30 October 2026
2QFY27 Result Update | Sector: Chemicals

# Privi Speciality Chemicals

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

| | |
|---|---|
| Bloomberg | PRIVISCL IN |
| Equity Shares (m) | 39 |
| M.Cap.(INRb)/(USDb) | 127.9 / 1.3 |
| 52-Week Range (INR) | 3785 / 2569 |
| 1, 6, 12 Rel. Per (%) | -11/1/27 |
| 12M Avg Val (INR M) | 417 |

**Financials & Valuations (INR b)**

| Y/E Mar | FY26 | FY27E | FY28E |
|---|---|---|---|
| Sales | 25.6 | 30.8 | 40.2 |
| EBITDA | 6.5 | 7.8 | 10.6 |
| PAT | 3.3 | 4.3 | 6.1 |
| EBITDA % | 25.3 | 25.2 | 26.4 |
| EPS (INR) | 84.6 | 111.2 | 148.8 |
| EPS Gr. (%) | 76.7 | 31.4 | 33.8 |
| BV/Sh. (INR) | 361.6 | 472.7 | 734.9 |
| **Ratios** | | | |
| Net D:E | 0.7 | 0.6 | 0.3 |
| RoE (%) | 26.3 | 26.6 | 25.1 |
| RoCE (%) | 15.3 | 16.7 | 18.1 |
| **Valuations** | | | |
| P/E (x) | 37.9 | 28.9 | 21.6 |
| P/BV (x) | 8.9 | 6.8 | 4.4 |
| EV/EBITDA (x) | 20.8 | 17.5 | 13.2 |
| FCF per share | 58.9 | (18.4) | (73.4) |

**Shareholding Pattern (%)**

| As of | Sep-26 | Jun-26 | Sep-25 |
|---|---|---|---|
| Promoter | 60.6 | 60.6 | 69.9 |
| DII | 8.9 | 10.1 | 4.6 |
| FII | 2.8 | 1.9 | 1.3 |
| Others | 27.7 | 27.4 | 24.2 |

Note: FII includes depository receipts

**CMP: INR3275 TP: INR4,000 (+22%) Buy**

## Sustained growth momentum, supported by healthy demand

**Earnings in line**

- Privi Speciality Chemicals (PRIVI) delivered a revenue growth of 12% YoY to INR7.6b in 2QFY27, largely driven by higher realizations (up 8%), with volumes rising 4% YoY. Despite volatility in input costs, EBITDA grew 10% YoY to INR1.9b and margins were supported by lower other operating expenses, driven by efficiency initiatives and stringent cost controls.
- The company's growth outlook remains positive, led by global tailwinds and healthy demand visibility in the flavor and fragrance industry (China + 1 strategy), and supported by strong capacity expansion plans for the existing and new products. Further, PRIVI has maintained its guidance of achieving INR50b/INR10b in revenue/EBITDA by FY30 (with revenue growth guidance of a 20% CAGR and similar EBITDA margin).
- We largely maintain our FY27/FY28 EPS estimates and **reiterate our BUY rating with a TP of INR4,000 (based on 27x FY28E EPS).**

## Healthy earnings growth despite margin pressure

- Privi's consolidated revenue grew 12% YoY to INR7.6b (in line).
- Gross margin contracted 400bp YoY to 47%.
- EBITDA grew 10% YoY to INR1.9b (est. in line). EBITDA margin contracted 50bp YoY to 26.3% (est. 26.6%) led by lower gross margin. This was partially offset by lower other expenses as a % of sales (down 300bp).
- Adj. PAT grew 25% YoY to INR1.2b (est. in line).
- For 1HFY27, Privi's revenue/EBITDA/Adj PAT grew 15%/12%/29% to INR14.3b/INR3.5b/INR2.0b.
- Gross debt stood at INR9.9b vs. INR10.2b as of Mar'26. CFO stood at INR3.6b vs. INR2.3b as of Sep'25
- The working capital cycle improved to ~90 days compared with 124 days YoY.

## Highlights from the management commentary

- **Capex:** Phase 2 of capex (Mahad), involving maltol, ethyl maltol, furfural, cyclopentanone and other specialty molecules, is expected to be completed between Jun and Sep'27, with commercial production and revenue contribution commencing from Oct'27. The phase is expected to generate approximately INR10b in revenue at full capacity of 12,000MT. Phase 3 (Mahad) entails an investment of INR4-4.25b and is expected to generate an additional INR4.5–5b in revenue. Together, the three phases are expected to generate incremental revenue of around INR19b by FY30
- **Strategic alliance:** Prigiv reported revenue of INR280m and a PBT of ~INR20m in 2QFY27, taking the 1HFY27 revenue to INR470m, with negligible losses. The JV is pursuing a two-phase expansion program, which is expected to take its revenue potential to ~INR2.3b by FY28. A third phase is also under evaluation, with pilot studies and feasibility assessments underway. Management expects to provide further clarity on the third phase over the next 3–6 months.

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- **Merger:** The proposed merger of Privi Fine Sciences and Privi Biotechnology is awaiting regulatory approvals and is targeted for completion before the end of FY27. The business has an installed capacity of 6,000MT and revenue potential of INR3–3.5b, with four of its five products already supplied to leading MNCs. Following approvals for capacity expansion, management expects utilization to reach 80–85% and revenue to scale to INR2.5-3.0b in FY28.

## Valuation and view

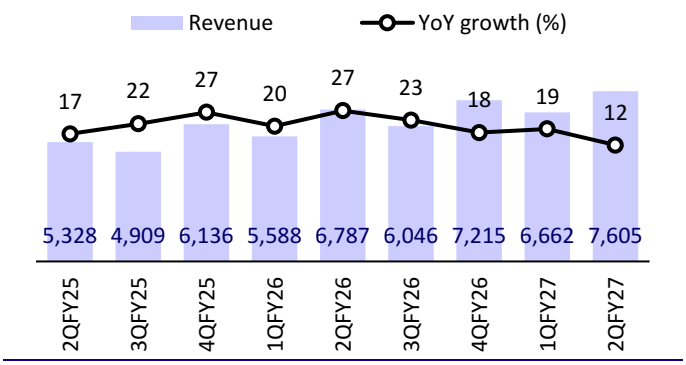
- Going forward, PRIVI's growth trajectory is expected to be driven by multiple levers, including 1) capacity expansion across both existing and new products to cater to rising demand, 2) backward integration initiatives aimed at improving cost efficiencies and supply security, 3) entry into the biomass segment to tap emerging biotech opportunities, 4) increasing traction and scale-up in Prigiv, and 5) the proposed amalgamation with PFSPL and PBPL, which is expected to simplify the group structure and enhance operational synergies.
- **We model a CAGR of 25%/28%/36% in revenue/EBITDA/adj. PAT over FY26-28E. We largely maintain our FY27/FY28 EPS estimates and reiterate our BUY rating with a TP of INR4,000 (based on 27x FY28E EPS).**

**Consolidated - Quarterly Snapshot** (INR m)

| Y/E March | FY26 | | | | FY27E | | | | FY26 | FY27E | FY27E | Var |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | | | 2Q | % |
| **Gross Sales** | **5,588** | **6,787** | **6,046** | **7,215** | **6,662** | **7,605** | **7,739** | **8,811** | **25,637** | **30,817** | **7,805** | **-3** |
| YoY Change (%) | 20% | 27% | 23% | 18% | 19% | 12% | 28% | 22% | 22% | 20% | 15.0 | |
| Total Expenditure | 4,267 | 4,967 | 4,494 | 5,413 | 5,140 | 5,607 | 5,728 | 6,571 | 19,141 | 23,045 | 10,853 | |
| Gross Margin (%) | 50.7% | 50.7% | 50.1% | 43.8% | 44.2% | 46.8% | 48.0% | 47.0% | 48.6% | 46.6% | 48.0% | |
| **EBITDA** | **1,321** | **1,820** | **1,552** | **1,802** | **1,523** | **1,998** | **2,012** | **2,240** | **6,496** | **7,772** | **2,073** | **-4** |
| Margin (%) | 23.6 | 26.8 | 25.7 | 25.0 | 22.9 | 26.3 | 26.0 | 25.4 | 25.3 | 25.2 | 26.6 | |
| Depreciation | 362 | 356 | 355 | 365 | 374 | 370 | 400 | 450 | 1,438 | 1,594 | 395 | |
| Interest | 237 | 215 | 186 | 182 | 167 | 169 | 160 | 155 | 820 | 651 | 165 | |
| Other Income | 90 | 1 | 65 | 42 | 152 | 127 | 20 | 20 | 198 | 319 | 20 | |
| **PBT before EO expense** | **812** | **1,251** | **1,077** | **1,297** | **1,134** | **1,585** | **1,472** | **1,655** | **4,436** | **5,846** | **1,533** | |
| Extra-Ord expense | 0 | 0 | 39 | 0 | 0 | 0 | 0 | 0 | 39 | 0 | 0 | |
| **PBT** | **812** | **1,251** | **1,038** | **1,297** | **1,134** | **1,585** | **1,472** | **1,655** | **4,397** | **5,846** | **1,533** | |
| Tax | 236 | 349 | 289 | 356 | 305 | 410 | 370 | 417 | 1,230 | 1,502 | 386 | |
| Rate (%) | 29.1 | 27.9 | 27.9 | 27.4 | 26.9 | 25.9 | 25.2 | 25.2 | 28.0 | 25.7 | 25.2 | |
| Minority Interest & Profit/Loss of Asso. Cos. | -44 | -37 | -31 | 4 | -14 | 5 | 5 | 5 | -108 | 1 | 5 | |
| **Reported PAT** | **619** | **939** | **780** | **937** | **842** | **1,170** | **1,096** | **1,234** | **3,275** | **4,342** | **1,142** | |
| **Adj. PAT** | **619** | **939** | **809** | **937** | **842** | **1,170** | **1,096** | **1,234** | **3,305** | **4,342** | **1,142** | **2** |
| YoY Change (%) | 97.4 | 109.1 | 82.1 | 40.8 | 36.0 | 24.6 | 35.5 | 31.6 | 76.5 | 31.4 | 21.6 | |
| Margin (%) | 11.1 | 13.8 | 13.4 | 13.0 | 12.6 | 15.4 | 14.2 | 14.0 | 12.9 | 14.1 | 14.6 | |

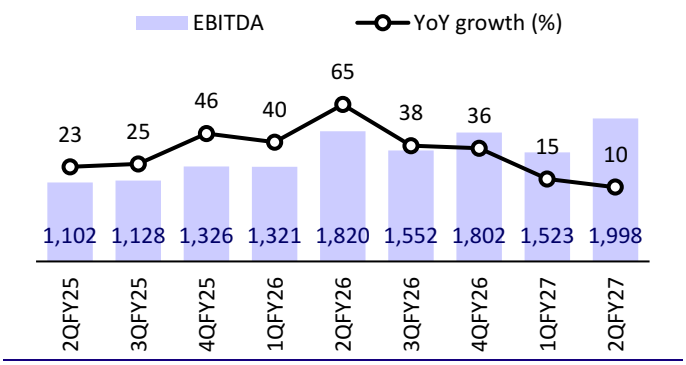
# Key Exhibits

**Exhibit 1: Consolidated revenue trend**



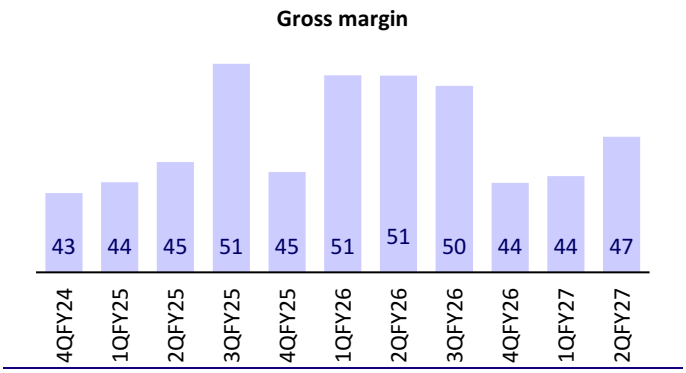

Source: Company, MOFSL

**Exhibit 2: Consolidated EBITDA trend**



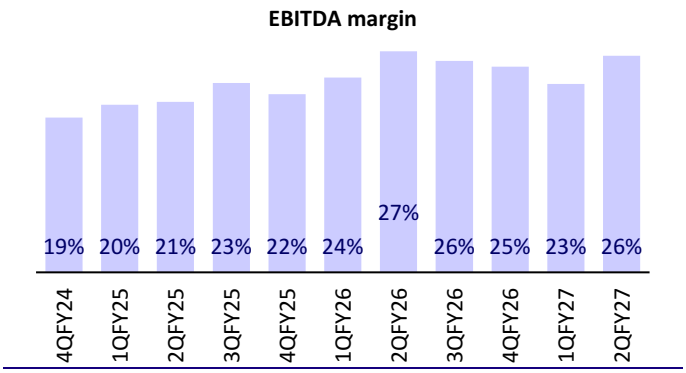

Source: Company, MOFSL

**Exhibit 3: Gross margin trend**



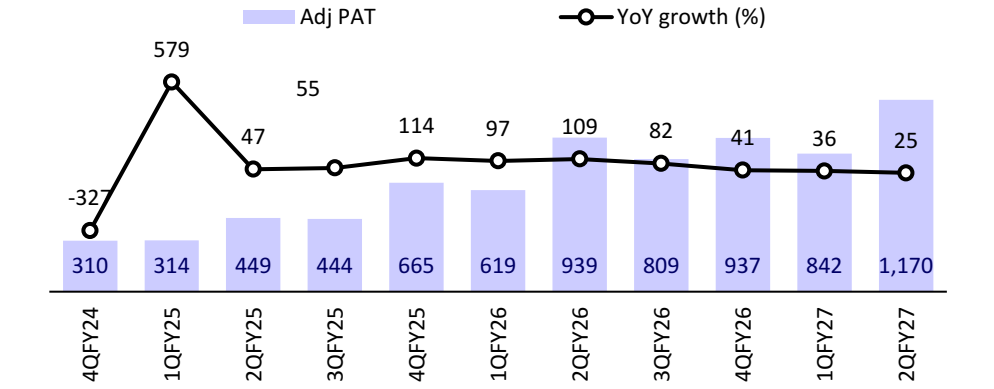

Source: Company, MOFSL

**Exhibit 4: EBITDA margin trend**




Source: Company, MOFSL

**Exhibit 5: Adj. profit trend**



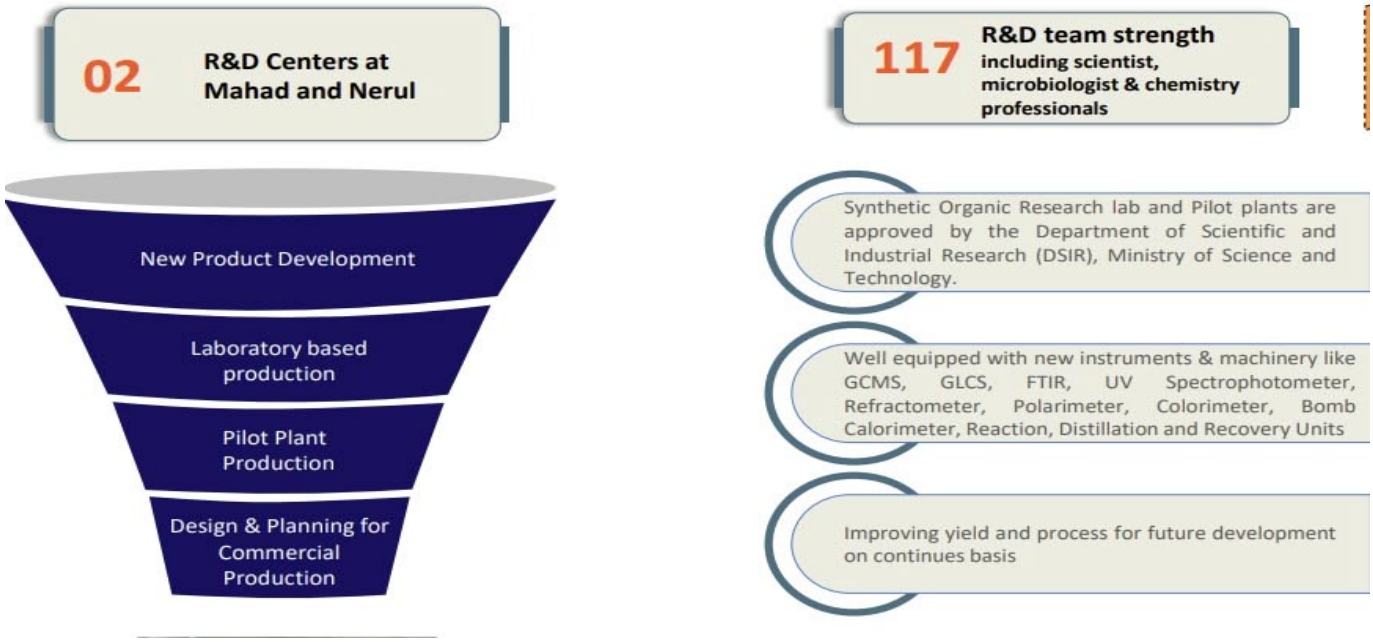

Source: Company, MOFSL

**Exhibit 6: The company is marching toward its guidance**




Source: Company, MOFSL

**Exhibit 7: High R&D focus to improve products and processes**




Source: Company, MOFSL




## Key highlights from the management commentary

### Capex and Expansion Plans

- The company has completed Phase 1 of its expansion, and the expanded capacity is expected to start contributing significantly from 3QFY27, with a major contribution expected in 4QFY27 as new annual contracts commence.
- The expanded Phase 1 capacity is expected to achieve capacity utilization of ~85–90% in 4QFY27.
- The company has outlined a total capex of approximately INR 14b across all three phases.
- The company expects to incur ~INR10b of capex towards Phase 2 and Phase 3.
- The expansion of phase 2 will focus on Maltol, Ethyl Maltol, Furfural and Cyclopentanone, with an overall capacity of approximately 12,000 MT which is expected to be completed between June and September 2027, with commercial revenue contribution commencing from Oct'27 generating ~INR10b in annual revenue at full capacity.
- The company plans to invest approximately INR 4.0–4.25b in phase 3, which is expected to generate additional annual revenue of INR 4.5–5b.
- The three phases of expansion are expected to generate an incremental revenue potential of ~INR 19b, with the company targeting a revenue milestone of INR50b by 2030.

### Revenue and Growth Guidance

- The management has maintained its annual revenue growth guidance of 20% for FY27, expressing confidence in achieving the target despite a relatively weaker first half.
- Revenue growth is expected to accelerate in Q4 FY27, supported by the commencement of new annual contracts and increased utilization of the expanded capacity.
- The company reported overall plant utilization of approximately 85–90% and expects to maintain the growth momentum across its plants.
- Approximately 70% of the company's revenue is derived from non-petroleum-based sources, reducing its dependence on petroleum-based raw materials.
- The company expects improved asset turnover from Phase 2 and Phase 3 expansions, while the current fixed-asset turnover stands at approximately 1.7x.

### EBITDA Margins and Raw Material Costs

- Raw material consumption as a percentage of sales stood at approximately 52% in Q2 FY27, compared with 54% in Q1 FY27 and 51% in Q2 FY26.
- The slight year-on-year decline in EBITDA margins is partly attributable to lower government incentives recognized during the current period.
- The company received incentives of approximately INR 16.2m in 1HFY27, compared with INR 90m in the corresponding period last year.
- The management expects to receive an additional incentive of approximately INR120–150m over the next two quarters, which is higher than the incentive received in the previous year.
- The second quarter generally tends to be a stronger quarter than 1Q in terms of profitability, primarily due to higher sales volumes, new product introductions

and customer contracts; however, management clarified that this should not be considered strict seasonality.

### Working Capital Management

- The working capital cycle improved to less than 100 days during the quarter, compared with 124 days in the corresponding period last year.
- The working capital cycle has improved significantly from approximately 160 days three years ago, reflecting better working capital management.
- Management expects to maintain the improved working capital position, although the cycle may fluctuate depending on business requirements.

### Raw Material Procurement and Freight Costs

- Management indicated that there are currently no significant challenges concerning raw material procurement.
- The company has incorporated quarterly freight-pricing mechanisms into customer contracts to ensure that significant increases or decreases in freight costs can be passed on to customers.
- Freight cost disruptions have not materially affected the company compared with the impact experienced by certain other industry participants.

### Fine Science

- The Fine Science business reported revenue of approximately INR 680m in FY26 and a loss of approximately INR342.8m.
- The management acknowledged that the business has not achieved its earlier revenue expectations of approximately INR 1b by FY25, primarily due to delays in obtaining regulatory approvals.
- The business currently has five products, of which four are already being supplied to leading multinational companies.
- Capacity utilization currently stands at approximately 85%, but further capacity expansion is restricted due to pending regulatory approvals and Pollution Control Board permissions.
- Management expects the pending approvals to be received over the next few months, enabling capacity expansion and significant improvement in financial performance during the next financial year.
- The existing capacity expansion is expected to support revenue of approximately INR 2.25b, while further expansion is being evaluated through pilot studies and feasibility assessments.

### Prigiv Specialty Chemicals (JV)

- The JV recorded revenue of approximately INR 280m during the quarter, with a positive PBT of nearly INR 20m.
- For H1, the JV achieved revenue of approximately INR 470m, with a marginal loss of around INR0.02 lakh.
- Two phases of expansion are planned, with one already underway, which are expected JV's revenue guidance of INR2.3b in FY28.
- A third phase of expansion is under evaluation, with pilot studies and feasibility assessments currently in progress.

## Other Income and Foreign Exchange Gains

- Higher other income during the quarter was primarily attributable to foreign exchange gains.
- As the company is a net exporter, the depreciation of the INR against the USD has been favorable for its earnings.

## Valuation and view

- Going forward, PRIVI's growth trajectory is expected to be driven by multiple levers, including 1) capacity expansion across both existing and new products to cater to rising demand, 2) backward integration initiatives aimed at improving cost efficiencies and supply security, 3) entry into the biomass segment to tap emerging biotech opportunities, 4) increasing traction and scale-up in Prigiv, and 5) the proposed amalgamation with PFSPL and PBPL, which is expected to simplify the group structure and enhance operational synergies.
- **We model a CAGR of 25%/28%/36% in revenue/EBITDA/adj. PAT over FY26-28E. We largely maintain our FY27/FY28 EPS estimates and reiterate our BUY rating with a TP of INR4,000 (based on 27x FY28E EPS).**

**Exhibit 8: Revisions to our estimates**

| Earnings change | Old | | New | | Change | |
|---|---|---|---|---|---|---|
| (INR m) | FY27E | FY28E | FY27E | FY28E | FY27E | FY28E |
| Revenue | 30,817 | 40,014 | 30,817 | 40,161 | 0% | 0% |
| EBITDA | 7,789 | 10,564 | 7,772 | 10,602 | 0% | 0% |
| Adj. PAT | 4,235 | 6,040 | 4,342 | 6,069 | 3% | 0% |
| EPS | 108 | 148 | 111 | 149 | 3% | 0% |

Source: MOFSL

# Financials and valuations

**Consolidated Income Statement** (INRm)

| Y/E March | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|
| **Total Income from Operations** | **12,766** | **14,037** | **16,078** | **17,522** | **21,012** | **25,637** | **30,817** | **40,161** |
| Change (%) | -3.6 | 10.0 | 14.5 | 9.0 | 19.9 | 22.0 | 20.2 | 30.3 |
| Raw Materials | 7,511 | 8,310 | 9,610 | 10,094 | 11,315 | 13,171 | 16,458 | 20,884 |
| Power and fuel | 704 | 1,003 | 1,472 | 1,383 | 1,533 | 1,737 | 2,127 | 2,811 |
| Employees Cost | 699 | 767 | 797 | 727 | 865 | 1,108 | 1,222 | 1,446 |
| Other Expenses | 1,776 | 2,020 | 2,340 | 2,069 | 2,799 | 3,125 | 3,237 | 4,418 |
| **Total Expenditure** | **10,690** | **12,099** | **14,219** | **14,273** | **16,512** | **19,141** | **23,045** | **29,558** |
| **Gross profit** | **5,255** | **5,728** | **6,468** | **7,429** | **9,697** | **12,466** | **14,359** | **19,277** |
| Gross Margin (%) | 41.2 | 40.8 | 40.2 | 42.4 | 46.1 | 48.6 | 46.6 | 48.0 |
| **EBITDA** | **2,076** | **1,938** | **1,859** | **3,250** | **4,500** | **6,496** | **7,772** | **10,602** |
| Margin (%) | 16.3 | 13.8 | 11.6 | 18.5 | 21.4 | 25.3 | 25.2 | 26.4 |
| Depreciation | 710 | 747 | 1,085 | 1,234 | 1,318 | 1,438 | 1,594 | 2,031 |
| **EBIT** | **1,366** | **1,192** | **774** | **2,015** | **3,182** | **5,058** | **6,178** | **8,572** |
| Int. and Finance Charges | 214 | 241 | 678 | 979 | 879 | 820 | 651 | 564 |
| Other Income | 200 | 324 | 214 | 263 | 242 | 198 | 319 | 105 |
| **PBT bef. EO Exp.** | **1,351** | **1,275** | **310** | **1,299** | **2,545** | **4,436** | **5,846** | **8,113** |
| EO Items | 231 | 53 | 0 | 0 | 0 | 39 | 0 | 0 |
| **PBT after EO Exp.** | **1,582** | **1,328** | **310** | **1,299** | **2,545** | **4,397** | **5,846** | **8,113** |
| Total Tax | 413 | 354 | 98 | 345 | 698 | 1,230 | 1,502 | 2,042 |
| Tax Rate (%) | 26.1 | 26.6 | 31.5 | 26.5 | 27.4 | 28.0 | 25.7 | 25.2 |
| Minority Interest | 0 | 0 | -9 | 5 | -22 | -108 | 1 | 1 |
| **Reported PAT** | **1,169** | **974** | **222** | **949** | **1,870** | **3,275** | **4,342** | **6,069** |
| **Adjusted PAT** | **938** | **921** | **222** | **949** | **1,870** | **3,305** | **4,342** | **6,069** |
| Change (%) | -18.9 | -1.8 | -75.9 | 327.2 | 97.0 | 76.7 | 31.4 | 39.8 |
| Margin (%) | 7.3 | 6.6 | 1.4 | 5.4 | 8.9 | 12.9 | 14.1 | 15.1 |

**Consolidated - Balance Sheet** (INRm)

| Y/E March | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|
| Equity Share Capital | 391 | 391 | 391 | 391 | 391 | 391 | 391 | 408 |
| Eq. Share Warrants & App. Money | | | | | | | | |
| Preference Capital | | | | | | | | |
| Total Reserves | 6,835 | 7,732 | 7,900 | 8,853 | 10,644 | 13,734 | 18,076 | 29,576 |
| **Net Worth** | **7,225** | **8,123** | **8,291** | **9,244** | **11,034** | **14,124** | **18,467** | **29,984** |
| Minority Interest | 0 | 74 | 64 | 167 | 145 | 282 | 283 | 285 |
| Total Loans | 5,021 | 9,330 | 10,793 | 10,082 | 11,428 | 10,213 | 11,213 | 10,213 |
| Deferred Tax Liabilities | 133 | 133 | 198 | 232 | 241 | 227 | 227 | 227 |
| **Capital Employed** | **12,378** | **17,659** | **19,347** | **19,725** | **22,849** | **24,846** | **30,189** | **40,708** |
| Gross Block | 9,601 | 11,476 | 15,648 | 17,168 | 19,766 | 21,190 | 27,167 | 30,667 |
| Less: Accum. Deprn. | 3,621 | 4,346 | 5,425 | 6,723 | 8,067 | 9,505 | 11,099 | 13,130 |
| **Net Fixed Assets** | **5,980** | **7,130** | **10,222** | **10,445** | **11,699** | **11,685** | **16,068** | **17,537** |
| Goodwill on Consolidation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital WIP | 1,744 | 3,636 | 946 | 887 | 1,275 | 2,976 | 2,500 | 1,500 |
| **Total Investments** | **0** | **120** | **67** | **403** | **84** | **545** | **545** | **5,993** |
| **Curr. Assets, Loans&Adv.** | **7,678** | **10,875** | **12,675** | **11,690** | **14,848** | **16,492** | **19,314** | **26,413** |
| Inventory | 3,425 | 6,163 | 7,994 | 6,594 | 7,884 | 8,261 | 9,930 | 12,941 |
| Account Receivables | 2,390 | 2,650 | 2,956 | 3,475 | 3,941 | 5,260 | 6,323 | 8,240 |
| Cash and Bank Balance | 197 | 374 | 250 | 288 | 502 | 695 | 326 | 1,216 |
| Loans and Advances | 1,665 | 1,688 | 1,475 | 1,333 | 2,520 | 2,276 | 2,735 | 4,016 |
| **Curr. Liability & Prov.** | **3,024** | **4,102** | **4,565** | **3,700** | **5,056** | **6,853** | **8,237** | **10,735** |
| Account Payables | 1,674 | 3,058 | 2,939 | 2,825 | 4,023 | 5,274 | 6,340 | 8,262 |
| Other Current Liabilities | 1,189 | 854 | 1,426 | 663 | 759 | 1,210 | 1,454 | 1,895 |
| Provisions | 160 | 190 | 199 | 212 | 275 | 369 | 443 | 578 |
| **Net Current Assets** | **4,654** | **6,773** | **8,111** | **7,989** | **9,791** | **9,639** | **11,077** | **15,678** |
| Misc Expenditure | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Appl. of Funds** | **12,378** | **17,659** | **19,347** | **19,725** | **22,849** | **24,846** | **30,189** | **40,708** |

# Financials and valuations

## Ratios

| Y/E March | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|
| **Basic (INR)** | | | | | | | | |
| **EPS** | **24.0** | **23.6** | **5.7** | **24.3** | **47.9** | **84.6** | **111.2** | **148.8** |
| **EPS Growth (%)** | **-18.9** | **-1.8** | **-75.9** | **327.2** | **97.0** | **76.7** | **31.4** | **33.8** |
| Cash EPS | 42.2 | 42.7 | 33.5 | 55.9 | 81.6 | 121.4 | 152.0 | 198.5 |
| BV/Share | 185.0 | 207.9 | 212.2 | 236.6 | 282.5 | 361.6 | 472.7 | 734.9 |
| DPS | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Payout (%) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Valuation (x)** | | | | | | | | |
| P/E | 134 | 136 | 564 | 132 | 67 | 38 | 29 | 22 |
| Cash P/E | 76 | 75 | 96 | 57 | 39 | 26 | 21 | 16 |
| P/BV | 17 | 15 | 15 | 14 | 11 | 9 | 7 | 4 |
| EV/Sales | 10 | 10 | 8 | 8 | 6 | 5 | 4 | 3 |
| EV/EBITDA | 63 | 69 | 73 | 42 | 30 | 21 | 18 | 13 |
| Dividend Yield (%) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| FCF per share | -24 | -78 | -23 | 54 | -4 | 59 | -18 | -73 |
| **Return Ratios (%)** | | | | | | | | |
| RoE | 14 | 12 | 3 | 11 | 18 | 26 | 27 | 25 |
| RoCE | 9 | 6 | 3 | 8 | 11 | 15 | 17 | 18 |
| RoIC | 10 | 7 | 3 | 8 | 12 | 18 | 19 | 22 |
| **Working Capital Ratios** | | | | | | | | |
| Fixed Asset Turnover (x) | 2.1 | 2.1 | 1.9 | 1.7 | 1.9 | 2.2 | 2.2 | 2.4 |
| Asset Turnover (x) | 1.0 | 0.8 | 0.8 | 0.9 | 0.9 | 1.0 | 1.0 | 1.0 |
| Inventory (Days) | 98 | 160 | 181 | 137 | 137 | 118 | 118 | 118 |
| Debtor (Days) | 68 | 69 | 67 | 72 | 68 | 75 | 75 | 75 |
| Creditor (Days) | 48 | 80 | 67 | 59 | 70 | 75 | 75 | 75 |
| **Leverage Ratio (x)** | | | | | | | | |
| Current Ratio | 2.5 | 2.7 | 2.8 | 3.2 | 2.9 | 2.4 | 2.3 | 2.5 |
| Interest Cover Ratio | 6.4 | 4.9 | 1.1 | 2.1 | 3.6 | 6.2 | 9.5 | 15.2 |
| Net Debt/Equity | 0.7 | 1.1 | 1.3 | 1.1 | 1.0 | 0.7 | 0.6 | 0.3 |

## Consolidated - Cash Flow Statement (INRm)

| Y/E March | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|
| OP/(Loss) before Tax | 1,582 | 1,328 | 310 | 1,299 | 2,545 | 4,397 | 5,846 | 8,113 |
| Depreciation | 710 | 747 | 1,085 | 1,234 | 1,318 | 1,358 | 1,594 | 2,031 |
| Interest Expenses | 214 | 241 | 678 | 979 | 879 | 820 | 651 | 564 |
| Others | 127 | -1 | 90 | -116 | 162 | 183 | 0 | 0 |
| Direct Taxes Paid | -397 | -327 | -139 | -259 | -707 | -1,163 | -1,502 | -2,042 |
| (Inc)/Dec in WC | -743 | -1,939 | -1,537 | 407 | -1,386 | -93 | -1,807 | -3,711 |
| **CF from Operations** | **1,493** | **47** | **488** | **3,545** | **2,811** | **5,501** | **4,782** | **4,954** |
| **CF from Operating incl EO** | | | | | | | | |
| (Inc)/Dec in FA | -2,428 | -3,085 | -1,396 | -1,423 | -2,985 | -3,200 | -5,500 | -7,948 |
| **Free Cash Flow** | **-935** | **-3,038** | **-909** | **2,122** | **-173** | **2,301** | **-718** | **-2,994** |
| Change in Investments | 8 | -123 | 62 | -383 | 26 | -460 | 0 | 5,448 |
| Others | 5 | 3 | 3 | 3 | 19 | 80 | 0 | 0 |
| **CF from Investments** | **-2,415** | **-3,205** | **-1,332** | **-1,803** | **-2,940** | **-3,581** | **-5,500** | **-2,500** |
| Issue of Shares | 0 | 0 | 0 | 0 | 0 | 245 | 0 | 0 |
| Inc/(Dec) in Debt | 531 | 761 | 643 | 751 | 603 | -1,128 | 1,000 | -1,000 |
| Interest Paid | -218 | -344 | -667 | -948 | -856 | -797 | -651 | -564 |
| Dividend Paid | -59 | -78 | -78 | 0 | -78 | -195 | 0 | 0 |
| Others | -25 | 2,990 | 825 | -1,510 | 717 | -101 | 0 | 0 |
| **CF from Fin. Activity** | **229** | **3,329** | **723** | **-1,706** | **386** | **-1,977** | **349** | **-1,564** |
| **Inc/Dec of Cash** | **-693** | **172** | **-121** | **35** | **258** | **-57** | **-370** | **890** |
| Opening Balance | 849 | 154 | 325 | 204 | 240 | 497 | 695 | 326 |
| Bank balance and other items | 41 | 47 | 46 | 48 | 4 | 255 | 0 | 0 |
| **Closing Balance** | **197** | **374** | **250** | **288** | **502** | **695** | **326** | **1,216** |

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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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