23 July 2026

1QFY27 Result Update | Sector: Chemicals

SRF

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	SRF IN
Equity Shares (m)	296
M.Cap.(INRb)/(USDb)	777.4 / 8.1
52-Week Range (INR)	3260 / 2314
1, 6, 12 Rel. Per (%)	-4/1/-13
12M Avg Val (INR M)	1455

Financials & Valuations (INR b)

Y/E Mar	2026	2027E	2028E
Sales	157.9	191.7	215.1
EBITDA	36.0	46.8	50.3
PAT	20.4	26.8	29.4
EBITDA (%)	22.8	24.4	23.4
EPS (INR)	68.6	90.1	98.8
EPS Gr. (%)	48.9	31.4	9.6
BV/Sh. (INR)	472	543	624
Ratios			
Net D/E	0.3	0.2	0.1
RoE (%)	15.3	17.8	16.9
RoCE (%)	12.5	14.2	14.0
Payout (%)	27.6	19.4	17.2
Valuations			
P/E (x)	38.2	29.1	26.5
EV/EBITDA (x)	22.7	17.4	16.0
Div Yield (%)	0.6	0.6	0.6
FCF Yield (%)	1.0	1.4	1.9

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	50.3	50.3	50.3
DII	22.5	21.2	18.9
FII	15.5	16.7	18.2
Others	11.8	11.9	12.6

Note: FII includes depository receipts

CMP: INR2,623 TP: INR3,200 (+22%) Buy

Robust performance across all segments

Operating performance significantly beats our estimates

- SRF delivered a strong performance in 1QFY27 as EBIT grew 61% YoY, led by a 27%/1.9x/1.5x YoY jump in EBIT of chemicals/technical textiles business (TTB)/ performance films and foil (PFF) businesses. The company delivered a robust performance despite a volatile environment due to supply disruptions and uneven demand trends.
- Going forward, SRF's overall business is expected to show healthy performance despite a volatile global environment, supported by diversification, capacity ramp-up and a strong capex pipeline. Growth in FY27 is expected to be led by refrigerant gases, ramp-up in fluoropolymers, margin-lucrative capacitor-grade BOPP and increasing traction of aluminum foil in export markets. Further, outlook for technical textiles is positive due to US tariff rationalization and higher export demand.
- Factoring in the stronger-than-expected 1Q performance in the PFF and TTB segments, we raise our FY27 EBITDA estimates for both businesses. Consequently, we increase our consolidated FY27 EBITDA estimates by 9%, while we largely maintain our FY28 estimates. We **reiterate our BUY rating with an SoTP-based target price of INR3,200.**

Margin expansion across all the segments

- SRF reported overall revenue of INR50.3b (est. INR44.7b) in 1QFY27, up 32% YoY. EBITDA margins expanded by 5pp YoY to 26.6% (est. of 22%). Gross margins stood at 51.2% in 1QFY27 vs. 50% in 1QFY26. As a percentage of sales, employee costs stood at 6.3% vs. 7.3% YoY, power costs at 8.1% vs. 9.5% YoY, and other expenses at 10.2% vs. 11.7% YoY. EBITDA stood at INR13.4b (est. INR10b), up 63% YoY. Adj. PAT grew 96% YoY to INR8.4b (est. of INR5.5b), adjusted for forex loss impact of INR1b in 1Q.
- **Chemical business** revenue (46%/57% of total sales/EBIT in 1QFY27) grew 26% YoY to INR23.2b, EBIT grew 27% YoY to INR6.4b, and EBIT margin was 27.6% (vs. 27.3% in 1QFY26). Fluorochemicals business reported a robust performance, supported by strong sales of Refrigerants and Propellants and healthy demand for Chloromethanes and Fluoropolymers. Specialty Chemicals business delivered a steady performance during the quarter, operating in a dynamic environment shaped by evolving global pricing trends, industry overcapacity in China, and ongoing geopolitical developments.
- **PFF** revenue (40%/31% of total sales/EBIT in 1QFY27) grew 42% YoY to INR20.2b, EBIT jumped ~2.5x YoY to INR3.5b, and margin expanded ~8pp YoY to 17.3%. PFF business delivered a strong performance, supported by higher volumes across businesses. Increased focus on sustainable solutions and value-added products (VAPs) further improved the product mix, driving profitability and strengthening customer relationships.
- **Technical textiles** revenue (12%/10% of total sales/EBIT in 1QFY27) was up 28% YoY at INR5.9b, EBIT surged 2.9x YoY to INR1.1b, and EBIT margin expanded 10pp YoY to 18.1%. TTB maintained steady momentum, aided by stable demand and higher margins for tyre cord fabrics and strong domestic and export demand for belting fabrics.

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Highlights from the management commentary

- **PFF:** Capacitor-grade BOPP has secured key customer approvals, with full capacity utilization expected by 1Q/2QFY28. Its superior pricing vs. vanilla grade is expected to improve the margin profile. Meanwhile, aluminum foil business is witnessing strong export traction, with customer approvals in higher-value applications progressing well. Capacity will be fully utilized, aided by expansion into Europe.
- **Fluorochemicals:** Strong performance was driven by healthy volume growth across domestic and export markets, with higher realizations offsetting raw material inflation. Management expects fluoropolymer contribution to increase steadily as PTFE ramps up and customer approvals progress, while the PVDF plant is slated for commissioning by 2QFY27 end, with a meaningful contribution from FY28.
- **Capex:** SRF has approved a capex of INR2.5b to set up a 25kMT per annum BOPET Thick Film line in India, with commissioning expected over the next 24 months. The investment expands its substrate portfolio and strengthens its presence in high-growth end-markets such as electronics.

Valuation and view

- We expect SRF to maintain the growth momentum in FY27, fueled by: 1) a recovery in specialty chemicals, 2) a favorable pricing and volume environment for refrigerants, 3) the addition of value-added fluoropolymer grades, and 4) the ramp-up of capacities in PFF business.
- We build in a CAGR of 17%/18%/20% of revenue/EBITDA/adj. PAT over FY26-28E. We **reiterate our BUY rating and** value the stock on an SoTP basis to arrive at a **TP of INR3,200**.

Consolidated - Quarterly performance (INR m)

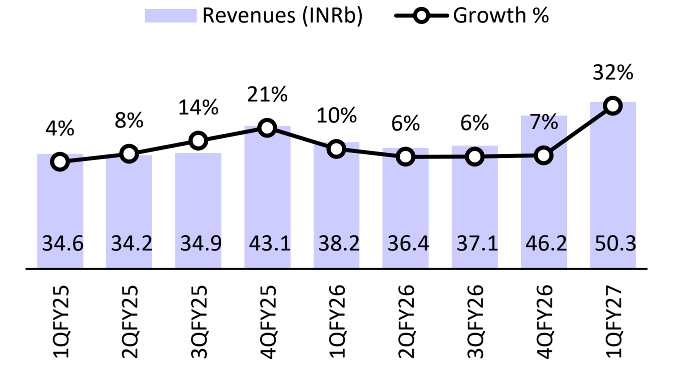
Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1QF	%
Net Sales	**38,186**	**36,402**	**37,125**	**46,152**	**50,333**	**44,324**	**43,958**	**53,057**	**157,865**	**191,672**	**44,720**	**13**
YoY Change (%)	10.2	6.3	6.3	7.0	31.8	21.8	18.4	15.0	7.4	21.4	17.1	
Total Expenditure	29,975	28,354	28,924	34,633	36,946	34,227	34,020	39,680	121,885	144,873	34,678	
EBITDA	**8,212**	**8,048**	**8,202**	**11,519**	**13,387**	**10,097**	**9,937**	**13,377**	**35,980**	**46,799**	**10,043**	**33**
Margins (%)	21.5	22.1	22.1	25.0	26.6	22.8	22.6	25.2	22.8	24.4	22.5	
Depreciation	2,032	2,121	2,169	2,198	2,229	2,310	2,350	2,461	8,521	9,350	2,250	
Interest	799	707	655	620	686	650	630	600	2,780	2,566	750	
Other Income	291	257	273	249	339	300	300	330	1,071	1,269	300	
PBT before EO expense	**5,671**	**5,477**	**5,651**	**8,950**	**10,812**	**7,437**	**7,257**	**10,646**	**25,749**	**36,152**	**7,343**	
Extra-Ord expense & DO	-87	306	1,134	1,379	1,020	0	0	0	2,733	1,020	0	
PBT	**5,758**	**5,171**	**4,517**	**7,571**	**9,792**	**7,437**	**7,257**	**10,646**	**23,016**	**35,132**	**7,343**	
Tax	1,435	1,289	190	1,751	2,203	2,008	1,933	2,943	4,665	9,087	1,799	
Rate (%)	25.3	23.5	3.4	19.6	20.4	27.0	26.6	27.6	18.1	25.1	24.5	
Reported PAT	**4,323**	**3,882**	**4,327**	**5,820**	**7,589**	**5,429**	**5,324**	**7,703**	**18,352**	**26,045**	**5,544**	
Adj PAT	**4,258**	**4,112**	**5,177**	**6,855**	**8,354**	**5,429**	**5,324**	**7,703**	**21,085**	**26,810**	**5,544**	**51**
YoY Change (%)	58.0	83.5	69.6	20.0	96.2	32.0	2.8	12.4	53.9	28.4	31	
Margins (%)	11.2	11.3	13.9	14.9	16.6	12.2	12.1	14.5	13.4	14.1	12.4	

Key Performance Indicators

Y/E March	FY26				FY27E				FY26	FY27E	1QFY27E
Consolidated	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3Q**	**4Q**			
Segment Revenue (INRm)											
Technical Textile	4,666	4,743	4,536	4,825	5,968	5,218	4,843	5,067	**18,770**	**21,096**	**5,132**
Chemicals	18,390	16,669	18,248	24,483	23,149	20,003	22,445	30,305	**77,790**	**95,902**	**21,148**
Packaging Film	14,182	14,081	13,423	15,956	20,167	18,150	15,705	16,754	**57,642**	**70,776**	**17,444**
Others	949	908	919	887	1,049	954	965	931	**3,663**	**3,899**	**997**
Segment Revenue Growth (%)											
Technical Textile	-11.2	-11.4	-11.0	5.3	27.9	10.0	6.8	5.0	**-7.5**	**12.4**	**10.0**
Chemicals	24.1	22.8	22.0	3.9	25.9	20.0	23.0	23.8	**16.3**	**23.3**	**15.0**
Packaging Film	6.1	-0.9	-3.1	13.0	42.2	28.9	17.0	5.0	**3.8**	**22.8**	**23.0**
Other	-24.8	-19.5	-9.2	1.5	10.5	5.0	5.0	5.0	**-14.3**	**6.4**	**5.0**
Segment Results (INRm)											
Technical Textile	376	423	449	652	1,078	574	484	709	**1,901**	**2,846**	**513**
Chemicals	5,029	4,813	4,960	7,827	6,384	5,801	6,285	9,092	**22,629**	**27,561**	**6,133**
Packaging Film	1,402	1,190	948	1,536	3,497	2,723	1,963	2,010	**5,076**	**10,193**	**2,268**
Others	134	75	170	91	202	86	183	102	**470**	**573**	**149**
Segment EBIT Margins (%)											
Technical Textile	8.1	8.9	9.9	13.5	18.1	11.0	10.0	14.0	**10.1**	**13.5**	**10.0**
Chemicals	27.3	28.9	27.2	32.0	27.6	29.0	28.0	30.0	**3.0**	**3.0**	**29.0**
Packaging Film	9.9	8.4	7.1	9.6	17.3	15.0	12.5	12.0	**8.8**	**14.4**	**13.0**
Others	14.1	8.3	18.5	10.3	19.2	9.0	19.0	11.0	**12.8**	**14.7**	**15.0**
Cost Break-up											
RM Cost (% of sales)	50.0	48.6	49.4	49.5	48.8	50.0	50.0	49.0	**49.4**	**49.4**	**51.0**
Staff Cost (% of sales)	7.3	7.6	7.6	6.8	6.3	7.2	7.4	6.2	**7.3**	**6.7**	**7.0**
Power and Fuel Cost (% of sales)	9.5	9.4	8.8	7.5	8.1	8.0	8.0	8.0	**8.7**	**8.0**	**8.0**
Other Cost (% of sales)	11.7	12.3	12.1	11.3	10.2	12.0	12.0	11.6	**11.8**	**11.4**	**11.5**
Gross Margins (%)	50.0	51.4	50.6	50.5	51.2	50.0	50.0	51.0	**50.6**	**50.6**	**49.0**
EBITDA Margins (%)	21.5	22.1	22.1	25.0	26.6	22.8	22.6	25.2	**22.8**	**24.4**	**22.5**
EBIT Margins (%)	16.2	16.3	16.2	20.2	22.2	17.6	17.3	20.6	**17.4**	**19.5**	**18.1**

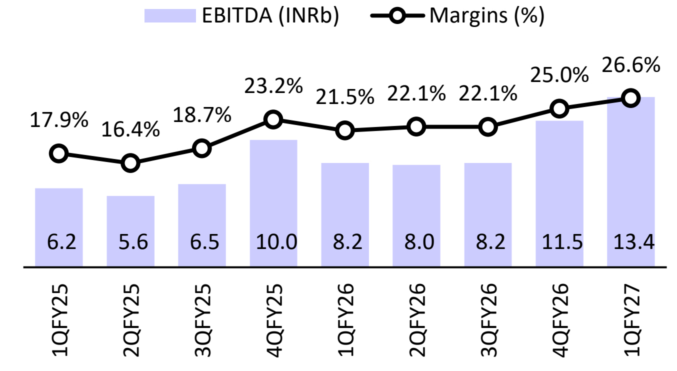
Key Exhibits

Exhibit 1: Consolidated revenue trend



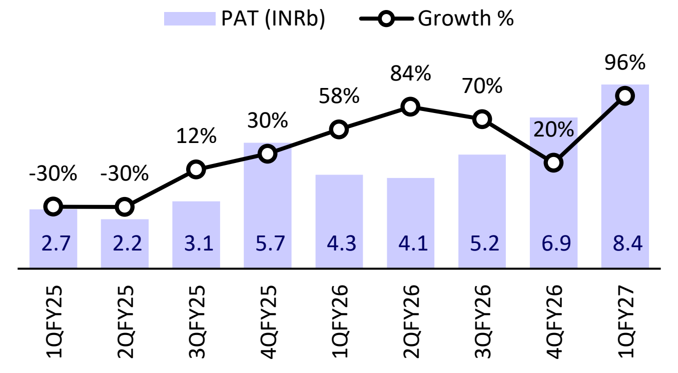
Source: Company, MOFSL

Exhibit 2: Consolidated EBITDA trend



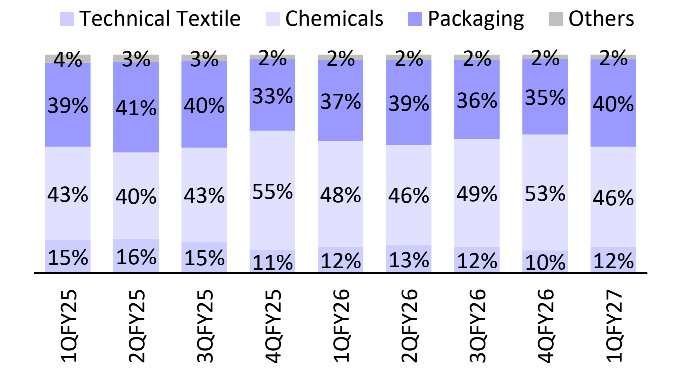
Source: Company, MOFSL

Exhibit 3: Consolidated adjusted PAT trend



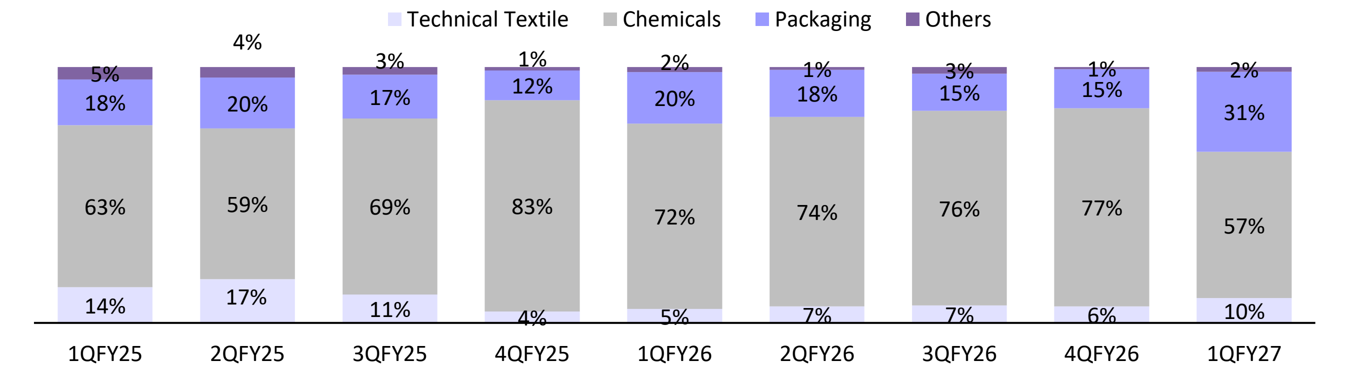
Source: Company, MOFSL

Exhibit 4: Revenue mix trend



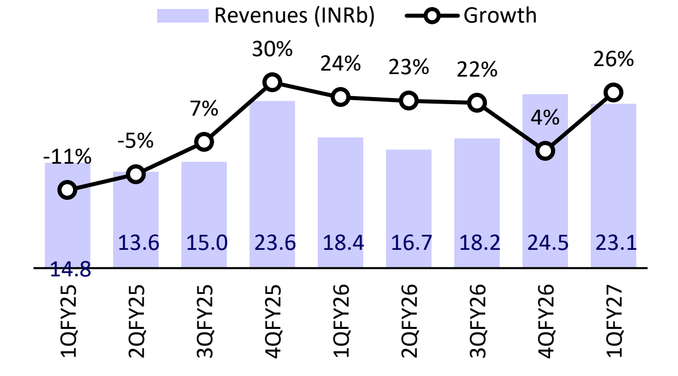
Source: Company, MOFSL

Exhibit 5: EBIT mix trend



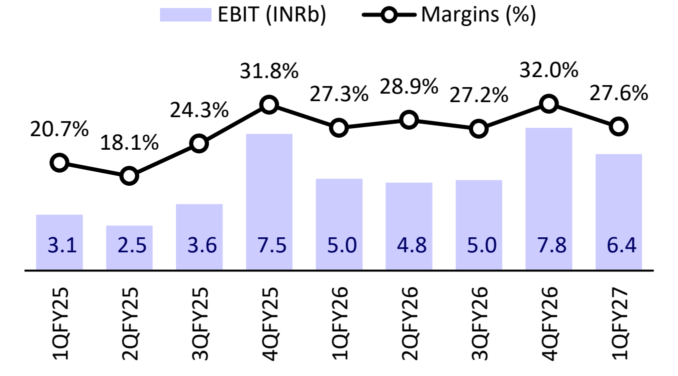
Source: Company, MOFSL

Exhibit 6: Revenue trend in the Chemical business



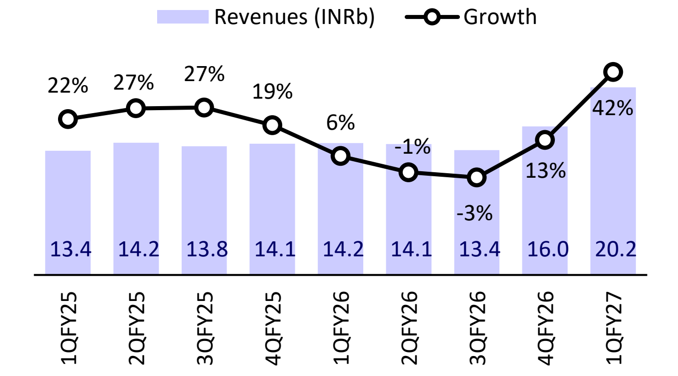
Source: Company, MOFSL

Exhibit 7: EBIT trend in the Chemical business



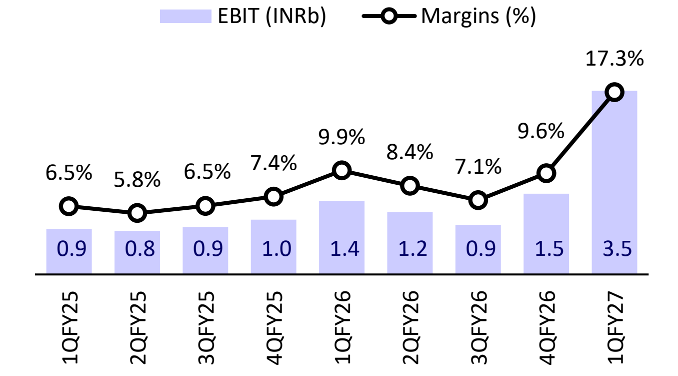
Source: Company, MOFSL

Exhibit 8: Revenue trend in the PFF business



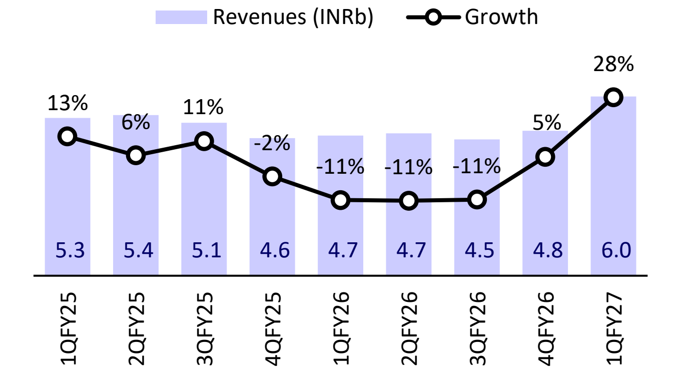
Source: Company, MOFSL

Exhibit 9: EBIT trend in the PFF business



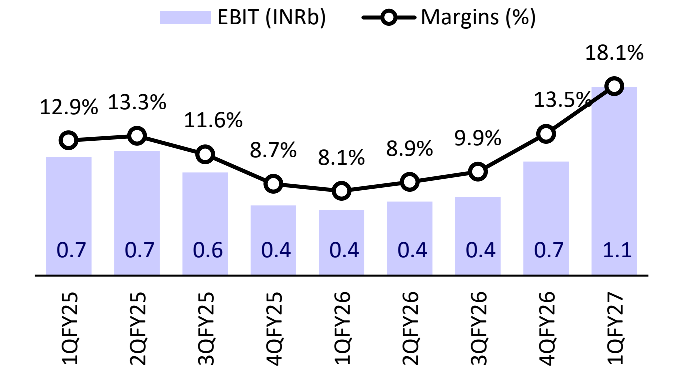
Source: Company, MOFSL

Exhibit 10: Revenue trend in the Technical Textiles business



Source: Company, MOFSL

Exhibit 11: EBIT trend in the Technical Textiles business



Source: Company, MOFSL

CONFERENCE CALL

Key highlights from the management commentary

Overview

- Operating environment was volatile due to geopolitical crisis and supply disruptions. Demand trend was uneven.
- Inventory gains supported the 1QFY27 performance.

Guidance and outlook

- Management indicated that its 2QFY27 numbers will be lower QoQ due to seasonality factors, though YoY growth will be seen. In 2QFY27, volumes might be softer QoQ for refrigerants but they could post YoY growth.
- Management maintains ~15-20% growth guidance for Chemicals business. Refrigerant gases volumes and prices are expected to be favorable in FY27.

Capex

- SRF's board has approved a capex proposal to set up a BOPET thick film line in India at a projected cost of INR2.5b (Bruckner made production line and a Kampf primary slitter). Capacity of 25kt per annum. Expanding into new substrate, wider product portfolio, electronics industry. 24-month timeframe to commission this line.
- Dahej space is available specifically for specialty, so new developments in the next 24 months will have space in Dahej to commercialize.

Chemicals business: Specialty chemicals

- Steady performance despite volatile environment
- Technology-led cost initiatives helped sustain market share in key products
- Growing customer participation has broadened the opportunity funnel for both Agro and Pharma products
- Management indicated that pricing pressure continues for the company and customer end-markets due to competition from Chinese players.
- AI and intermediate molecules (6-7) development journey remains on track. New customer segments targeted. Green shoots in volume. Pricing trend in upward direction. Innovator world is cautious on acceptances. Management has not indicated exact timelines for molecule commercialization.
- Early signs of recovery are emerging in agrochemical demand. However, broad-based demand is yet to pick up.
- Ongoing geopolitical tensions may continue to disrupt some global supply chains and drive volatility in raw material costs.
- New pharma products are demonstrating early market acceptance, with volumes expected to scale up in the medium term.
- The product portfolio is set to expand further, with new launches planned for the coming quarters.
- Continued efforts on cost reduction through operational excellence and technology-driven initiatives
- Generics pressure on innovator Agrochemical players continues.

Chemical: Fluorochemicals

- The business delivered robust performance, driven by higher volumes across domestic and exports market, along with steady performance from Industrial Chemicals and Fluoropolymers. No impact on refrigerant volumes in ME in 1Q and expected to continue this momentum in 2Q.
- Increase in raw material costs due to supply chain disruptions was offset by higher realizations.
- PVDF plant set to be commissioned at 2QFY27 end and meaningful volumes from FY28
- On Chemours contract front, Chemours has requested a few design changes in plant and equipment requirements from Europe. Full stream revenue from FY28/29
- Continued focus on high utilization of HFC capacities. The company will continue to focus on maximizing HFC production and capacity expansion.
- Newly approved capex in Odisha is progressing as per plan, with site regulatory approvals being applied for as per schedule. All other ongoing capex projects are progressing as planned. Among the top 3-4 global refrigerant manufacturers globally after the Odisha plant.
- Refrigerant gases and propellants expected to see stable a demand-price environment globally, with business remaining steadfast to navigate domestic competition and maintain position.
- A prolonged Middle East conflict may exert pressure on key RM prices, while business continues mitigation measures to manage potential volatility.
- CMS performance likely to remain range-bound in the near term.
- PTFE growth to be driven by ramp-up, export mix and value-added capacity, supporting margin improvement.
- Pharma propellants to be ~20-30% of the revenue by FY30.

PFF business

- Supply disruptions linked to geopolitical factors positively impacted margins across all regions. BOPET and BOPP prices were volatile in 1QFY27.
- If crude holds around USD70, then this segment will be corrected.
- Capacitor-grade BOPP film product approval process progressing well; approvals secured from some of the key customers. Commercial volumes to ramp up as more approvals are received. Testing by customers takes time. Full capacity by 1Q/2QFY28. Pricing is better than vanilla film, which will help to improve the margin profile.
- Continued emphasis on expanding sustainable product offerings and increasing VAP sales supported profitability and strengthened customer engagement.
- Global demand for both BOPET and BOPP expected to revert to normal levels as customers rationalize inventories.
- South Africa is expected to remain stable; Thailand likely to have some negative impact due to surge in ocean freights & high inventory levels with customers; Hungary may witness demand slow down due to holiday season in Aug'26.
- Aluminum Foil business is gaining traction in export markets and progressing well on customer approvals in higher-value applications. The company is more export-oriented in aluminum foil and expects more growth from this business in

FY28. No expansion plans made yet. Full utilization as SRF expands into European markets.
- Commissioning of new metallizers in Thailand and South Africa and offline coating machine in India likely to provide some cushion.
- Competitive pressures remain in this segment.

Technical textiles:
- Belting fabrics business benefitted from improved domestic demand and robust exports to the US.
- PIY has done well in the quarter, supported by improved share in geotextile and seatbelt segments, due to QCO stay order from May'26; some benefits may normalize overtime.
- Operations de-risked through conversion from LPG to PNG, enhancing fuel security and improving operational resilience.
- Outlook positive due to US tariff rationalization and further strategy will be increasing volumes.
- TCF (N6, N66, PTCF) demand expected to be flat or marginally positive. After the commissioning of new dipping line, the segment is expected to increase its share, leading to improved performance over time.
- Belting Fabrics should benefit from higher export demand, while domestic demand remains stable; volumes are likely to grow.
- Strong demand in the seat belt segment is expected to offset the seasonal slowdown in geotextiles during the monsoon. PIY volumes are expected to remain stable.

Other
- Demand for coated fabrics remained steady and SRF maintained its leadership position in the domestic market.
- Laminated products saw steady performance.
- ETH Bronze award

Valuation and view
- We expect SRF to maintain the growth momentum in FY27, fueled by: 1) a recovery in specialty chemicals, 2) a favorable pricing and volume environment for refrigerants, 3) the addition of value-added fluoropolymer grades, and 4) the ramp-up of capacities in PFF business.
- We build in a CAGR of 17%/18%/20% of revenue/EBITDA/adj. PAT over FY26-28E. We **reiterate our BUY rating and** value the stock on an SoTP basis to arrive at a **TP of INR3,200**.

Exhibit 12: Our valuation methodology

EV/EBITDA	FY28 EBITDA (INRm)	Multiple (x)	EV (INRm)
Technical Textiles	3,933	11	43,259
Chemicals	36,941	23	8,41,736
Packaging Films	12,532	11	1,37,857
Others	1,006	10	10,464
Less: Other Income/Unallocable Expenses	4,084	10	40,512
Total EV			**9,92,804**
Less: Debt			52,043
Less: Minority Interest			-
Add: Cash & Cash Equivalents			11,047
Target Mcap (INR m)			**9,51,808**
Outstanding Share (m)			297.4
TP (INR)			**3,200**

Source: MOFSL

Exhibit 13: Revisions to our estimates

Earnings Change	Old		New		Change (%)	
(INR m)	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue	1,82,183	2,04,532	1,91,672	2,15,129	5	5
EBITDA	43,047	50,328	46,799	50,328	9	0
Adj. PAT	24,147	29,070	26,810	29,379	11	1

Financials and valuations

Consolidated - Income Statement (INRm)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Income from Operations	84,000	1,24,337	1,48,703	1,31,385	1,46,931	1,57,865	1,91,672	2,15,129
Less: Excise Duty	0	0	0	0	0	0	0	0
Total Income from Operations	**84,000**	**1,24,337**	**1,48,703**	**1,31,385**	**1,46,931**	**1,57,865**	**1,91,672**	**2,15,129**
Change (%)	16.5	48.0	19.6	-11.6	11.8	7.4	21.4	12.2
Cost of Materials Consumed	40,189	60,669	73,935	67,088	76,992	77,977	94,711	1,10,016
Personnel Expenses	6,214	7,800	8,138	9,350	10,425	11,483	12,937	13,123
Other Expenses	16,264	24,835	30,297	28,339	31,138	32,425	37,225	41,662
Total Expenditure	**62,667**	**93,305**	**1,12,371**	**1,04,777**	**1,18,555**	**1,21,885**	**1,44,873**	**1,64,801**
% of Sales	74.6	75.0	75.6	79.7	80.7	77.2	75.6	76.6
EBITDA	**21,333**	**31,032**	**36,332**	**26,608**	**28,376**	**35,980**	**46,799**	**50,328**
Margin (%)	25.4	25.0	24.4	20.3	19.3	22.8	24.4	23.4
Depreciation	4,531	5,172	5,753	6,726	7,715	8,521	9,350	10,382
EBIT	**16,803**	**25,860**	**30,579**	**19,882**	**20,661**	**27,459**	**37,449**	**39,946**
Int. and Finance Charges	1,340	1,159	2,048	3,023	3,760	2,780	2,566	2,491
Other Income	545	428	749	830	1,327	1,071	1,269	1,459
PBT bef. EO Exp.	**16,008**	**25,128**	**29,280**	**17,689**	**18,229**	**25,749**	**36,152**	**38,915**
EO Items	116	727	-1,040	-767	-1,192	-2,733	-1,020	0
PBT after EO Exp.	**16,123**	**25,856**	**28,240**	**16,922**	**17,037**	**23,016**	**35,132**	**38,915**
Current Tax	4,154	7,139	6,617	3,565	4,544	5,656	8,608	9,535
Deferred Tax	-10	-173	0	0	-14	-991	479	0
Tax Rate (%)	25.7	26.9	23.4	21.1	26.6	20.3	25.9	24.5
Less: Minority Interest	0	0	0	0	0	0	0	0
Reported PAT	**11,979**	**18,889**	**21,623**	**13,357**	**12,508**	**18,352**	**26,045**	**29,379**
Adjusted PAT	**11,864**	**18,162**	**22,663**	**14,124**	**13,700**	**20,401**	**26,810**	**29,379**
Change (%)	29.0	53.1	24.8	-37.7	-3.0	48.9	31.4	9.6
Margin (%)	14.1	14.6	15.2	10.8	9.3	12.9	14.0	13.7

Consolidated - Balance Sheet (INRm)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	603	2,974	2,974	2,974	2,974	2,974	2,974	2,974
Total Reserves	67,962	82,679	1,00,296	1,11,816	1,23,288	1,37,453	1,58,442	1,82,765
Net Worth	**68,564**	**85,654**	**1,03,271**	**1,14,790**	**1,26,262**	**1,40,428**	**1,61,416**	**1,85,739**
Minority Interest	0	0	0	0	0	0	0	0
Deferred Liabilities	3,862	6,775	8,092	9,387	10,553	10,348	10,348	10,348
Total Loans	33,950	35,394	43,541	49,202	46,412	50,043	52,043	47,043
Capital Employed	**1,06,376**	**1,27,822**	**1,54,903**	**1,73,380**	**1,83,227**	**2,00,819**	**2,23,808**	**2,43,131**
Gross Block	96,167	1,06,943	1,28,622	1,67,373	1,80,146	1,90,794	2,07,794	2,34,794
Less: Accum. Deprn.	20,071	25,243	30,997	37,723	45,438	53,958	63,308	73,691
Net Fixed Assets	**76,096**	**81,699**	**97,626**	**1,29,650**	**1,34,708**	**1,36,836**	**1,44,486**	**1,61,104**
Goodwill on Consolidation	6	0	0	0	0	0	0	0
Capital WIP	7,723	16,716	24,055	8,053	8,110	18,894	26,894	21,894
Current Investments	4,125	3,167	4,901	4,056	7,045	5,633	5,633	5,633
Total Investments	**4,167**	**3,209**	**4,942**	**5,267**	**8,273**	**6,874**	**6,874**	**6,874**
Curr. Assets, Loans&Adv.	**41,121**	**56,025**	**60,735**	**61,574**	**64,123**	**78,362**	**89,355**	**1,03,217**
Inventory	14,658	21,385	22,743	23,265	23,490	27,886	28,024	32,553
Account Receivables	12,746	17,925	17,856	19,428	21,695	25,616	28,721	32,236
Cash and Bank Balance	2,820	4,594	6,165	4,075	3,538	6,110	11,047	13,631
Loans and Advances	10,898	12,123	13,972	14,805	15,401	18,750	21,563	24,797
Curr. Liability & Prov.	**22,918**	**29,944**	**32,642**	**31,440**	**32,344**	**40,648**	**44,302**	**50,458**
Account Payables	15,852	20,964	22,313	21,978	23,316	25,850	28,024	32,553
Other Current Liabilities	6,544	8,391	9,642	8,660	8,104	13,689	15,058	16,564
Provisions	522	590	687	802	924	1,109	1,219	1,341
Net Current Assets	**18,203**	**26,081**	**28,093**	**30,134**	**31,779**	**37,715**	**45,053**	**52,759**
Deferred Tax assets	181	116	187	276	357	501	501	501
Misc Expenditure	0	0	0	0	0	0	0	0
Appl. of Funds	**1,06,376**	**1,27,822**	**1,54,903**	**1,73,380**	**1,83,227**	**2,00,819**	**2,23,808**	**2,43,131**

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)								
EPS	**39.9**	**61.1**	**76.2**	**47.5**	**46.1**	**68.6**	**90.1**	**98.8**
Cash EPS	55.1	78.5	95.5	70.1	72.0	97.2	121.6	133.7
BV/Share	230.5	288.0	347.2	385.9	424.5	472.1	542.7	624.5
DPS	4.9	16.8	7.2	7.2	15.0	17.0	17.0	17.0
Payout (%)	12.1	26.4	9.9	16.0	35.7	27.6	19.4	17.2
Valuation (x)								
P/E	66	43	34	55	57	38	29	27
Cash P/E	48	33	27	37	36	27	22	20
P/BV	11	9	8	7	6	6	5	4
EV/Sales	10	6	5	6	6	5	4	4
EV/EBITDA	38	26	22	31	29	23	17	16
Dividend Yield (%)	0.2	0.6	0.3	0.3	0.6	0.6	0.6	0.6
FCF per share	19.1	9.7	0.0	-6.1	40.5	25.1	35.5	50.9
Return Ratios (%)								
RoE	20.1	23.6	24.0	13.0	11.4	15.3	17.8	16.9
RoCE	13.4	17.2	17.9	10.5	9.6	12.5	14.2	14.0
RoIC	26.3	34.2	34.7	18.2	17.4	20.7	28.0	27.2
Working Capital Ratios								
Fixed Asset Turnover (x)	0.9	1.2	1.2	0.8	0.8	0.8	0.9	0.9
Asset Turnover (x)	0.8	1.0	1.0	0.8	0.8	0.8	0.9	0.9
Inventory (Days)	133	129	112	127	111	131	108	108
Debtor (Days)	55	53	44	54	54	59	55	55
Creditor (Days)	144	126	110	120	111	121	108	108
Working Cap. Turnover (Days)	67	63	54	72	70	73	65	66
Leverage Ratio (x)								
Current Ratio	1.8	1.9	1.9	2.0	2.0	1.9	2.0	2.0
Interest Cover Ratio	13	22	15	7	5	10	15	16
Debt/Equity	0.5	0.4	0.4	0.4	0.4	0.36	0.3	0.3

Consolidated - Cash Flow Statement (INRm)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	16,099	25,856	28,240	16,922	17,037	23,016	35,132	38,915
Depreciation	4,531	5,172	5,753	6,726	7,715	8,521	9,350	10,382
Interest & Finance Charges	1,340	1,159	2,048	3,023	3,760	2,780	2,566	2,491
Direct Taxes Paid	-2,553	-4,016	-6,617	-3,565	-4,544	-5,063	-9,087	-9,535
(Inc)/Dec in WC	-1,236	-6,645	-408	-2,168	906	-4,252	-2,401	-5,122
CF from Operations	**18,181**	**21,527**	**29,017**	**20,938**	**24,875**	**25,003**	**35,560**	**37,131**
Others	-464	-469	0	0	0	532	0	0
CF from Operating incl EO	**17,717**	**21,057**	**29,017**	**20,938**	**24,875**	**25,536**	**35,560**	**37,131**
(inc)/dec in FA	-12,047	-18,171	-29,019	-22,748	-12,830	-18,065	-25,000	-22,000
Free Cash Flow	**5,670**	**2,886**	**-2**	**-1,810**	**12,044**	**7,471**	**10,560**	**15,131**
(Pur)/Sale of Investments	-1,886	1,028	-1,733	-325	-3,006	1,661	0	0
Others	-1,064	1,265	1,138	800	996	426	0	0
CF from Investments	**-14,997**	**-15,877**	**-29,614**	**-22,273**	**-14,840**	**-15,978**	**-25,000**	**-22,000**
Issue of Shares	7,500	2	0	0	0	0	0	0
Inc/(Dec) in Debt	-6,856	622	8,147	5,662	-2,790	-1,101	2,000	-5,000
Interest Paid	-1,574	-1,173	-2,048	-3,023	-3,760	-2,928	-2,566	-2,491
Dividend Paid	-1,408	-2,117	-2,142	-2,142	-4,462	-2,663	-5,056	-5,056
Others	1,182	-741	-1,789	-1,252	439	-96	0	0
CF from Fin. Activity	**-1,155**	**-3,406**	**2,168**	**-754**	**-10,572**	**-6,788**	**-5,623**	**-12,547**
Inc/Dec of Cash	**1,565**	**1,774**	**1,571**	**-2,089**	**-538**	**2,770**	**4,938**	**2,584**
Opening Balance	1,255	2,820	4,594	6,164	4,075	3,340	6,110	11,047
Closing Balance	**2,820**	**4,594**	**6,164**	**4,075**	**3,538**	**6,110**	**11,047**	**13,631**

N O T E S

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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

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Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

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Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.