

# Plastic Pipes

## Sector Basket

ASTRA\*

SI\*

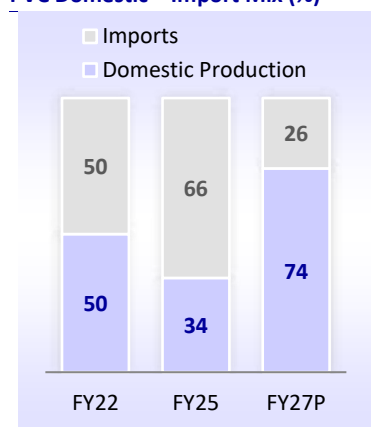
PRINCPIP\*

FNXP

APOLP

\*Coverage Companies

## PVC Domestic – Import Mix (%)



Source: Industry, MOSFSL

## ADD (USD/MT)

Country	Provisional	Final
China	Up to 167	Up to 232
Indonesia	Up to 200	Up to 204
Japan	Up to 147	Up to 148
Korea	Up to 161	Up to 169
Taiwan	Up to 163	Up to 205
Thailand	Up to 184	Up to 193
USA	Up to 339	Up to 284

Source: DGTR, MOSFSL

## PVC pipes sector set for rebound as key triggers align

After a challenging FY25 and a subdued start to FY26, the domestic pipes sector appears to be at the cusp of recovery. With DGTR's recommendation on implementing Anti-Dumping Duty (ADD) and PVC prices stabilizing at bottom levels, a gradual price uptick is expected. Coupled with an improving demand environment, these factors are set to drive a gradual rebound from 2QFY26 onwards.

- Despite a weak 1QFY26, companies remain confident of delivering double-digit volume growth for the year, backed by a strong recovery in Jul-Aug'25, stable PVC prices, expected ADD-led support, and an improving demand outlook.
- DGTR has recommended ADD on key exporters from seven countries, including China and the US, which account for a large share of India's imports. With domestic PVC capacity at 1.8mMT vs demand of ~4.7mMT, India remains structurally deficit; however, planned expansions of ~2.5mMT by CY27 from major conglomerates are set to gradually substitute imports. Pipe manufacturers will be key beneficiaries, as this shift will enhance supply reliability, reduce raw material volatility, lower working capital requirements, and safeguard margins.
- The PVC pipes sector posted a 3% YoY revenue decline to INR58.7b in 1QFY26, driven by 8% lower realizations despite 3% volume growth. Aggregate EBITDA fell 27% YoY to INR6.6b, blended EBIT/kg dropped 41% YoY to INR9, with heavy inventory losses (SI: INR500-600m, ASTRA: INR350m, PRINCPIP: INR150-200m). Management of our coverage companies expects this to be the last quarter of such losses.
- We expect the PVC pipes industry to see a gradual recovery from 2QFY26 (on a low base), with a further pickup in momentum from 2HFY26. Hence, we reiterate our BUY rating on SI (TP: INR5,350), ASTRA (TP: 1,650), and PRINCPIP (TP: INR440).

## Outlook turns positive with an improving demand scenario and stabilizing PVC prices

- 1QFY26 remained difficult, weighed down by weak macro conditions, muted demand, and fluctuations in raw material prices. However, management commentary indicates that **growth momentum is likely to return from 2QFY26**.
- PVC resin prices appear to have bottomed out (at ~USD700/MT), and their expected stability should enhance distributor confidence, limit inventory-related setbacks, and support a progressive margin recovery.
- Industry outlook signals a gradual recovery, with companies anticipating demand improvement aided by stronger government infrastructure initiatives and momentum in the housing sector. **Most companies reported a healthy pickup in volumes in Jul'25, with similar momentum observed in Aug'25. This indicates a healthy end to FY26.**
- Hence, all our coverage companies have retained their FY26 guidance despite a weak performance in 1QFY26.
- With PVC prices having bottomed out, emerging positives such as the favorable DGTR order on Anti-Dumping Duty (ADD) for PVC Suspension Resins (PVC-S) are expected to support price recovery. This, in turn, should encourage channel restocking, as current inventory levels remain low.

- The DGTR has issued its final findings on the investigation into the dumping of PVC-S in India. It concluded that dumping has adversely impacted the domestic industry and has recommended the imposition of ADD for five years on select exporters from seven countries – China PR, Indonesia, Japan, Korea, Taiwan, Thailand, and the US.
- Notably, the government had already imposed provisional duties in Nov'24 following the preliminary findings. In the final notification, the duty rates have been revised slightly compared to the provisional levels (*refer to Exhibit 1 for detailed rates*).

### ADD and domestic capacity additions to improve supply chain and margins

- India's demand for PVC resin witnessed a 6.2% CAGR over FY20-25, reaching ~4.7MMT in FY25. Of this, major supply came in from imports (CAGR ~28% over FY22-25), while domestic production has remained stagnant at ~1.5MMT for the last few years. Out of India's total demand for PVC, ~95% pertains to Suspension PVC resin (used in pipes and fittings), and the balance ~5% pertains to Paste PVC resin.
- According to Care ratings, India's PVC demand is expected to post ~8% CAGR over FY25-27, reaching ~5.5MMT, with major contribution expected from domestic producers. India anticipates a huge capacity addition over the next two to three years, i.e. ~2.5MMT by CY27. Of this, two major conglomerates, Reliance Industries (~1.2MTPA in CY26) and Adani group (~1MTPA by CY28), are contributing the most.
- With the recent findings of DGTR on implementing ADD on PVC-S and capacity expansion plans, this will significantly reduce imports. According to CARE, imports are expected to almost halve to ~1.4MMT in FY27 vs ~3MMT in FY25.
- Domestic PVC-S availability will **structurally improve supply reliability, reduce raw-material volatility, lower working capital needs, and protect margins**. **Non-integrated pipe companies (ASTRA, SI, PRINCEPI, APOLP)** are likely to be the **biggest beneficiaries**, while integrated players (FNXP, RIL-affiliated pipe makers) will gain more from **industry stability** and downstream demand expansion.

### Weak demand environment and volatile pricing hurt operating performance

- For the pipes sector discussion, we have included key pipe companies such as SI, ASTRA, and PRINCEPI from our coverage, along with FNXP and APOLP.
- The PVC pipes sector's 1QFY26 revenue declined 3% YoY to INR58.7b due to an 8% YoY drop in realizations and muted demand (3% YoY pipes volume growth). SI led with 6% YoY volume growth, PRINCEPI/FNXP grew 4%/2%, while ASTRA remained flat. APOLP reported a decline of 5%.
- Revenue declined the most for APOLP (-11% YoY), followed by FNXP (9%), PRINCEPI (-4% YoY), ASTRA (-2%), and SI (-1%). For our coverage universe, we expect an aggregate revenue growth of ~11% in FY26 (implying 15% YoY growth in 9MFY26) and a CAGR of 14% over FY25-28.
- EBITDA for the pipes sector fell 27% YoY to INR6.6b (down 32% QoQ due to seasonality). FNXP saw the steepest EBITDA decline (-55% YoY), followed by PRINCEPI (-32%), APOLP (-29%), SI (-18%), and ASTRA (-14%).

- Blended EBIT/kg dropped 41% YoY to INR9, with PRINCPIP seeing the sharpest decline (-74% YoY to INR2). Our coverage blended EBIT/kg declined 37% YoY to INR11.
- Heavy inventory losses from PVC volatility – SI: INR500–600m, ASTRA: INR350m, and PRINCPIP: INR150–200m. FNXP reported no inventory losses, supported by effective inventory management, while APOLP has not indicated any inventory losses in 1Q. **Management of our coverage companies expects this to be the last quarter of such losses** as PVC prices stabilize, with margins projected to expand going forward.

### Key commentary from companies

- SI has guided for a strong demand recovery from 2QFY26 onwards, supported by channel restocking as inventories normalize by Sep'25. For FY26, **the company expects total volume growth of 14-15%, led by plastic piping systems at a higher 15-17%, with EBITDA margin in the 14.5–15.5% range** and effective capacity utilization improving to 65-70% by year-end. Capex outlay is projected at ~INR13.5b in FY26, including INR3.1b for the Wavin acquisition, with the remainder directed toward capacity additions across verticals to drive product diversification. The company targets expanding plastic piping capacity to 1MMTPA by Mar'26 and is setting up a 5KMT window profile line in Kanpur. **Outlook is expected to turn positive, with industry growth pegged at 9-10%**, supported by rural demand recovery and steady momentum in urban housing, infrastructure, and real estate. Supply-side volatility has eased with PVC prices stabilizing, though risks persist from delayed government payments and the outcome of ADD on PVC imports (*this risk has been neutralized by the government's final finding on imports*).
- **ASTRA:** Astral reported flat volumes in 1QFY26 due to weak demand, early monsoon, lower government spending, and an inventory loss of INR350m. However, from Jul'25, volumes improved sharply (+30% YoY), and **management expects lower double-digit volume growth for FY26**, with potential upside if ADD/BIS measures spur channel restocking. For the piping business, the EBITDA margin is guided at 16-18%. To strengthen integration, Astral is acquiring 80% in Nexelon Chem to set up a 40,000 MT CPVC resin plant (INR1.5b capex) by 2QFY27 using in-house technology, making it the lowest-cost capacity in the industry for captive use, thereby boosting CPVC pipe margins (25-30%), freeing working capital, and supporting market share gains. The adhesives business remains on track, with India guiding for 15-16% revenue growth and 14-16% margins, while the UK business is undergoing a turnaround supported by the addition of senior leadership. Paints are expected to deliver INR2.4b revenue in FY26, marking a 20% growth.
- **PRINCPIP** has guided for a demand recovery from 2QFY26, supported by strong volumes in Jul'25, with **margins expected to improve sequentially and reach ~12% by 4Q**. The bathware segment is projected to generate INR500-600m in revenue, with break-even targeted by mid-FY27. On capex, PRINCPIP incurred INR750m in 1Q and plans to invest INR1.6-1.7b over the next nine months, focused on capacity addition at Begusarai (Bihar), expansion in bathware (Aquel), and maintenance. The Begusarai plant, with a total capacity of 60KTPA, is expected to ramp up utilization from 2HFY26 and be fully operational by

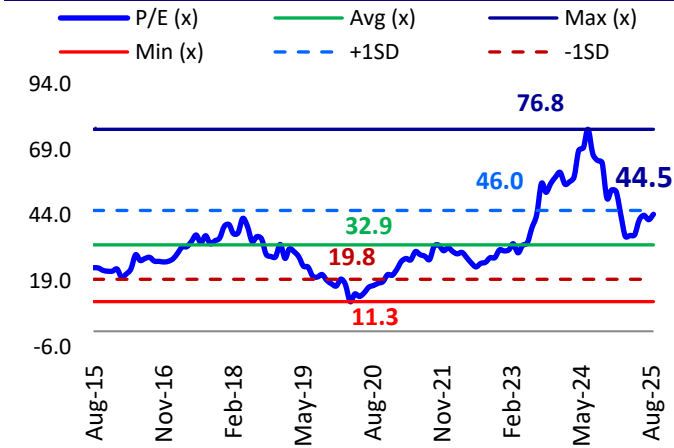
Sep'25. On the branding front, PRINCIP has partnered with Indian Railways to showcase its brand across Vande Bharat and other premium trains, significantly boosting visibility and customer engagement, while also strengthening its distribution network and expanding the product portfolio.

- **APOLP:** CPVC currently contributes ~15% of volumes, with management expecting this share to rise above 20% within 1-2 years. In Jul'25, the company entered a co-marketing agreement with a leading CPVC resin supplier—already approved by major real estate developers and projects. Early signs point to high double-digit CPVC sales growth post-agreement. Installed capacity is targeted to reach 286,000 TPA over the next two years (vs. ~230,000 TPA currently). For FY26, **management guides for double-digit volume growth** (low-to-mid double digit, with potential upside if demand strengthens in 2Q). In the near term, 2Q is expected to improve vs 1Q, as monsoons recede and construction activity resumes. Government infrastructure spending remains a key swing factor, with management optimistic about a pick-up in 2HFY26.
- **FNXP:** The quarter was impacted by the early onset of monsoon from late May, with subdued demand in June. However, management highlighted a recovery in July with high single-digit volume growth despite ongoing rains. **The company expects at least high single-digit and potentially double-digit volume growth for FY26.** Inventory was managed effectively, avoiding significant losses in 1Q, though channel inventory remained low as stocking typically follows anticipated price hikes. Management expects channel restocking to pick up post-monsoon, especially if ADD is imposed (**which is a possibility now**), which could trigger a domestic price increase of INR3-6/kg and temporarily boost stocking. Meanwhile, BIS implementation has been deferred to December.

#### Valuation and view

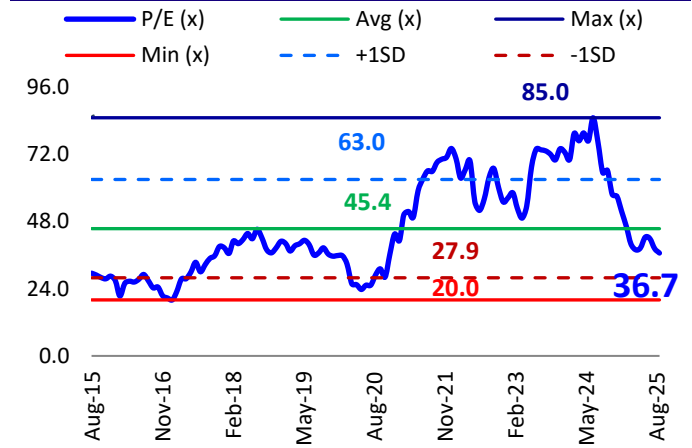
- Though 1QFY26 was weighed down by weak macros, muted demand, and inventory losses from PVC volatility, we expect the PVC pipes industry to see a gradual recovery from 2QFY26 (on a low base), with a further pickup in momentum from 2HFY26. This will be supported by improving PVC prices (with the implementation of ADD), leading to channel restocking, a pickup in government infrastructure push, and improving housing demand.
- Additionally, companies across the sector are signaling a healthy recovery in volumes from Jul-Aug'25 and **retaining their FY26 guidance with double-digit volume growth.**
- We reiterate our **BUY** rating on **SI** (TP: INR5,350), **ASTRA** (TP: 1,650), and **PRINCIP** (TP: INR440).

**Exhibit 1: SI: One-year forward P/E (x)**



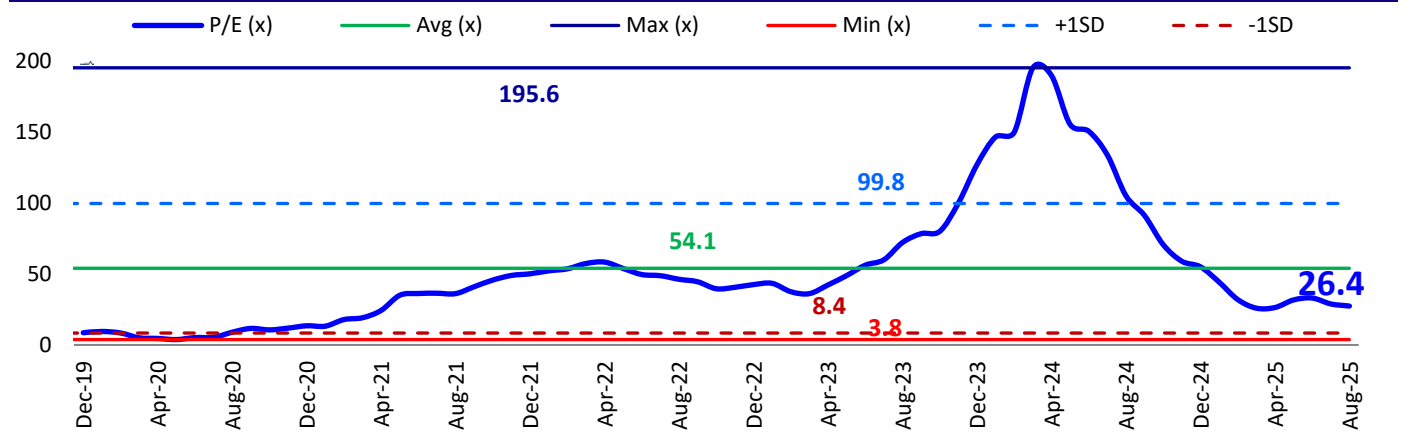
Source: MOFSL

**Exhibit 2: ASTRA: One-year forward P/E (x)**



Source: MOFSL

**Exhibit 3: PRINCP: One-year forward P/E (x)**



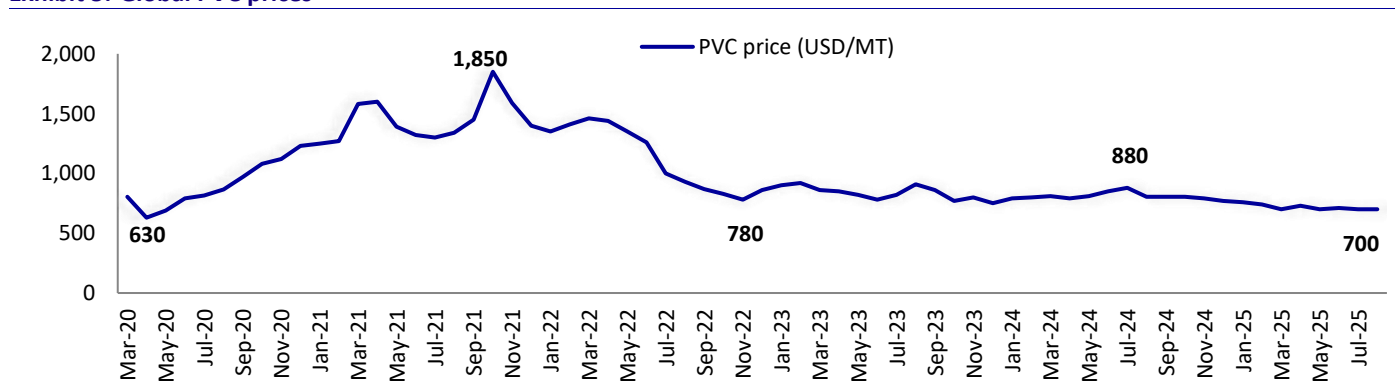
Source: Companies, MOFSL

**Exhibit 4: PVC-S ADD rates on key exporters across seven countries**

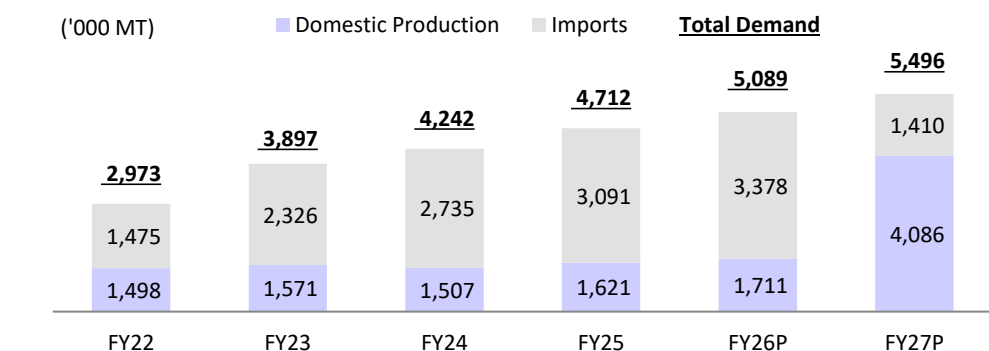
Country of Origin	Producer/Category	Provisional Rate (USD/MT)	Final rate (USD/MT)
China PR	Chiping Xinfu Polyvinyl Chloride Co., Ltd.	125	177
	Chiping Xinfu Huaxing Chemical Co., Ltd.	125	177
	Tianjin Bohua Chemical Development Co., Ltd.	82	122
	Qingdao Haiwan Chemical Co., Ltd.	92	134
	Non-Sampled Cooperative Producers	97	140
	Any producer other than SI. No. 1 to 5	167	232
	Any country other than subject countries	167	232
Indonesia	PT. Asahimas Chemical	73	55
	PT. TPC Indo Plastic and Chemicals	61	57
	Any producer other than SI. No. 8 and 9	200	204
	Any country other than subject countries	200	204
Japan	Kaneka Corporation	54	49
	Shin-Etsu Chemical Co., Ltd.	73	68
	Taiyo Vinyl Corporation	NA	87
	Non-Sampled Cooperative producers	66	66
	Any producer, other than at S. No. 12 to 15	147	148
	Any country other than subject countries	147	148
Korea RP	LG Chem, Ltd.	51	46
	Any producer, other than at S. No. 18 and 19	161	169
	Any country other than subject countries	161	169
Taiwan	China General Plastics Corporation	25	22
	CGPC Polymer Corporation	25	22
	Ocean Plastics Co., Ltd.	40	57
	Formosa Plastics Corporation	74	47
	Any producer, other than S. No. 22 to 25	163	205
	Any country other than subject countries	163	205
Thailand	Thai Plastics and Chemicals Plc.	53	60
	AGC Vinythai Public Company Limited	80	78
	Any producer, other than S. No. 28 and 29	184	193
	Any country other than subject countries	184	193
US	Westlake Chemicals & Vinyls LLC	164	118
	Shintech Incorporated	104	72
	Shintech Louisiana L.L.C	NA	72
	Oxy Vinyls, L.P.	NA	174
	Any producer, other than S. No. 32 to 37	339	284
	Any country other than subject countries	339	284

Source: DGTR, MOFSL

**Exhibit 5: Global PVC prices**



Source: Bloomberg, MOFSL

**Exhibit 6: PVC-S demand–supply dynamics**


Source: CARE Ratings, MOFSL

**Exhibit 7: Aggregate pipes volume trend**

(MT)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	Change YoY	Change QoQ
ASTRA	47,950	52,079	52,734	66,827	55,810	54,415	49,173	67,692	56,074	0%	-17%
SI	1,17,274	1,02,929	1,22,003	1,58,795	1,40,153	1,02,238	1,26,515	1,62,227	1,48,768	6%	-8%
PRINCP	37,155	41,529	42,665	51,444	42,180	43,301	41,267	50,454	43,735	4%	-13%
FNXP	92,181	62,914	81,312	1,00,171	90,620	69,341	85,767	1,02,253	92,129	2%	-10%
APOLP	21,219	19,803	18,868	21,345	26,562	20,165	26,987	25,991	25,315	-5%	-3%
Aggregate coverage	2,02,379	1,96,537	2,17,402	2,77,066	2,38,143	1,99,954	2,16,955	2,80,373	2,48,577	4%	-11%
Aggregate	3,15,779	2,79,254	3,17,582	3,98,582	3,55,325	2,89,460	3,29,709	4,08,617	3,66,021	3%	-10%

Source: MOFSL

**Exhibit 8: Aggregate revenue performance**

(INR m)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	Change YoY	Change QoQ
ASTRA	12,831	13,630	13,702	16,251	13,836	13,704	13,970	16,814	13,612	-2%	-19%
SI	23,686	23,087	24,491	30,079	26,364	22,730	25,099	30,271	26,092	-1%	-14%
PRINCP	5,536	6,565	6,186	7,401	6,045	6,221	5,777	7,197	5,804	-4%	-19%
FNXP	11,792	8,832	10,197	12,354	11,405	8,280	10,010	11,718	10,432	-9%	-11%
APOLP	2,603	2,495	2,216	2,458	3,085	2,504	3,079	3,148	2,750	-11%	-13%
Aggregate coverage	42,052	43,281	44,379	53,731	46,244	42,654	44,846	54,281	45,508	-2%	-16%
Aggregate	56,447	54,607	56,792	68,543	60,734	53,439	57,935	69,147	58,690	-3%	-15%

Source: MOFSL

**Exhibit 9: Pipes realization trend**

(INR/kg)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	Change YoY	Change QoQ
ASTRA	196	188	189	183	182	178	201	181	170	-6%	-6%
SI	139	147	135	136	133	141	132	128	121	-9%	-6%
PRINCP	149	158	145	144	143	144	140	143	133	-7%	-7%
FNXP	125	136	122	118	124	118	116	114	113	-9%	-1%
APOLP	123	126	117	115	116	124	114	121	109	-6%	-10%
Aggregate coverage	154	160	150	149	146	151	149	143	134	-8%	-7%
Aggregate	144	152	141	139	138	142	138	135	127	-8%	-6%

Source: MOFSL



**Exhibit 10: Aggregate EBITDA trend**

(INR m)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	Change YoY	Change QoQ
ASTRA	2,016	2,201	2,051	2,915	2,144	2,101	2,195	3,019	1,849	-14%	-39%
SI	3,216	3,562	3,788	4,907	3,873	3,192	3,088	4,163	3,189	-18%	-23%
PRINCPPIP	453	942	757	923	583	457	30	548	396	-32%	-28%
FNXP	1,525	1,030	1,199	2,089	2,067	110	830	1,713	936	-55%	-45%
APOLP	262	241	201	249	290	194	233	240	207	-29%	-14%
<b>Aggregate coverage</b>	<b>5,685</b>	<b>6,705</b>	<b>6,596</b>	<b>8,744</b>	<b>6,600</b>	<b>5,750</b>	<b>5,313</b>	<b>7,730</b>	<b>5,433</b>	<b>-18%</b>	<b>-30%</b>
<b>Aggregate</b>	<b>7,471</b>	<b>7,976</b>	<b>7,996</b>	<b>11,083</b>	<b>8,956</b>	<b>6,054</b>	<b>6,376</b>	<b>9,683</b>	<b>6,576</b>	<b>-27%</b>	<b>-32%</b>

Source: MOFSL

**Exhibit 11: EBITDA margins trend**

% of Sales	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	Change YoY	Change QoQ
ASTRA	15.7%	16.1%	15.0%	17.9%	15.5%	15.3%	15.7%	18.0%	13.6%	-175	-437
SI	13.6%	15.4%	15.5%	16.3%	14.7%	14.0%	12.3%	13.8%	12.2%	-182	-153
PRINCPPIP	8.2%	14.3%	12.2%	12.5%	9.6%	7.3%	0.5%	7.6%	6.8%	-53	-80
FNXP	12.9%	11.7%	11.8%	16.9%	18.1%	1.3%	8.3%	14.6%	9.0%	764	-564
APOLP	10.1%	9.7%	9.1%	10.1%	9.4%	7.7%	7.6%	7.6%	7.5%	-23	-12
<b>Aggregate coverage</b>	<b>13.5%</b>	<b>15.5%</b>	<b>14.9%</b>	<b>16.3%</b>	<b>14.3%</b>	<b>13.5%</b>	<b>11.8%</b>	<b>14.2%</b>	<b>11.9%</b>	<b>-154</b>	<b>-230</b>
<b>Aggregate</b>	<b>13.2%</b>	<b>14.6%</b>	<b>14.1%</b>	<b>16.2%</b>	<b>14.7%</b>	<b>11.3%</b>	<b>11.0%</b>	<b>14.0%</b>	<b>11.2%</b>	<b>-12</b>	<b>-280</b>

Source: Company, MOFSL

**Exhibit 12: Pipes EBIT/kg trend**

(INR/Kg)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	Change YoY	Change QoQ
ASTRA	26	27	24	31	25	24	29	30	18	-30%	-40%
SI	17	19	17	18	17	15	11	13	11	-36%	-21%
PRINCPPIP	6	17	12	13	8	4	-6	5	2	-74%	-63%
FNXP	14	11	9	13	15	-6	4	11	7	-51%	-31%
APOLP	9	9	7	8	7	4	4	5	3	-53%	-25%
<b>Aggregate coverage</b>	<b>17</b>	<b>21</b>	<b>18</b>	<b>21</b>	<b>17</b>	<b>15</b>	<b>12</b>	<b>16</b>	<b>11</b>	<b>-37%</b>	<b>-33%</b>
<b>Aggregate</b>	<b>16</b>	<b>18</b>	<b>15</b>	<b>18</b>	<b>16</b>	<b>9</b>	<b>9</b>	<b>14</b>	<b>9</b>	<b>-41%</b>	<b>-32%</b>

Source: Company, MOFSL

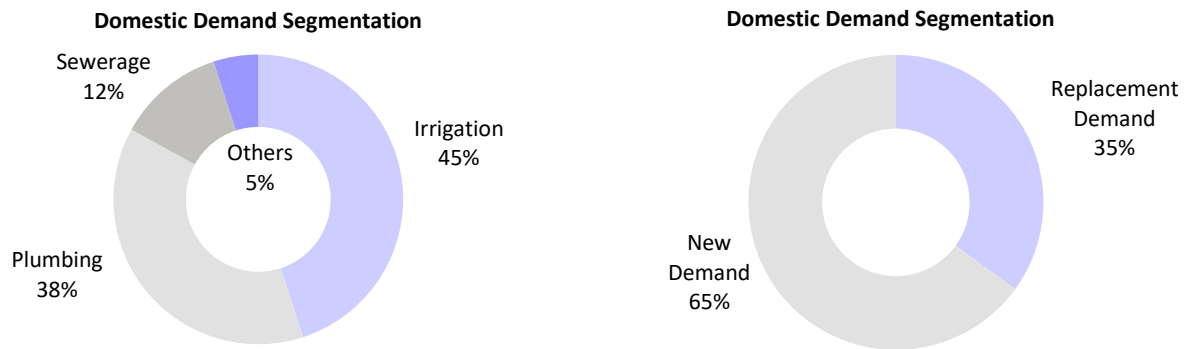
**Exhibit 13: Adj. PAT trend**

(INR m)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	Change YoY	Change QoQ
ASTRA	1,198	1,312	1,135	1,816	1,204	1,100	1,141	1,793	811	-33%	-55%
SI	2,155	2,432	2,562	3,548	2,734	2,066	1,870	2,939	2,023	-26%	-31%
PRINCPPIP	196	527	376	546	247	147	-204	242	48	-80%	-80%
FNXP	1,153	991	954	1,649	1,776	407	940	1,646	982	-45%	-40%
APOLP	139	129	91	65	125	42	62	98	81	-35%	-17%
<b>Aggregate coverage</b>	<b>3,550</b>	<b>4,271</b>	<b>4,073</b>	<b>5,911</b>	<b>4,184</b>	<b>3,313</b>	<b>2,806</b>	<b>4,974</b>	<b>2,882</b>	<b>-31%</b>	<b>-42%</b>
<b>Aggregate</b>	<b>4,842</b>	<b>5,391</b>	<b>5,118</b>	<b>7,625</b>	<b>6,085</b>	<b>3,762</b>	<b>3,809</b>	<b>6,718</b>	<b>3,945</b>	<b>-35%</b>	<b>-41%</b>

Source: Company, MOFSL

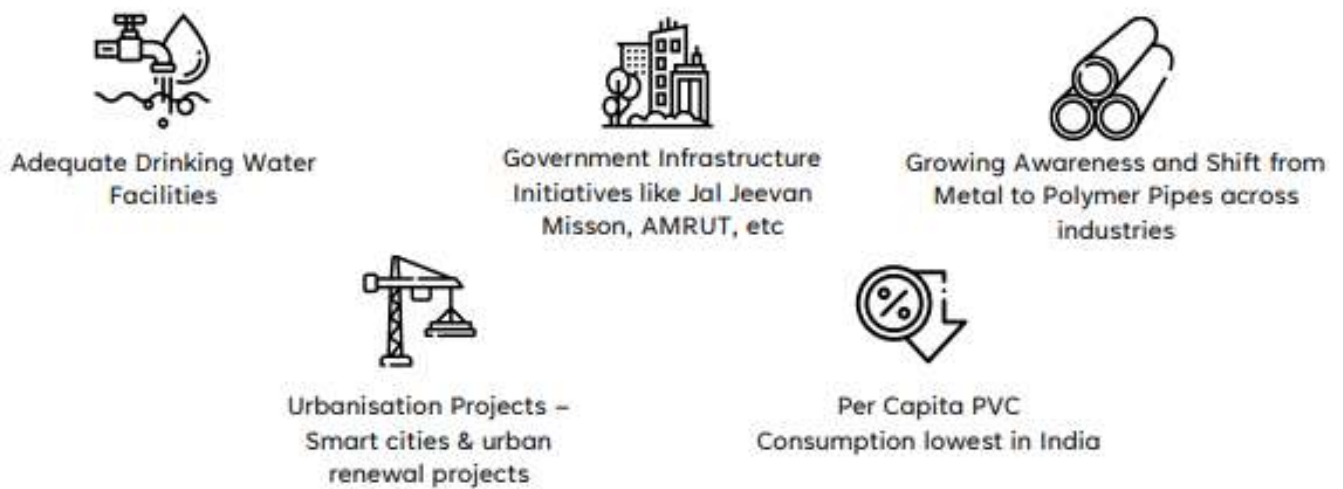


**Exhibit 14: Domestic demand mix**



Source: Company, MOFSL

**Exhibit 15: Industry key growth drivers**



Source: MOFSL

## SI – Financials & Valuations

### Consolidated - Income Statement

(INRm)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Total Income from Operations</b>	<b>55,115</b>	<b>63,552</b>	<b>77,728</b>	<b>92,016</b>	<b>1,01,343</b>	<b>1,04,463</b>	<b>1,14,647</b>	<b>1,35,538</b>	<b>1,52,467</b>
Change (%)	-1.8	15.3	22.3	18.4	10.1	3.1	9.7	18.2	12.5
Raw Materials	35,783	40,427	53,532	65,992	68,584	71,465	76,676	86,965	94,859
Gross Profit	19,333	23,125	24,197	26,024	32,759	32,998	37,971	48,573	57,608
Margin (%)	35	36	31	28	32	32	33	36	38
Employees Cost	2,790	3,104	3,453	3,748	4,422	4,873	5,454	6,438	7,309
Power and Fuel Cost	2,161	1,986	2,134	2,667	3,288	3,425	2,920	3,413	3,837
Other Expenses	6,036	5,194	6,188	7,613	9,576	10,384	13,499	16,650	20,380
<b>Total Expenditure</b>	<b>46,770</b>	<b>50,710</b>	<b>65,307</b>	<b>80,019</b>	<b>85,869</b>	<b>90,146</b>	<b>98,548</b>	<b>1,13,466</b>	<b>1,26,385</b>
% of Sales	84.9	79.8	84.0	87.0	84.7	86.3	86.0	83.7	82.9
<b>EBITDA</b>	<b>8,346</b>	<b>12,842</b>	<b>12,421</b>	<b>11,997</b>	<b>15,473</b>	<b>14,317</b>	<b>16,098</b>	<b>22,071</b>	<b>26,082</b>
Margin (%)	15.1	20.2	16.0	13.0	15.3	13.7	14.0	16.3	17.1
Depreciation	2,057	2,128	2,295	2,634	2,984	3,586	4,096	4,689	4,999
<b>EBIT</b>	<b>6,289</b>	<b>10,714</b>	<b>10,126</b>	<b>9,363</b>	<b>12,490</b>	<b>10,730</b>	<b>12,002</b>	<b>17,383</b>	<b>21,083</b>
Int. and Finance Charges	202	221	52	80	161	119	118	130	130
Other Income	14	169	200	298	657	578	922	1,084	1,220
<b>PBT bef. EO Exp.</b>	<b>6,101</b>	<b>10,662</b>	<b>10,274</b>	<b>9,580</b>	<b>12,985</b>	<b>11,190</b>	<b>12,807</b>	<b>18,337</b>	<b>22,173</b>
EO Items	0	0	0	0	0	0	0	0	0
<b>PBT after EO Exp.</b>	<b>6,101</b>	<b>10,662</b>	<b>10,274</b>	<b>9,580</b>	<b>12,985</b>	<b>11,190</b>	<b>12,807</b>	<b>18,337</b>	<b>22,173</b>
Total Tax	1,739	2,341	2,633	2,460	3,357	2,782	3,252	4,615	5,581
Tax Rate (%)	28.5	22.0	25.6	25.7	25.8	24.9	25.4	25.2	25.2
Share of Profit/loss of Associate	312	1,460	2,044	1,533	1,069	1,201	1,246	1,473	1,657
<b>Reported PAT</b>	<b>4,674</b>	<b>9,781</b>	<b>9,684</b>	<b>8,653</b>	<b>10,697</b>	<b>9,609</b>	<b>10,801</b>	<b>15,194</b>	<b>18,249</b>
<b>Adjusted PAT</b>	<b>4,674</b>	<b>9,781</b>	<b>9,684</b>	<b>8,653</b>	<b>10,697</b>	<b>9,609</b>	<b>10,801</b>	<b>15,194</b>	<b>18,249</b>
Change (%)	15.8	109.3	-1.0	-10.6	23.6	-10.2	12.4	40.7	20.1
Margin (%)	8.5	15.4	12.5	9.4	10.6	9.2	9.4	11.2	12.0

### Consolidated - Balance Sheet

(INRm)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	254	254	254	254	254	254	254	254	254
Total Reserves	22,358	31,438	38,190	43,767	50,834	56,350	62,831	73,706	87,635
<b>Net Worth</b>	<b>22,612</b>	<b>31,692</b>	<b>38,444</b>	<b>44,021</b>	<b>51,088</b>	<b>56,604</b>	<b>63,086</b>	<b>73,960</b>	<b>87,889</b>
Total Loans	4,113	10	0	0	0	0	0	0	0
Deferred Tax Liabilities	1,326	919	904	908	960	875	875	875	875
<b>Capital Employed</b>	<b>28,050</b>	<b>32,621</b>	<b>39,348</b>	<b>44,929</b>	<b>52,048</b>	<b>57,479</b>	<b>63,960</b>	<b>74,835</b>	<b>88,764</b>
Gross Block	32,196	35,303	38,013	43,580	49,072	55,800	69,858	76,669	82,032
Less: Accum. Deprn.	16,704	18,832	21,127	23,761	26,745	30,331	34,427	39,116	44,115
<b>Net Fixed Assets</b>	<b>15,492</b>	<b>16,471</b>	<b>16,886</b>	<b>19,819</b>	<b>22,327</b>	<b>25,469</b>	<b>35,431</b>	<b>37,553</b>	<b>37,917</b>
Capital WIP	929	510	1,558	837	1,437	4,072	3,514	1,703	1,341
<b>Total Investments</b>	<b>2,073</b>	<b>3,366</b>	<b>4,759</b>	<b>5,774</b>	<b>6,381</b>	<b>7,196</b>	<b>7,196</b>	<b>7,196</b>	<b>7,196</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>17,692</b>	<b>22,476</b>	<b>26,757</b>	<b>30,513</b>	<b>35,369</b>	<b>34,898</b>	<b>33,216</b>	<b>46,593</b>	<b>62,801</b>
Inventory	8,906	7,608	12,602	13,856	13,586	13,337	14,763	17,453	19,633
Account Receivables	3,128	3,899	4,668	4,924	5,114	5,401	5,786	6,840	7,694
Cash and Bank Balance	2,314	7,684	5,264	7,461	11,873	9,525	5,789	14,846	27,546
Loans and Advances	3,344	3,285	4,223	4,272	4,796	6,636	6,879	7,455	7,928
<b>Curr. Liability &amp; Prov.</b>	<b>8,135</b>	<b>10,202</b>	<b>10,611</b>	<b>12,013</b>	<b>13,509</b>	<b>14,199</b>	<b>15,440</b>	<b>18,253</b>	<b>20,533</b>
Account Payables	5,475	6,462	7,940	9,038	10,156	8,934	10,051	11,883	13,367
Other Current Liabilities	2,347	3,442	2,351	2,627	2,892	4,776	4,815	5,693	6,404
Provisions	313	298	320	349	461	489	573	678	762
<b>Net Current Assets</b>	<b>9,557</b>	<b>12,274</b>	<b>16,146</b>	<b>18,500</b>	<b>21,860</b>	<b>20,699</b>	<b>17,777</b>	<b>28,340</b>	<b>42,268</b>
<b>Appl. of Funds</b>	<b>28,050</b>	<b>32,621</b>	<b>39,348</b>	<b>44,929</b>	<b>52,048</b>	<b>57,479</b>	<b>63,960</b>	<b>74,835</b>	<b>88,764</b>

## SI – Financials & Valuations

### Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Basic (INR)</b>									
<b>EPS</b>	<b>36.8</b>	<b>77.0</b>	<b>76.2</b>	<b>68.1</b>	<b>84.2</b>	<b>75.6</b>	<b>85.0</b>	<b>119.6</b>	<b>143.6</b>
Cash EPS	53.0	93.7	94.3	88.8	107.7	103.9	117.3	156.5	183.0
BV/Share	178.0	249.4	302.6	346.5	402.1	445.5	496.5	582.1	691.8
DPS	14.0	22.0	24.0	26.0	30.0	34.0	34.0	34.0	34.0
Payout (%)	45.9	28.5	31.5	38.2	35.6	45.0	40.0	28.4	23.7
<b>Valuation (x)</b>									
P/E	124.9	59.7	60.3	67.5	54.6	60.8	54.1	38.4	32.0
Cash P/E	86.8	49.0	48.7	51.7	42.7	44.3	39.2	29.4	25.1
P/BV	25.8	18.4	15.2	13.3	11.4	10.3	9.3	7.9	6.6
EV/Sales	10.6	9.1	7.4	6.3	5.6	5.5	5.0	4.2	3.6
EV/EBITDA	70.2	44.9	46.6	48.1	37.0	40.1	35.9	25.8	21.3
Dividend Yield (%)	0.3	0.5	0.5	0.6	0.7	0.7	0.7	0.7	0.7
FCF per share	23.8	76.9	0.3	36.9	68.2	8.9	-11.5	86.2	112.3
<b>Return Ratios (%)</b>									
RoE	21.2	36.0	27.6	21.0	22.5	17.8	18.0	22.2	22.6
RoCE	18.1	29.1	21.9	17.4	20.5	15.8	16.1	20.2	20.6
RoIC	20.6	38.2	30.8	23.7	29.3	23.4	21.3	26.4	30.4
<b>Working Capital Ratios</b>									
Fixed Asset Turnover (x)	1.7	1.8	2.0	2.1	2.1	1.9	1.6	1.8	1.9
Asset Turnover (x)	2.0	1.9	2.0	2.0	1.9	1.8	1.8	1.8	1.7
Inventory (Days)	59	44	59	55	49	47	47	47	47
Debtor (Days)	21	22	22	20	18	19	18	18	18
Creditor (Days)	36	37	37	36	37	31	32	32	32
<b>Leverage Ratio (x)</b>									
Current Ratio	2.2	2.2	2.5	2.5	2.6	2.5	2.2	2.6	3.1
Interest Cover Ratio	31.1	48.6	196.6	116.7	77.5	90.2	102.0	133.7	162.2
Net Debt/Equity	0.0	-0.3	-0.3	-0.3	-0.4	-0.3	-0.2	-0.3	-0.4

### Consolidated - Cash Flow Statement

(INRM)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	6,101	10,662	12,318	11,113	14,054	12,390	12,807	18,337	22,173
Depreciation	2,057	2,128	2,295	2,634	2,984	3,586	4,096	4,689	4,999
Interest & Finance Charges	188	52	51	80	161	119	-804	-954	-1,090
Direct Taxes Paid	-1,739	-2,341	-2,868	-2,375	-3,232	-3,023	-3,252	-4,615	-5,581
(Inc)/Dec in WC	-1,213	1,962	-4,941	-777	1,796	-992	-813	-1,507	-1,228
<b>CF from Operations</b>	<b>5,393</b>	<b>12,463</b>	<b>6,855</b>	<b>10,676</b>	<b>15,763</b>	<b>12,081</b>	<b>12,034</b>	<b>15,949</b>	<b>19,273</b>
Others	0	0	-2,153	-1,772	-1,634	-2,043	0	0	0
<b>CF from Operating incl EO</b>	<b>5,393</b>	<b>12,463</b>	<b>4,703</b>	<b>8,904</b>	<b>14,129</b>	<b>10,037</b>	<b>12,034</b>	<b>15,949</b>	<b>19,273</b>
(Inc)/Dec in FA	-2,368	-2,689	-4,661	-4,218	-5,467	-8,904	-13,500	-5,000	-5,000
<b>Free Cash Flow</b>	<b>3,026</b>	<b>9,775</b>	<b>42</b>	<b>4,686</b>	<b>8,662</b>	<b>1,133</b>	<b>-1,466</b>	<b>10,949</b>	<b>14,273</b>
(Pur)/Sale of Investments	151	-1,293	139	188	298	398	0	0	0
Others	258	2,102	571	589	-731	521	922	1,084	1,220
<b>CF from Investments</b>	<b>-1,959</b>	<b>-1,880</b>	<b>-3,951</b>	<b>-3,442</b>	<b>-5,900</b>	<b>-7,985</b>	<b>-12,578</b>	<b>-3,916</b>	<b>-3,780</b>
Issue of Shares	0	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	2,492	-4,103	-11	0	0	0	0	0	0
Interest Paid	-202	-221	-10	-15	-39	-57	-118	-130	-130
Dividend Paid	-2,147	-2,790	-2,922	-3,049	-3,557	-4,065	-4,320	-4,320	-4,320
Others	-1,637	1,901	-161	-202	-221	-279	1,246	1,473	1,657
<b>CF from Fin. Activity</b>	<b>-1,493</b>	<b>-5,213</b>	<b>-3,103</b>	<b>-3,266</b>	<b>-3,817</b>	<b>-4,400</b>	<b>-3,192</b>	<b>-2,977</b>	<b>-2,793</b>
<b>Inc/Dec of Cash</b>	<b>1,941</b>	<b>5,370</b>	<b>-2,351</b>	<b>2,197</b>	<b>4,412</b>	<b>-2,348</b>	<b>-3,736</b>	<b>9,057</b>	<b>12,700</b>
Opening Balance	373	2,314	7,615	5,264	7,461	11,873	9,525	5,789	14,846
<b>Closing Balance</b>	<b>2,314</b>	<b>7,684</b>	<b>5,264</b>	<b>7,461</b>	<b>11,873</b>	<b>9,525</b>	<b>5,789</b>	<b>14,846</b>	<b>27,546</b>

## ASTRA – Financials & Valuations

Consolidated - Income Statement								(INRm)	
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Total Income from Operations</b>	<b>25,779</b>	<b>31,763</b>	<b>43,940</b>	<b>51,585</b>	<b>56,414</b>	<b>58,324</b>	<b>65,497</b>	<b>77,187</b>	<b>89,469</b>
Change (%)	2.8	23.2	38.3	17.4	9.4	3.4	12.3	17.8	15.9
Total RM Cost	15,957	19,689	29,280	34,347	34,590	35,192	38,755	46,082	53,884
Gross profit	9,822	12,074	14,660	17,238	21,824	23,132	26,742	31,105	35,585
Margin (%)	38.1	38.0	33.4	33.4	38.7	39.7	40.8	40.3	39.8
Employees Cost	1,752	1,910	2,453	3,193	4,384	5,179	5,764	6,175	6,800
Other Expenses	3,641	3,719	4,654	5,946	8,257	8,494	10,362	11,823	13,541
<b>Total Expenditure</b>	<b>21,350</b>	<b>25,318</b>	<b>36,387</b>	<b>43,486</b>	<b>47,231</b>	<b>48,865</b>	<b>54,881</b>	<b>64,080</b>	<b>74,224</b>
% of Sales	82.8	79.7	82.8	84.3	83.7	83.8	83.8	83.0	83.0
<b>EBITDA</b>	<b>4,429</b>	<b>6,445</b>	<b>7,553</b>	<b>8,099</b>	<b>9,183</b>	<b>9,459</b>	<b>10,616</b>	<b>13,107</b>	<b>15,245</b>
Margin (%)	17.2	20.3	17.2	15.7	16.3	16.2	16.2	17.0	17.0
Depreciation	1,079	1,165	1,269	1,781	1,976	2,434	2,963	3,121	3,310
<b>EBIT</b>	<b>3,350</b>	<b>5,280</b>	<b>6,284</b>	<b>6,318</b>	<b>7,207</b>	<b>7,025</b>	<b>7,653</b>	<b>9,986</b>	<b>11,935</b>
Int. and Finance Charges	211	116	129	400	291	413	337	132	132
Other Income	121	251	349	267	421	413	587	691	801
<b>PBT bef. EO Exp.</b>	<b>3,260</b>	<b>5,415</b>	<b>6,504</b>	<b>6,185</b>	<b>7,337</b>	<b>7,025</b>	<b>7,903</b>	<b>10,546</b>	<b>12,605</b>
EO Items	-183	-15	0	-18	0	0	0	0	0
<b>PBT after EO Exp.</b>	<b>3,077</b>	<b>5,400</b>	<b>6,504</b>	<b>6,167</b>	<b>7,337</b>	<b>7,025</b>	<b>7,903</b>	<b>10,546</b>	<b>12,605</b>
Total Tax	565	1,248	1,581	1,557	1,880	1,836	2,017	2,651	3,169
Tax Rate (%)	18.4	23.1	24.3	25.2	25.6	26.1	25.5	25.1	25.1
Minority Interest	33	108	85	44	-4	-49	-63	-73	-84
<b>Reported PAT</b>	<b>2,479</b>	<b>4,044</b>	<b>4,838</b>	<b>4,566</b>	<b>5,461</b>	<b>5,238</b>	<b>5,950</b>	<b>7,967</b>	<b>9,520</b>
<b>Adjusted PAT</b>	<b>2,662</b>	<b>4,059</b>	<b>4,838</b>	<b>4,584</b>	<b>5,461</b>	<b>5,238</b>	<b>5,950</b>	<b>7,967</b>	<b>9,520</b>
Change (%)	31.8	52.5	19.2	-5.3	19.1	-4.1	13.6	33.9	19.5
Margin (%)	10.3	12.8	11.0	8.9	9.7	9.0	9.1	10.3	10.6

Consolidated - Balance Sheet								(INRm)	
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	151	201	201	269	269	269	269	269	269
Total Reserves	14,878	18,757	23,165	26,843	31,612	35,901	40,506	47,128	55,302
<b>Net Worth</b>	<b>15,029</b>	<b>18,958</b>	<b>23,366</b>	<b>27,112</b>	<b>31,881</b>	<b>36,170</b>	<b>40,775</b>	<b>47,397</b>	<b>55,571</b>
Minority Interest	168	212	278	2,477	804	757	757	757	757
Total Loans	1,856	397	851	773	964	1,439	439	439	439
Deferred Tax Liabilities	430	401	401	409	460	551	551	551	551
<b>Capital Employed</b>	<b>17,483</b>	<b>19,968</b>	<b>24,896</b>	<b>30,771</b>	<b>34,109</b>	<b>38,917</b>	<b>42,522</b>	<b>49,144</b>	<b>57,318</b>
Gross Block	14,218	15,769	18,866	24,578	29,979	35,831	38,659	41,364	43,505
Less: Accum. Deprn.	4,627	5,792	7,061	8,842	10,818	13,252	16,215	19,336	22,646
<b>Net Fixed Assets</b>	<b>9,591</b>	<b>9,977</b>	<b>11,805</b>	<b>15,736</b>	<b>19,161</b>	<b>22,579</b>	<b>22,444</b>	<b>22,028</b>	<b>20,859</b>
Goodwill on Consolidation	2,553	2,570	2,567	3,125	3,133	3,146	3,146	3,146	3,146
Capital WIP	444	566	1,232	1,261	1,506	1,160	2,132	1,426	1,285
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>10,303</b>	<b>13,615</b>	<b>18,268</b>	<b>23,609</b>	<b>21,179</b>	<b>23,675</b>	<b>27,948</b>	<b>38,114</b>	<b>50,076</b>
Inventory	5,404	4,721	7,334	8,746	9,134	10,111	10,767	12,688	14,707
Account Receivables	2,278	2,767	2,691	3,545	3,758	4,353	4,486	5,287	6,128
Cash and Bank Balance	1,301	4,760	6,418	6,821	6,096	6,083	8,766	15,507	23,872
Loans and Advances	1,320	1,367	1,825	4,497	2,191	3,128	3,930	4,631	5,368
<b>Curr. Liability &amp; Prov.</b>	<b>5,409</b>	<b>6,760</b>	<b>8,976</b>	<b>12,960</b>	<b>10,870</b>	<b>11,643</b>	<b>13,148</b>	<b>15,571</b>	<b>18,048</b>
Account Payables	4,754	5,172	7,484	8,000	8,719	8,589	9,775	11,595	13,440
Other Current Liabilities	589	1,519	1,457	4,903	2,090	2,944	3,275	3,859	4,473
Provisions	66	69	35	57	61	110	98	116	134
<b>Net Current Assets</b>	<b>4,894</b>	<b>6,855</b>	<b>9,292</b>	<b>10,649</b>	<b>10,309</b>	<b>12,032</b>	<b>14,800</b>	<b>22,543</b>	<b>32,028</b>
<b>Appl. of Funds</b>	<b>17,483</b>	<b>19,968</b>	<b>24,896</b>	<b>30,771</b>	<b>34,109</b>	<b>38,917</b>	<b>42,522</b>	<b>49,144</b>	<b>57,318</b>

## ASTRA – Financials & Valuations

### Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Basic (INR)</b>									
<b>EPS</b>	<b>9.9</b>	<b>15.1</b>	<b>18.0</b>	<b>17.0</b>	<b>20.3</b>	<b>19.5</b>	<b>22.1</b>	<b>29.6</b>	<b>35.4</b>
Cash EPS	13.9	19.4	22.7	23.7	27.6	38.2	44.4	55.2	63.9
BV/Share	55.9	70.5	86.9	100.8	118.5	180.0	203.0	235.9	276.6
DPS	1.0	1.0	2.3	3.5	3.8	3.8	5.0	5.0	5.0
Payout (%)	13.0	6.7	12.5	20.6	18.5	19.3	22.6	16.9	14.1
<b>Valuation (x)</b>									
P/E	138.0	90.5	76.0	80.2	67.3	70.2	61.8	46.1	38.6
Cash P/E	98.2	70.3	60.2	57.7	49.4	35.8	30.8	24.8	21.4
P/BV	24.4	19.4	15.7	13.6	11.5	7.6	6.7	5.8	4.9
EV/Sales	14.3	11.4	8.2	7.0	6.4	6.2	5.5	4.6	3.8
EV/EBITDA	83.1	56.3	47.9	44.6	39.5	38.4	33.8	26.9	22.6
Dividend Yield (%)	0.1	0.1	0.2	0.3	0.3	0.3	0.4	0.4	0.4
FCF per share	7.1	18.3	6.2	9.1	10.0	3.2	17.5	27.7	33.3
<b>Return Ratios (%)</b>									
RoE	19.1	23.9	22.9	18.2	18.5	15.4	15.5	18.1	18.5
RoCE	17.5	23.5	23.0	18.9	18.7	15.6	15.6	18.0	18.4
RoIC	18.1	26.7	29.8	23.7	21.8	17.8	18.0	23.4	27.8
<b>Working Capital Ratios</b>									
Fixed Asset Turnover (x)	1.8	2.0	2.3	2.1	1.9	1.6	1.7	1.9	2.1
Asset Turnover (x)	1.5	1.6	1.8	1.7	1.7	1.5	1.5	1.6	1.6
Inventory (Days)	77	54	61	62	59	63	60	60	60
Debtor (Days)	32	32	22	25	24	27	25	25	25
Creditor (Days)	67	59	62	57	56	54	54	55	55
<b>Leverage Ratio (x)</b>									
Current Ratio	1.9	2.0	2.0	1.8	1.9	2.0	2.1	2.4	2.8
Interest Cover Ratio	15.9	45.5	48.7	15.8	24.8	17.0	22.7	75.8	90.6
Net Debt/Equity	0.0	-0.2	-0.2	-0.2	-0.2	-0.1	-0.2	-0.3	-0.4

### Consolidated - Cash Flow Statement

(InRM)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	3,061	5,330	6,504	6,152	7,336	7,025	7,903	10,546	12,605
Depreciation	1,079	1,165	1,269	1,781	1,976	2,434	2,963	3,121	3,310
Interest & Finance Charges	394	131	-220	400	291	413	-250	-560	-670
Direct Taxes Paid	-815	-1,162	-1,581	-1,654	-1,772	-1,701	-2,017	-2,651	-3,169
(Inc)/Dec in WC	188	1,142	-541	-1,026	500	-1,718	-85	-1,001	-1,119
<b>CF from Operations</b>	<b>3,907</b>	<b>6,606</b>	<b>5,431</b>	<b>5,653</b>	<b>8,331</b>	<b>6,453</b>	<b>8,514</b>	<b>9,454</b>	<b>10,956</b>
Others	147	36	0	-84	-97	-157	0	0	0
<b>CF from Operating incl EO</b>	<b>4,054</b>	<b>6,642</b>	<b>5,431</b>	<b>5,569</b>	<b>8,234</b>	<b>6,296</b>	<b>8,514</b>	<b>9,454</b>	<b>10,956</b>
(Inc)/Dec in FA	-2,133	-1,711	-3,760	-3,110	-5,539	-5,448	-3,800	-2,000	-2,000
<b>Free Cash Flow</b>	<b>1,921</b>	<b>4,931</b>	<b>1,671</b>	<b>2,459</b>	<b>2,695</b>	<b>848</b>	<b>4,714</b>	<b>7,454</b>	<b>8,956</b>
(Pur)/Sale of Investments	18	48	0	0	0	0	0	0	0
Others	-1,062	-2,878	4,475	-1,687	129	322	587	691	801
<b>CF from Investments</b>	<b>-3,177</b>	<b>-4,541</b>	<b>715</b>	<b>-4,797</b>	<b>-5,410</b>	<b>-5,126</b>	<b>-3,213</b>	<b>-1,309</b>	<b>-1,199</b>
Issue of Shares	0	1	0	0	0	0	0	0	0
Inc/(Dec) in Debt	-936	-1,188	454	-384	191	440	-1,000	0	0
Interest Paid	-409	-140	-129	-366	-267	-342	-337	-132	-132
Dividend Paid	-240	-151	-605	-603	-1,007	-1,007	-1,345	-1,345	-1,345
Others	1,117	3,998	-4,208	984	-2,466	-272	63	73	84
<b>CF from Fin. Activity</b>	<b>-468</b>	<b>2,520</b>	<b>-4,488</b>	<b>-369</b>	<b>-3,549</b>	<b>-1,181</b>	<b>-2,618</b>	<b>-1,404</b>	<b>-1,393</b>
<b>Inc/Dec of Cash</b>	<b>409</b>	<b>4,621</b>	<b>1,658</b>	<b>403</b>	<b>-725</b>	<b>-11</b>	<b>2,683</b>	<b>6,742</b>	<b>8,365</b>
Opening Balance	892	139	4,760	6,418	6,821	6,094	6,083	8,766	15,507
<b>Closing Balance</b>	<b>1,301</b>	<b>4,760</b>	<b>6,418</b>	<b>6,821</b>	<b>6,096</b>	<b>6,083</b>	<b>8,766</b>	<b>15,507</b>	<b>23,872</b>

## PRINCEPIP – Financials & Valuations

### Consolidated - Income Statement

(INRm)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Total Income from Operations</b>	<b>15,719</b>	<b>16,357</b>	<b>20,715</b>	<b>26,568</b>	<b>27,109</b>	<b>25,687</b>	<b>25,239</b>	<b>27,879</b>	<b>33,026</b>	<b>37,729</b>
Change (%)	19.0	4.1	26.6	28.3	2.0	-5.2	-1.7	10.5	18.5	14.2
RM Cost	11,274	11,264	13,789	18,915	20,922	18,193	18,839	20,347	23,779	27,165
Gross Profit	4,445	5,092	6,927	7,653	6,187	7,494	6,400	7,533	9,247	10,564
Margin (%)	28.3	31.1	33.4	28.8	22.8	29.2	25.4	27.0	28.0	28.0
Employees Cost	817	902	997	1,162	1,161	1,477	1,742	1,857	2,147	2,377
Other Expenses	1,788	1,903	2,313	2,335	2,523	2,943	3,040	3,038	3,674	4,042
<b>Total Expenditure</b>	<b>13,878</b>	<b>14,069</b>	<b>17,099</b>	<b>22,412</b>	<b>24,606</b>	<b>22,613</b>	<b>23,621</b>	<b>25,241</b>	<b>29,599</b>	<b>33,584</b>
% of Sales	88.3	86.0	82.5	84.4	90.8	88.0	93.6	90.5	89.6	89.0
<b>EBITDA</b>	<b>1,841</b>	<b>2,288</b>	<b>3,616</b>	<b>4,156</b>	<b>2,503</b>	<b>3,074</b>	<b>1,618</b>	<b>2,638</b>	<b>3,427</b>	<b>4,145</b>
Margin (%)	11.7	14.0	17.5	15.6	9.2	12.0	6.4	9.5	10.4	11.0
Depreciation	436	520	594	703	830	912	1,070	1,252	1,317	1,388
<b>EBIT</b>	<b>1,405</b>	<b>1,768</b>	<b>3,022</b>	<b>3,453</b>	<b>1,673</b>	<b>2,162</b>	<b>548</b>	<b>1,385</b>	<b>2,110</b>	<b>2,757</b>
Int. and Finance Charges	363	332	207	139	110	65	97	188	139	68
Other Income	71	69	176	55	86	161	137	117	180	205
<b>PBT bef. EO Exp.</b>	<b>1,113</b>	<b>1,506</b>	<b>2,991</b>	<b>3,369</b>	<b>1,648</b>	<b>2,258</b>	<b>588</b>	<b>1,315</b>	<b>2,150</b>	<b>2,894</b>
EO Items	0	0	0	0	0	179	0	0	0	0
<b>PBT after EO Exp.</b>	<b>1,113</b>	<b>1,506</b>	<b>2,991</b>	<b>3,369</b>	<b>1,648</b>	<b>2,438</b>	<b>588</b>	<b>1,315</b>	<b>2,150</b>	<b>2,894</b>
Total Tax	292	381	773	875	434	612	157	330	541	728
Tax Rate (%)	26.2	25.3	25.8	26.0	26.3	25.1	26.7	25.1	25.2	25.2
Minority Interest	0	0	0	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>821</b>	<b>1,125</b>	<b>2,218</b>	<b>2,494</b>	<b>1,214</b>	<b>1,825</b>	<b>431</b>	<b>984</b>	<b>1,609</b>	<b>2,166</b>
<b>Adjusted PAT</b>	<b>821</b>	<b>1,125</b>	<b>2,218</b>	<b>2,494</b>	<b>1,214</b>	<b>1,646</b>	<b>431</b>	<b>984</b>	<b>1,609</b>	<b>2,166</b>
Change (%)	11.7	37.0	97.2	12.4	-51.3	35.6	-73.8	128.2	63.5	34.6
Margin (%)	5.2	6.9	10.7	9.4	4.5	6.4	1.7	3.5	4.9	5.7

### Consolidated - Balance Sheet

(INRm)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	900	1,100	1,100	1,106	1,106	1,106	1,106	1,106	1,106	1,106
Total Reserves	3,089	7,277	9,335	11,547	12,534	14,338	14,659	15,422	16,810	18,754
<b>Net Worth</b>	<b>3,989</b>	<b>8,377</b>	<b>10,435</b>	<b>12,653</b>	<b>13,640</b>	<b>15,444</b>	<b>15,764</b>	<b>16,527</b>	<b>17,915</b>	<b>19,860</b>
Minority Interest	0	0	0	0	0	0	0	0	0	0
Total Loans	2,969	2,609	852	1,500	581	1,144	2,641	2,641	1,641	641
Deferred Tax Liabilities	149	133	133	123	137	191	193	193	193	193
<b>Capital Employed</b>	<b>7,107</b>	<b>11,119</b>	<b>11,420</b>	<b>14,275</b>	<b>14,358</b>	<b>16,779</b>	<b>18,599</b>	<b>19,362</b>	<b>19,750</b>	<b>20,694</b>
Gross Block	6,413	8,138	8,892	11,037	12,186	14,162	16,891	18,264	19,369	20,291
Less: Accum. Deprn.	2,782	3,302	3,896	4,599	5,429	6,341	7,411	8,663	9,981	11,369
<b>Net Fixed Assets</b>	<b>3,631</b>	<b>4,836</b>	<b>4,996</b>	<b>6,438</b>	<b>6,757</b>	<b>7,821</b>	<b>9,480</b>	<b>9,601</b>	<b>9,388</b>	<b>8,922</b>
Goodwill on Consolidation	3	3	3	3	3	3	3	3	3	3
Capital WIP	615	75	765	226	236	354	198	1,175	870	748
<b>Total Investments</b>	<b>8</b>	<b>6</b>	<b>15</b>	<b>117</b>	<b>920</b>	<b>382</b>	<b>270</b>	<b>270</b>	<b>270</b>	<b>270</b>
Current Investments	0	0	0	100	917	379	267	267	267	267
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>6,082</b>	<b>9,181</b>	<b>10,049</b>	<b>12,606</b>	<b>10,626</b>	<b>12,673</b>	<b>13,243</b>	<b>13,430</b>	<b>15,279</b>	<b>17,675</b>
Inventory	2,011	3,445	2,273	6,188	4,256	4,379	6,095	5,729	6,334	6,202
Account Receivables	2,504	1,797	3,308	4,346	4,150	5,849	4,229	4,672	5,534	6,322
Cash and Bank Balance	223	2,570	2,299	586	1,244	777	830	722	678	2,028
Loans and Advances	1,345	1,369	2,169	1,485	976	1,668	2,089	2,307	2,733	3,122
<b>Curr. Liability &amp; Prov.</b>	<b>3,231</b>	<b>2,983</b>	<b>4,408</b>	<b>5,115</b>	<b>4,184</b>	<b>4,453</b>	<b>4,595</b>	<b>5,116</b>	<b>6,061</b>	<b>6,924</b>
Account Payables	2,152	1,808	3,144	3,986	3,202	2,491	2,611	2,884	3,416	3,903
Other Current Liabilities	985	1,042	1,131	980	825	1,758	1,730	1,952	2,312	2,641
Provisions	95	134	134	149	157	204	254	281	333	380
<b>Net Current Assets</b>	<b>2,851</b>	<b>6,198</b>	<b>5,641</b>	<b>7,491</b>	<b>6,442</b>	<b>8,220</b>	<b>8,648</b>	<b>8,314</b>	<b>9,219</b>	<b>10,751</b>
Misc Expenditure	0	0	0	0	0	0	0	0	0	0
<b>Appl. of Funds</b>	<b>7,107</b>	<b>11,119</b>	<b>11,420</b>	<b>14,275</b>	<b>14,358</b>	<b>16,779</b>	<b>18,599</b>	<b>19,362</b>	<b>19,750</b>	<b>20,694</b>



## PRINCEPIP – Financials & Valuations

### Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Basic (INR)</b>										
<b>EPS</b>	<b>7.5</b>	<b>10.2</b>	<b>20.2</b>	<b>22.7</b>	<b>11.0</b>	<b>15.0</b>	<b>3.9</b>	<b>8.9</b>	<b>14.6</b>	<b>19.7</b>
Cash EPS	27.9	36.5	62.5	71.0	45.4	56.8	33.4	49.7	65.0	79.0
BV/Share	88.6	186.1	231.8	281.1	303.0	343.1	350.3	367.2	398.0	441.3
DPS	0.0	0.0	3.5	3.5	2.0	2.0	2.0	2.0	2.0	2.0
Payout (%)	0.0	0.0	17.4	15.5	18.2	12.1	51.3	22.5	13.7	10.2
<b>Valuation (x)</b>										
P/E	44.7	32.7	16.6	14.7	30.3	22.3	85.2	37.3	22.8	17.0
Cash P/E	12.0	9.1	5.3	4.7	7.4	5.9	10.0	6.7	5.1	4.2
P/BV	3.8	1.8	1.4	1.2	1.1	1.0	1.0	0.9	0.8	0.8
EV/Sales	2.1	2.2	1.7	1.4	1.3	1.4	1.5	1.4	1.1	0.9
EV/EBITDA	17.8	16.1	9.8	9.1	14.1	12.0	23.8	14.6	11.0	8.5
Dividend Yield (%)	0.0	0.0	1.0	1.0	0.6	0.6	0.6	0.6	0.6	0.6
FCF per share	15.0	-1.5	13.4	-16.3	24.4	-14.0	-12.4	1.7	10.3	22.0
<b>Return Ratios (%)</b>										
RoE	22.9	18.2	23.6	21.6	9.2	11.3	2.8	6.1	9.3	11.5
RoCE	16.4	15.3	21.3	20.4	9.1	11.3	2.9	6.0	8.8	11.1
RoIC	16.6	17.9	26.7	23.6	9.7	11.9	2.5	6.0	9.0	11.6
<b>Working Capital Ratios</b>										
Fixed Asset Turnover (x)	2.5	2.0	2.3	2.4	2.2	1.8	1.5	1.5	1.7	1.9
Asset Turnover (x)	2.2	1.5	1.8	1.9	1.9	1.5	1.4	1.4	1.7	1.8
Inventory (Days)	47	77	40	85	57	62	88	75	70	60
Debtor (Days)	58	40	58	60	56	83	61	61	61	61
Creditor (Days)	50	40	55	55	43	35	38	38	38	38
<b>Leverage Ratio (x)</b>										
Current Ratio	1.9	3.1	2.3	2.5	2.5	2.8	2.9	2.6	2.5	2.6
Interest Cover Ratio	3.9	5.3	14.6	24.8	15.2	33.3	5.7	7.4	15.2	40.3
Net Debt/Equity	0.7	0.0	-0.1	0.1	-0.1	0.0	0.1	0.1	0.0	-0.1

### Consolidated - Cash Flow

#### Statement

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	1,113	1,506	2,991	3,369	1,648	2,258	588	1,315	2,150	2,894
Depreciation	436	520	594	703	830	912	1,070	1,252	1,317	1,388
Interest & Finance Charges	329	285	31	84	102	49	80	71	-41	-137
Direct Taxes Paid	-305	-372	-773	-875	-401	-733	-281	-330	-541	-728
(Inc)/Dec in WC	611	-1,081	77	-3,476	1,474	-2,151	-322	226	-949	-183
<b>CF from Operations</b>	<b>2,184</b>	<b>858</b>	<b>2,920</b>	<b>-195</b>	<b>3,654</b>	<b>335</b>	<b>1,136</b>	<b>2,534</b>	<b>1,937</b>	<b>3,234</b>
Others	3	165	0	0	-52	-6	53	0	0	0
<b>CF from Operating incl EO</b>	<b>2,186</b>	<b>1,023</b>	<b>2,920</b>	<b>-195</b>	<b>3,602</b>	<b>329</b>	<b>1,189</b>	<b>2,534</b>	<b>1,937</b>	<b>3,234</b>
(Inc)/Dec in FA	-834	-1,188	-1,444	-1,605	-903	-1,873	-2,556	-2,350	-800	-800
<b>Free Cash Flow</b>	<b>1,353</b>	<b>-165</b>	<b>1,476</b>	<b>-1,800</b>	<b>2,699</b>	<b>-1,544</b>	<b>-1,367</b>	<b>184</b>	<b>1,137</b>	<b>2,434</b>
(Pur)/Sale of Investments	0	-2,570	-8	-103	-772	593	144	0	0	0
Others	-217	80	755	1,913	193	22	66	117	180	205
<b>CF from Investments</b>	<b>-1,051</b>	<b>-3,677</b>	<b>-697</b>	<b>205</b>	<b>-1,481</b>	<b>-1,258</b>	<b>-2,347</b>	<b>-2,233</b>	<b>-620</b>	<b>-595</b>
Issue of Shares	0	3,394	0	5	0	0	0	0	0	0
Inc/(Dec) in Debt	-689	-371	-1,757	648	-919	560	-321	0	-1,000	-1,000
Interest Paid	-329	-282	-207	-139	-99	-46	-106	-188	-139	-68
Dividend Paid	0	-110	-385	-387	-221	0	-111	-221	-221	-221
Others	115	2,371	-145	-1,850	17	-39	1,736	0	0	0
<b>CF from Fin. Activity</b>	<b>-903</b>	<b>5,001</b>	<b>-2,494</b>	<b>-1,723</b>	<b>-1,222</b>	<b>475</b>	<b>1,198</b>	<b>-409</b>	<b>-1,360</b>	<b>-1,290</b>
<b>Inc/Dec of Cash</b>	<b>233</b>	<b>2,347</b>	<b>-271</b>	<b>-1,713</b>	<b>899</b>	<b>-453</b>	<b>41</b>	<b>-108</b>	<b>-44</b>	<b>1,350</b>
Opening Balance	-10	223	2,570	2,299	316	1,215	761	830	722	678
Other bank balance					29	16	28			
<b>Closing Balance</b>	<b>223</b>	<b>2,570</b>	<b>2,299</b>	<b>586</b>	<b>1,244</b>	<b>777</b>	<b>830</b>	<b>722</b>	<b>678</b>	<b>2,028</b>

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## NOTES

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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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