1304 / 725 |
| 1, 6, 12 Rel. Per (%) | -6/-22/-22 |
| 12M Avg Val (INR M) | 283 |

**Financials & Valuations (INR b)**

| Y/E MARCH | FY25 | FY26E | FY27E |
|---|---|---|---|
| Sales | 66.7 | 71.3 | 78.6 |
| EBITDA | 10.1 | 12.3 | 14.3 |
| Adj. PAT | 5.7 | 7.2 | 8.6 |
| EBIT Margin (%) | 11.0 | 13.2 | 14.0 |
| Cons. Adj. EPS (INR) | 29.2 | 36.5 | 44.0 |
| EPS Gr. (%) | -7.4 | 25.1 | 20.5 |
| BV/Sh. (INR) | 264.1 | 294.9 | 333.2 |
| **Ratios** | | | |
| Net D:E | 0.2 | 0.2 | 0.1 |
| RoE (%) | 11.5 | 12.9 | 13.9 |
| RoCE (%) | 10.9 | 11.9 | 12.8 |
| Payout (%) | 20.3 | 16.5 | 13.7 |
| **Valuations** | | | |
| P/E (x) | 30.2 | 24.1 | 20.0 |
| EV/EBITDA (x) | 19.9 | 16.4 | 13.8 |
| Div. Yield (%) | 0.6 | 0.6 | 0.6 |
| FCF Yield (%) | 1.5 | 2.8 | 3.3 |
| EV/Sales (x) | 3.0 | 2.8 | 2.5 |

**Shareholding pattern (%)**

| As On | Mar-25 | Dec-24 | Mar-24 |
|---|---|---|---|
| Promoter | 69.7 | 69.6 | 69.6 |
| DII | 16.4 | 16.1 | 15.4 |
| FII | 3.9 | 4.2 | 4.5 |
| Others | 10.0 | 10.2 | 10.5 |

FII Includes depository receipts

**CMP: INR887 TP: INR930 (+5%) Neutral**

## Exports outshine; API witnesses gradual recovery

### Building peptides category of products for regulated markets

- Alembic Pharma (ALPM) delivered a better-than-expected performance in 4QFY25. A strong performance in export markets was offset partly by a muted show in domestic formulation (DF) segment. API business also witnessed healthy recovery during the quarter.
- ALPM plans to build a product pipeline in the peptide space for regulated markets and scale up its injectables and ophthalmics product offerings.
- We largely maintain our estimates for FY26/FY27. We value ALPM at 21x 12M forward earnings to arrive at a TP of INR930.
- ALPM ended FY25 with a modest 7%/8% YoY growth in revenue/EBITDA and an earnings decline of 7% YoY. A weak performance in DF and API segment, coupled with financial leverage, impacted its FY25 performance.
- Having said this, ALPM is enhancing its product offerings in the US market and implementing efforts to improve growth in the DF market. Accordingly, we estimate a 23% earnings CAGR over FY25-27. We maintain Neutral rating due to limited upside from current levels.

### Segmental mix/geography mix dent margins YoY

- ALPM sales grew 16.7% YoY to INR17.6b (our est: INR16.4b). US generics sales rose 20% YoY to INR5b (USD61m; 29% of sales). Ex-US generic export sales grew 43% YoY to INR3.8b (21% of sales). DF sales increased 4% YoY to INR5.5b (31% of sales). API sales grew 4% YoY to INR3.4b (19% of sales).
- Gross margin contracted 500bp YoY to 70% due to an inferior product mix.
- EBITDA margin contracted at a lower pace of 180bp YoY to 15.4% (our est: 14.1%), as lower gross margin was offset by better operating leverage (employee costs down 420bp as % of sales). R&D expenses rose 100bp YoY as % of sales to 9% for the quarter.
- Consequently, EBITDA grew 4.6% YoY to INR2.7b (our est: INR2.3b).
- Adj. PAT declined 12.3% YoY to INR1.6b (our est: INR1.1b) owing to higher tax burden (18.3% in 4QFY25 vs. 2.5% in 4QFY24).
- FY25 revenue/EBITDA grew 7%/8% to INR66.7b/INR10b, while PAT declined 7% YoY to INR5.7b.

### Key highlights from the management commentary

- For FY26, ALPM expects mid-teens YoY growth in US revenue and 10% YoY growth in DF.
- Out of INR5.5b-INR6.5b spent on R&D, 30-35% was spent on complex products like peptides/ophthalmics.
- About 45% of new filings would be for injectables and the remaining for ophthalmics/oral solids dosage form in FY26.
- ALPM expects better operating leverage and lower R&D spending to drive profitability in the coming years.

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**Quarterly perf. (Consol.)** **(INR m)**

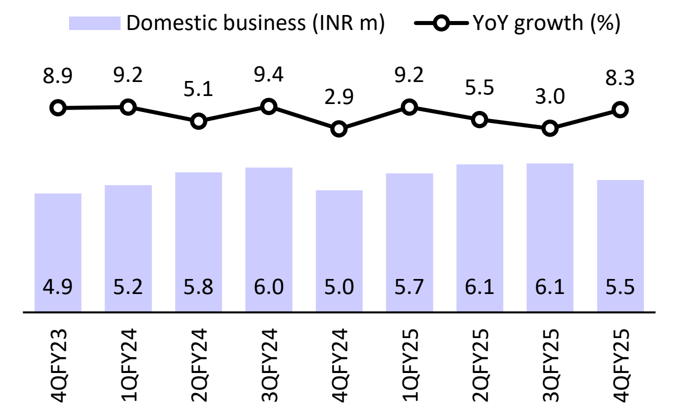
| Y/E March | FY24 | | | | FY25E | | | | FY24 | FY25 | FY25E |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4Q | | | 4QE |
| **Net Sales** | **14,862** | **15,949** | **16,309** | **15,170** | **15,617** | **16,480** | **16,927** | **17,696** | **62,290** | **66,721** | **16,368** |
| YoY Change (%) | 17.7 | 8.1 | 8.1 | 7.9 | 5.1 | 3.3 | 3.8 | 16.7 | 10.2 | 7.1 | 7.9 |
| Total Expenditure | 12,874 | 13,867 | 13,642 | 12,569 | 13,249 | 14,087 | 14,325 | 14,977 | 52,953 | 56,639 | 14,055 |
| **EBITDA** | **1,987** | **2,083** | **2,667** | **2,601** | **2,368** | **2,393** | **2,602** | **2,719** | **9,337** | **10,082** | **2,313** |
| YoY Change (%) | 73.3 | -10.5 | 7.2 | 16.5 | 19.2 | 14.9 | -2.4 | 4.6 | 14.0 | 8.0 | -11.1 |
| Margins (%) | 13.4 | 13.1 | 16.4 | 17.1 | 15.2 | 14.5 | 15.4 | 15.4 | 15.0 | 15.1 | 14.1 |
| Depreciation | 662 | 676 | 695 | 695 | 690 | 705 | 700 | 690 | 2,727 | 2,786 | 714 |
| **EBIT** | **1,325** | **1,407** | **1,973** | **1,906** | **1,678** | **1,688** | **1,902** | **2,029** | **6,611** | **7,297** | **1,599** |
| YoY Change (%) | 111.9 | -22.3 | 8.9 | -2.4 | 26.6 | 19.9 | -3.6 | 6.5 | 12.4 | 10.4 | -16.1 |
| Interest | 144 | 157 | 152 | 109 | 132 | 188 | 223 | 245 | 562 | 788 | 223 |
| Other Income | 117 | 102 | 29 | 36 | 21 | 167 | 95 | 142 | 283 | 425 | 57 |
| **PBT before EO expense** | **1,298** | **1,352** | **1,850** | **1,832** | **1,567** | **1,667** | **1,774** | **1,926** | **6,332** | **6,934** | **1,432** |
| Extra-Ord expense | 0 | 0 | 0 | 0 | 0 | -129 | 0 | 0 | 0 | 129 | 0 |
| **PBT** | **1,298** | **1,352** | **1,850** | **1,832** | **1,567** | **1,796** | **1,774** | **1,926** | **6,332** | **7,063** | **1,432** |
| Tax | 92 | -19 | 41 | 46 | 225 | 273 | 401 | 353 | 160 | 1,252 | 197 |
| Rate (%) | 7.0 | -1.4 | 2.2 | 2.5 | 14.4 | 15.2 | 22.6 | 18.3 | 2.5 | 17.7 | 13.7 |
| MI & P/L of Asso. Cos. | 0 | -5 | -1 | -4 | -5 | -11 | -11 | 4 | -10 | -23 | 96 |
| **Reported PAT** | **1,207** | **1,376** | **1,809** | **1,790** | **1,347** | **1,534** | **1,384** | **1,569** | **6,182** | **5,834** | **1,140** |
| **Adj PAT** | **1,207** | **1,376** | **1,809** | **1,790** | **1,347** | **1,425** | **1,384** | **1,569** | **6,182** | **5,725** | **1,140** |
| YoY Change (%) | 160.9 | -6.7 | 36.6 | 73.1 | 11.6 | 3.6 | -23.5 | -12.3 | 43.9 | -7.4 | -36.3 |
| Margins (%) | 8.1 | 8.6 | 11.1 | 11.8 | 8.6 | 8.6 | 8.2 | 8.9 | 9.9 | 8.6 | 7.0 |
| **EPS** | **6.1** | **7.0** | **9.2** | **9.1** | **6.9** | **7.2** | **7.0** | **8.0** | **31.5** | **29.2** | **5.8** |

**Key performance Indicators (Consolidated)** **(INR m)**

| Y/E March | FY24 | | | | FY25E | | | | FY24 | FY25 | FY25E | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4Q | | | 4QE | vs Est |
| India | **5,240** | **5,770** | **5,960** | **5,030** | **5,720** | **6,090** | **6,140** | **5,450** | **22,000** | **23,400** | **5220** | **4%** |
| YoY Change (%) | 9.2 | 5.1 | 9.4 | 2.9 | 9.2 | 5.5 | 3.0 | 8.3 | 6.6 | 6.4 | 3.8 | |
| Exports | 6,570 | 6,960 | 7,460 | 6,850 | 7,320 | 7,650 | 8,200 | 8,830 | 27,820 | 32,000 | 8,496 | 4% |
| YoY Change (%) | 19.7 | 10.0 | 16.9 | 13.4 | 11.4 | 9.9 | 9.9 | 28.9 | 14.8 | 15.0 | 24.0 | |
| APIs | 3,050 | 3,220 | 2,890 | 3,300 | 2,590 | 2,740 | 2,590 | 3,420 | 12,460 | 11,340 | 2,639 | 30% |
| YoY Change (%) | 30.9 | 9.5 | (11.3) | 5.4 | (15.1) | (14.9) | (10.4) | 3.6 | 6.9 | (9.0) | (20.0) | |
| **Cost Break-up** | | | | | | | | | | | | |
| RM Cost (% of Sales) | 27.8 | 28.9 | 28.3 | 25.0 | 25.2 | 26.0 | 26.0 | 30.0 | 27.5 | 26.9 | 25.5 | |
| Staff Cost (% of Sales) | 23.4 | 21.8 | 21.4 | 26.5 | 24.3 | 23.8 | 23.5 | 22.2 | 23.2 | 23.4 | 24.1 | |
| R&D Expenses (% of Sales) | 8.0 | 7.6 | 7.0 | 8.0 | 7.0 | 8.0 | 7.0 | 9.1 | 7.6 | 7.8 | 8.0 | |
| Other Cost (% of Sales) | 27.4 | 28.7 | 27.0 | 23.4 | 28.3 | 27.7 | 28.2 | 23.3 | 26.6 | 26.8 | 28.3 | |
| Gross Margins(%) | 72.2 | 71.1 | 71.7 | 75.0 | 74.8 | 74.0 | 74.0 | 70.0 | 72.5 | 73.1 | 74.5 | |
| EBITDA Margins(%) | 13.4 | 13.1 | 16.4 | 17.1 | 15.2 | 14.5 | 15.4 | 15.4 | 15.0 | 15.1 | 14.1 | |
| EBIT Margins(%) | 8.9 | 8.8 | 12.1 | 12.6 | 10.7 | 10.2 | 11.2 | 11.5 | 10.6 | 10.9 | 9.8 | |

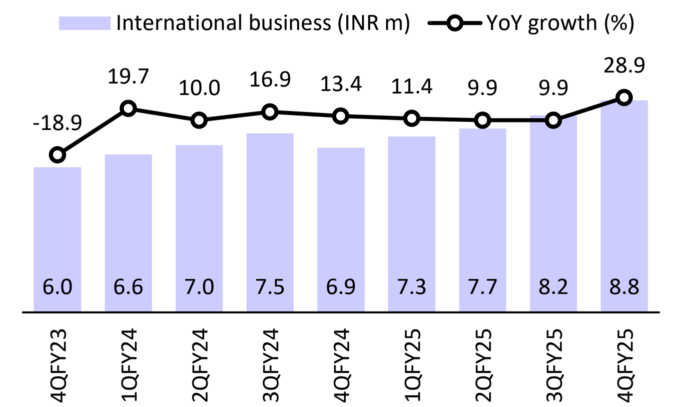
## Key exhibits

**Exhibit 1: DF sales grew 8.3% YoY in 4QFY25**



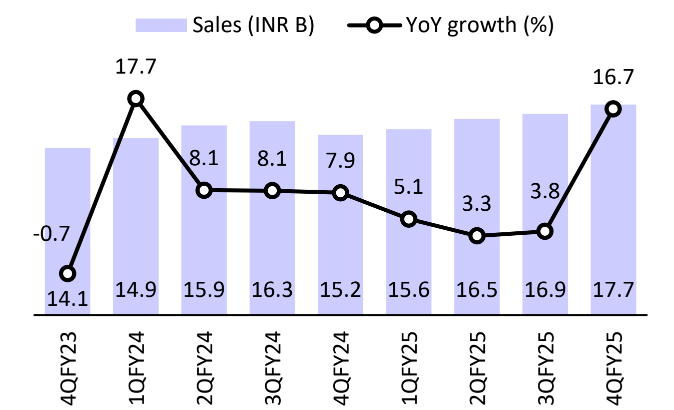

Source: MOFSL, Company

**Exhibit 2: International business grew 28.9% YoY**



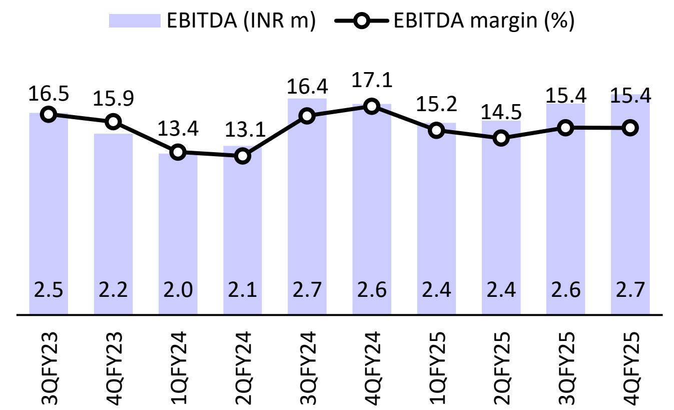

Source: MOFSL, Company

**Exhibit 3: Sales increased 16.7% YoY for 4QFY25**




Source: MOFSL, Company

**Exhibit 4: EBITDA margin contracted 180bp YoY in 4QFY25**




Source: MOFSL, Company

## Overall return ratios remain under control

### US: Adds peptide as additional growth driver for US market

- In FY25, ALPM's US business grew 13% YoY to INR19.5b (USD234m), led by 16 product launches in FY25 and higher off-take of products commercialized in earlier years. Overall, 163 products are now commercialized in the US.
- ALPM filed eight ANDAs in FY25 and received approval for 24 products in the US market. ALPM is investing more in complex injectables, ophthalmic, oncology, and inhalation products. Notably, ALPM is also investing in the product pipeline for the peptide category to support growth in regulated markets. ALPM largely has manufacturing capacity in place and expects to implement efforts toward product development and filings.
- It plans to launch more than 15 products in FY26.
- Further, ALPM is raising its capacity in oral solids to support growth in the US as well as non-US markets over the medium term.
- As of today, ALPM has a total of 220 approved ANDAs, comprising 151 oral solids, 30 dermatological products, 20 ophthalmic formulations, 17 injectables, and 1 inhalation product.

- Considering the new launches of complex products and a scale-up in existing products, we expect a 14% sales CAGR to USD306m over FY25-27.

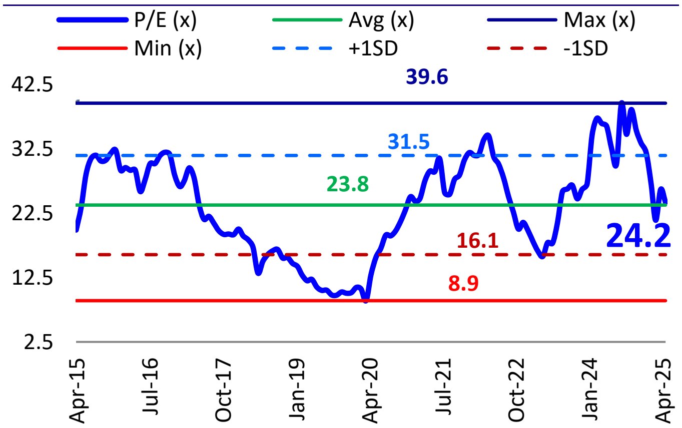
## India: Efforts underway to improve growth prospects

- In FY25, ALPM's overall India business grew 6.4% YoY to INR23.4b, led by ~7% YoY growth in the specialty segment. Specifically, ALPM delivered a superior performance in gynaec/anti-diabetic/ophthalmology/dermatology.
- In FY25, ALPM's animal health segment grew 22.4% YoY to INR4.3b, led by a well-established portfolio and enhanced efforts by MRs.
- The acute segment declined 3.2% YoY in FY25, led by a muted performance in the anti-infective and respiratory segments.
- In FY25, sales per MR were largely stable at INR44Lacs PCPM, despite an increase in the field force from 5,000 to 5,500 representatives.
- In FY25, ALPM's prescription base was stable at 129m.
- We expect a 6% sales CAGR to INR26.2b over FY25-27.

## Reiterate Neutral

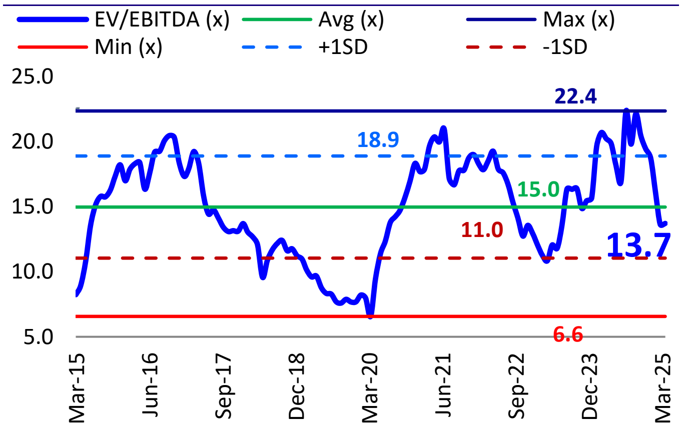
- We largely maintain our estimates for FY26/FY27. We value ALPM at 21x 12M forward earnings to arrive at a TP of INR930.
- ALPM ended FY25 with a modest 7%/8% YoY growth in revenue/EBITDA and an earnings decline of 7% YoY. A weak performance in DF and API segment, coupled with financial leverage, impacted its FY25 performance.
- Having said this, ALPM is enhancing its product offering in the US market and implementing efforts to improve growth in the DF market. Accordingly, we estimate a 23% earnings CAGR over FY25-27. We maintain Neutral rating due to limited upside from current levels.

**Exhibit 5: P/E chart**




Source: MOFSL, Company, Bloomberg

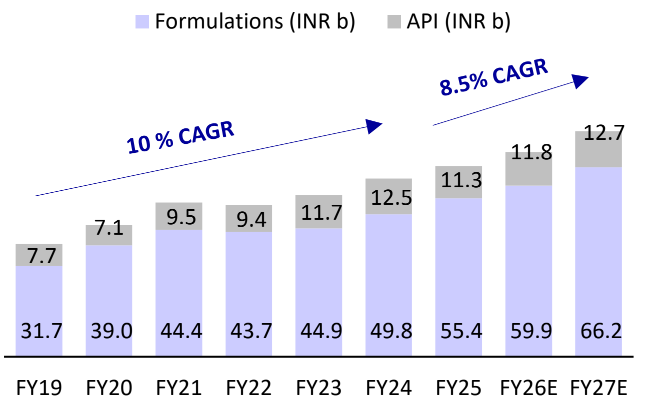
**Exhibit 6: EV/EBITDA chart**




Source: MOFSL, Company, Bloomberg

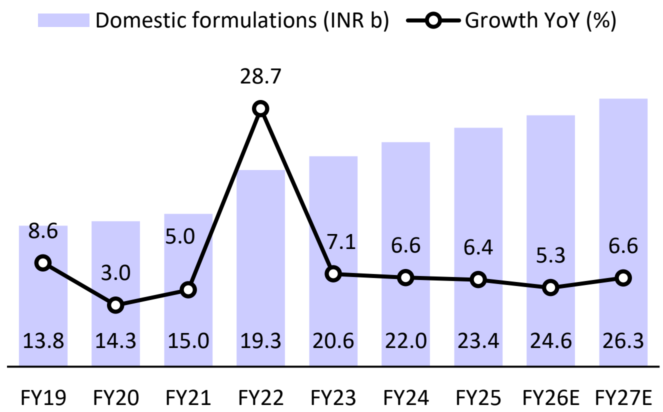
## Story in charts

**Exhibit 7: Formulation sales CAGR to be 8.5% over FY25-27**



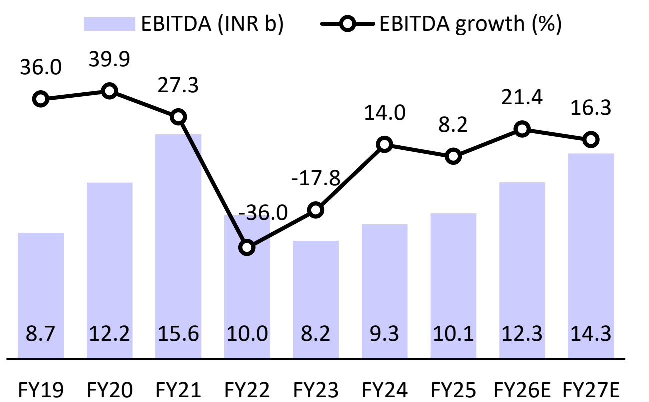

Source: MOFSL, Company

**Exhibit 8: Expect DF to exhibit 6% CAGR over FY25-27**



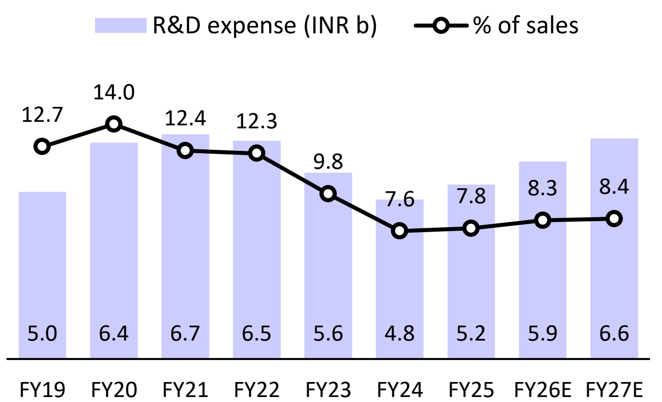

Source: MOFSL, Company

**Exhibit 9: EBITDA CAGR to be 19% during FY25-27**



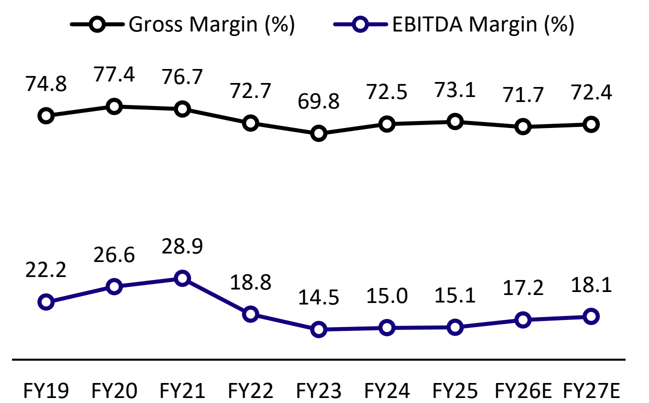

Source: MOFSL, Company

**Exhibit 10: R&D expenses as a % of sales to be stable**



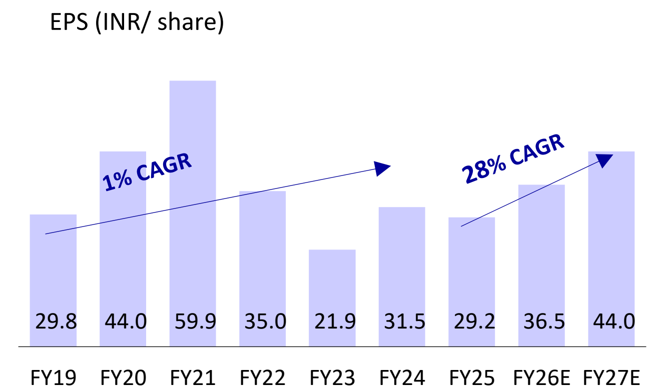

Source: MOFSL, Company

**Exhibit 11: Margin to improve over FY25-27**




Source: MOFSL, Company

**Exhibit 12: Earnings CAGR to be 23% over FY25-27**




Source: MOFSL, Company

# Financials and valuations

| Consolidated - Income Statement | | | | | | | | (INRm) |
|---|---|---|---|---|---|---|---|---|
| **Y/E March** | **FY20** | **FY21** | **FY22** | **FY23** | **FY24** | **FY25** | **FY26E** | **FY27E** |
| **Net Sales** | **46,060** | **53,931** | **53,058** | **56,526** | **62,290** | **66,740** | **71,316** | **78,638** |
| Change (%) | 17.0 | 17.1 | -1.6 | 6.5 | 10.2 | 7.1 | 6.9 | 10.3 |
| **EBITDA** | **12,233** | **15,575** | **9,972** | **8,194** | **9,337** | **10,102** | **12,259** | **14,253** |
| Change (%) | 39.9 | 27.3 | -36.0 | -17.8 | 14.0 | 8.2 | 21.4 | 16.3 |
| Margin (%) | 26.6 | 28.9 | 18.8 | 14.5 | 15.0 | 15.1 | 17.2 | 18.1 |
| Depreciation | 1,573 | 1,835 | 2,218 | 2,314 | 2,727 | 2,786 | 2,832 | 3,217 |
| **EBIT** | **10,660** | **13,741** | **7,754** | **5,880** | **6,611** | **7,316** | **9,427** | **11,036** |
| Int. and Finance Charges | 272 | 160 | 177 | 502 | 562 | 788 | 950 | 900 |
| Other Income - Rec. | 49 | 100 | 505 | 27 | 283 | 425 | 540 | 550 |
| **PBT bef. EO Exp.** | **10,437** | **13,681** | **8,081** | **5,405** | **6,332** | **6,953** | **9,017** | **10,686** |
| EO Expense/(Income) | 436 | 0 | 1,880 | 1,550 | 0 | -129 | 0 | 0 |
| **PBT after EO Exp.** | **10,001** | **13,681** | **6,201** | **3,855** | **6,332** | **7,082** | **9,017** | **10,686** |
| Current Tax | 2,046 | 2,629 | 1,279 | 42 | 658 | 1,629 | 2,074 | 2,458 |
| Deferred Tax | -54 | -96 | -235 | 84 | -498 | -377 | -295 | -483 |
| Tax Rate (%) | 19.9 | 18.5 | 16.8 | 3.3 | 2.5 | 17.7 | 19.7 | 18.5 |
| MI & P/L of Asso. Cos. | -284.7 | -633.5 | -300.3 | 309.2 | -9.8 | -5.4 | 69.0 | 72.0 |
| **Reported PAT** | **8,294** | **11,781** | **5,457** | **3,420** | **6,182** | **5,834** | **7,169** | **8,639** |
| **PAT Adj for EO items** | **8,643** | **11,781** | **6,889** | **4,296** | **6,182** | **5,725** | **7,169** | **8,639** |
| Change (%) | 47.7 | 36.3 | -41.5 | -37.6 | 43.9 | -7.4 | 25.1 | 20.5 |
| Margin (%) | 18.8 | 21.8 | 13.0 | 7.6 | 9.9 | 8.6 | 10.1 | 11.0 |

| Consolidated - Balance Sheet | | | | | | | | (INRm) |
|---|---|---|---|---|---|---|---|---|
| **Y/E March** | **FY20** | **FY21** | **FY22** | **FY23** | **FY24** | **FY25** | **FY26E** | **FY27E** |
| Equity Share Capital | 377 | 393 | 393 | 393 | 393 | 393 | 393 | 393 |
| Total Reserves | 31,820 | 50,883 | 51,982 | 43,312 | 47,789 | 51,516 | 57,572 | 65,100 |
| Preference Capital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Net Worth** | **32,197** | **51,276** | **52,375** | **43,705** | **48,182** | **51,909** | **57,965** | **65,493** |
| Total Loans | 18,208 | 2,715 | 7,021 | 7,051 | 4,933 | 12,423 | 12,325 | 12,227 |
| **Capital Employed** | **50,237** | **53,426** | **59,397** | **50,756** | **53,115** | **64,508** | **70,170** | **77,117** |
| Gross Block | 20,700 | 24,909 | 27,221 | 35,532 | 39,741 | 42,295 | 52,102 | 56,949 |
| Less: Accum. Deprn. | 5,181 | 7,016 | 9,234 | 11,548 | 14,274 | 17,060 | 19,892 | 23,109 |
| **Net Fixed Assets** | **15,518** | **17,893** | **17,987** | **23,985** | **25,467** | **25,235** | **32,210** | **33,840** |
| Capital WIP | 18,462 | 21,817 | 23,034 | 6,013 | 5,244 | 8,372 | 3,566 | 4,718 |
| **Total Investments** | **179** | **2,363** | **1,184** | **963** | **930** | **1,272** | **1,272** | **1,272** |
| **Curr. Assets, Loans&Adv.** | **25,734** | **25,017** | **29,015** | **30,868** | **32,815** | **42,850** | **45,840** | **51,583** |
| Inventory | 11,875 | 14,862 | 16,097 | 14,753 | 16,435 | 22,881 | 25,687 | 26,468 |
| Account Receivables | 8,648 | 3,486 | 8,071 | 10,464 | 10,248 | 13,998 | 14,459 | 15,297 |
| Cash and Bank Balance | 808 | 1,058 | 694 | 823 | 1,266 | 901 | 610 | 4,709 |
| Loans and Advances | 4,404 | 5,612 | 4,153 | 4,828 | 4,866 | 5,070 | 5,085 | 5,110 |
| **Curr. Liability & Prov.** | **9,656** | **13,663** | **11,824** | **11,073** | **11,341** | **13,222** | **12,718** | **14,296** |
| Account Payables | 6,259 | 6,688 | 7,064 | 6,798 | 7,356 | 8,799 | 8,493 | 9,705 |
| Other Current Liabilities | 2,270 | 5,601 | 3,165 | 2,512 | 2,237 | 2,321 | 2,480 | 2,735 |
| Provisions | 1,127 | 1,375 | 1,595 | 1,763 | 1,748 | 2,102 | 1,745 | 1,857 |
| **Net Current Assets** | **16,078** | **11,354** | **17,192** | **19,795** | **21,474** | **29,628** | **33,122** | **37,286** |
| Misc Expenditure | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Appl. of Funds** | **50,238** | **53,426** | **59,397** | **50,756** | **53,115** | **64,508** | **70,170** | **77,117** |

# Financials and valuations

| Ratios | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Y/E March** | **FY20** | **FY21** | **FY22** | **FY23** | **FY24** | **FY25** | **FY26E** | **FY27E** |
| **Basic (INR)** | | | | | | | | |
| **EPS** | **44.0** | **59.9** | **35.0** | **21.9** | **31.5** | **29.2** | **36.5** | **44.0** |
| Cash EPS | 54.2 | 69.3 | 46.3 | 33.6 | 45.3 | 43.3 | 50.9 | 60.3 |
| BV/Share | 170.8 | 260.9 | 266.5 | 222.4 | 245.1 | 264.1 | 294.9 | 333.2 |
| DPS | 10.0 | 10.4 | 10.4 | 4.2 | 5.2 | 5.2 | 5.2 | 5.2 |
| Payout (%) | 27.4 | 20.1 | 43.4 | 27.7 | 19.1 | 20.3 | 16.5 | 13.7 |
| **Valuation (x)** | | | | | | | | |
| P/E | 20.0 | 14.7 | 25.1 | 40.3 | 28.0 | 30.2 | 24.1 | 20.0 |
| Cash P/E | 16.2 | 12.7 | 19.0 | 26.2 | 19.4 | 20.3 | 17.3 | 14.6 |
| P/BV | 5.2 | 3.4 | 3.3 | 4.0 | 3.6 | 3.3 | 3.0 | 2.6 |
| EV/Sales | 4.5 | 3.5 | 3.7 | 3.5 | 3.1 | 3.0 | 2.8 | 2.5 |
| EV/EBITDA | 16.9 | 12.3 | 19.7 | 23.9 | 20.7 | 19.9 | 16.4 | 13.8 |
| Dividend Yield (%) | 1.1 | 1.2 | 1.2 | 0.5 | 0.6 | 0.6 | 0.6 | 0.6 |
| **Return Ratios (%)** | | | | | | | | |
| RoE | 30.1 | 29.7 | 13.9 | 8.3 | 13.5 | 11.5 | 12.9 | 13.9 |
| RoCE | 19.7 | 21.6 | 12.1 | 10.4 | 12.9 | 10.9 | 11.9 | 12.8 |
| RoIC | 34.6 | 38.0 | 20.6 | 14.7 | 14.5 | 12.1 | 12.8 | 13.7 |
| **Working Capital Ratios** | | | | | | | | |
| Asset Turnover (x) | 0.9 | 1.0 | 0.9 | 1.1 | 1.2 | 1.0 | 1.0 | 1.0 |
| Inventory (Days) | 94 | 101 | 111 | 95 | 96 | 125 | 131 | 123 |
| Debtor (Days) | 69 | 24 | 56 | 68 | 60 | 77 | 74 | 71 |
| Creditor (Days) | 50 | 45 | 49 | 44 | 43 | 48 | 43 | 45 |
| **Leverage Ratio (x)** | | | | | | | | |
| Net Debt/Equity | 0.5 | 0.0 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 |

| Consolidated - Cash Flow Statement | | | | | | | | (INRm) |
|---|---|---|---|---|---|---|---|---|
| **Y/E March** | **FY20** | **FY21** | **FY22** | **FY23** | **FY24** | **FY25** | **FY26E** | **FY27E** |
| Net Profit / (Loss) Before Tax | 9,998 | 13,681 | 6,201 | 3,546 | 6,318 | 7,072 | 9,017 | 10,686 |
| Depreciation | 1,573 | 1,835 | 2,868 | 2,754 | 2,727 | 2,786 | 2,832 | 3,217 |
| Interest & Finance Charges | 272 | 160 | 131 | 502 | 562 | 788 | 410 | 350 |
| Direct Taxes Paid | 2,361 | 2,454 | 1,234 | 607 | 199 | 714 | 2,074 | 2,458 |
| (Inc)/Dec in WC | -5,844 | 2,395 | -3,673 | -576 | -957 | -9,214 | -3,785 | -65 |
| **CF from Operations** | **3,638** | **15,617** | **4,292** | **5,619** | **8,452** | **718** | **6,399** | **11,730** |
| Others | 853 | -983 | 1,231 | 1,620 | -819 | 383 | 0 | 0 |
| **CF from Operating incl EO** | **4,491** | **14,634** | **5,524** | **7,239** | **7,633** | **1,101** | **6,399** | **11,730** |
| (inc)/dec in FA | -6,726 | -6,592 | -4,243 | -4,434 | -3,159 | -5,539 | -5,000 | -6,000 |
| **Free Cash Flow** | **-2,235** | **8,041** | **1,281** | **2,805** | **4,474** | **-4,437** | **1,399** | **5,730** |
| (Pur)/Sale of Investments | 23 | -1,796 | 523 | -64 | -63 | 55 | 0 | 0 |
| Others | -613 | 0 | 17 | 22 | 32 | -146 | 540 | 550 |
| **CF from Investments** | **-7,316** | **-8,388** | **-3,702** | **-4,476** | **-3,190** | **-5,629** | **-4,460** | **-5,450** |
| Issue of Shares | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (Inc)/Dec in Debt | 5,919 | -12,398 | 1,300 | -172 | -2,312 | 7,385 | -98 | -98 |
| Interest Paid | -1,111 | 6,611 | -519 | -497 | -494 | -786 | -950 | -900 |
| Dividend Paid | -3,260 | 0 | -2,752 | -1,966 | -1,573 | -2,162 | -1,183 | -1,183 |
| **CF from Fin. Activity** | **1,576** | **-5,994** | **-2,186** | **-2,635** | **-4,379** | **4,437** | **-2,231** | **-2,181** |
| **Inc/Dec of Cash** | **-1,249** | **252** | **-364** | **129** | **64** | **-91** | **-291** | **4,099** |
| Add: Beginning Balance | 2,055 | 807 | 1,059 | 694 | 823 | 1,266 | 901 | 609 |
| **Closing Balance** | **807** | **1,058** | **694** | **823** | **887** | **1,175** | **609** | **4,708** |
| **Total Cash and Cash Eq** | **807** | **1,059** | **694** | **823** | **1,266** | **901** | **609** | **4,708** |

# NOTES

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

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

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