

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	SRF IN
Equity Shares (m)	296
M.Cap.(INRb)/(USDb)	868 / 10.2
52-Week Range (INR)	3099 / 2089
1, 6, 12 Rel. Per (%)	-8/29/20
12M Avg Val (INR M)	1685

#### Financials & Valuations (INR b)

Y/E Mar	2025	2026E	2027E
Sales	146.9	173.4	205.0
EBITDA	28.4	37.5	49.3
PAT	13.7	21.1	29.3
EBITDA (%)	19.3	21.6	24.0
EPS (INR)	46.1	70.9	98.7
EPS Gr. (%)	(3.0)	54.0	39.1
BV/Sh. (INR)	424	478	560

#### Ratios

Net D/E	0.3	0.3	0.2
RoE (%)	11.4	15.7	19.0
RoCE (%)	9.6	12.6	15.2
Payout (%)	35.7	24.0	17.2

#### Valuations

P/E (x)	63.5	41.2	29.6
EV/EBITDA (x)	31.9	24.2	18.4
Div Yield (%)	0.5	0.6	0.6
FCF Yield (%)	1.4	0.7	0.9

#### Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	50.3	50.3	50.3
DII	18.5	17.8	16.0
FII	18.3	18.4	19.1
Others	13.0	13.6	14.6

Note: FII includes depository receipts

**CMP: INR2,928 TP: INR3,500 (+20%) Buy**

### Chemicals segment resilient and continues to grow

#### Operating performance above our estimates

- SRF posted a strong overall performance in 4QFY25, with its EBIT rising 53% YoY, led by a 3.2x/50% YoY surge in packaging film/chemical businesses.
- Despite macroeconomic headwinds due to rising geopolitical tensions, SRF remained resilient and improved its performance in 2HFY25, with revenue/EBITDA/Adj. PAT surging 20%/41%/30% YoY in 4QFY25.
- We earlier upgraded the stock following its 3QFY25 results, fueled by an anticipated demand recovery in the specialty chemical business and strong traction in the fluorochemicals business. We expect this momentum to sustain going forward. Management has also guided a healthy 20%+ growth in the chemicals business, with EBIT margin in the range of 25-26% (+/- 2%), indicating a strong momentum for FY26.
- We broadly maintain our FY26/FY27 EBITDA estimates and **reiterate our BUY rating**, valuing the stock on an SoTP basis to arrive at our **TP of INR3,500**.

#### Margin improvements in Chemicals and Packaging drive performance

- SRF reported an overall revenue of INR43b (in line) in 4QFY25, up ~21% YoY. EBITDA margin expanded 330bp YoY to 23.2% (est. of 21.4%). EBITDA stood at INR10b (est. of INR8.9b), up 41% YoY. Adj. PAT grew 30% YoY to INR5.7b (est. of INR4.7b), adjusted for a forex loss of INR451m in 4QFY25.
- **Chemicals'** revenue (55%/83% of total sales/EBIT in 4QFY25) grew 30% YoY to INR23.5b, while EBIT grew 50% YoY to INR7.4b. EBIT margin expanded 440bp YoY to 31.8%. The specialty chemicals business demonstrated strong performance, driven by positive momentum in recently launched products and a pick-up in demand for certain key agrochemical intermediates, while the fluorochemicals business reported higher volumes and realizations.
- **Packaging film's** revenue (33%/12% of total sales/EBIT in 4QFY25) grew 19% YoY to INR14.1b, while EBIT grew 3.2x YoY to INR1b. Margin expanded 460bp YoY to 7.4%. The packaging films business witnessed healthy growth driven by higher volumes and realizations for both BOPP and BOPET, with margin expansion fueled by the ramping up of value-added products.
- **Technical textiles'** revenue (11%/4% of total sales/EBIT in 4QFY25) was down 2% YoY to INR4.5b. EBIT dipped 43% YoY to INR401m. EBIT margin contracted 600bp YoY to 8.7%. The technical textiles business underperformed because of continued weak demand and margins in belting fabrics.

#### Highlights from the management commentary

- **Chemicals business:** Management is targeting over 20% revenue growth in FY26, with 2HFY26 expected to outperform 1HFY26 due to seasonality factors. The company is aiming for >INR110b revenue over the next three years. Further, the overall chemical business's EBIT margin is projected to be in the range of ~25-26% (+/- 2%) in FY26.

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

Motilal Oswal research is available on [www.motilaloswal.com/Institutional-Equities](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

- **Packaging business:** The Board approved the establishment of a new BOPP PE film line in Indore, with an investment of INR4.45b and an additional 50-55 KPTA of new capacity. Going forward, the company will continue to focus on increasing the sales of high-impact VAP.
- **Capex:** For FY26, the company has plans to incur a capex of ~INR22b-23b, with the possibility of an increase during the year. SRF witnessed a 30% rise in overall capacity by taking up small debottlenecking activity over the last 18 months.

### Valuation and view

- The chemicals business (fluorochemicals and specialty chemicals) is expected to continue the growth momentum in FY26, led by a strong order book in the specialty business and ramp-up of export volumes, coupled with growth in PTFE within the fluorochemicals business. The packaging business is experiencing improvement in the near term, led by increasing focus on high-impact VAPs.
- We build in revenue/EBITDA/Adj. PAT CAGR of 18%/32%/46% over FY25-27E. We broadly maintain our estimates and reiterate **our BUY** rating, valuing the stock on an SoTP basis to arrive at our TP of INR3,500.

### Consolidated - Quarterly Earnings Model

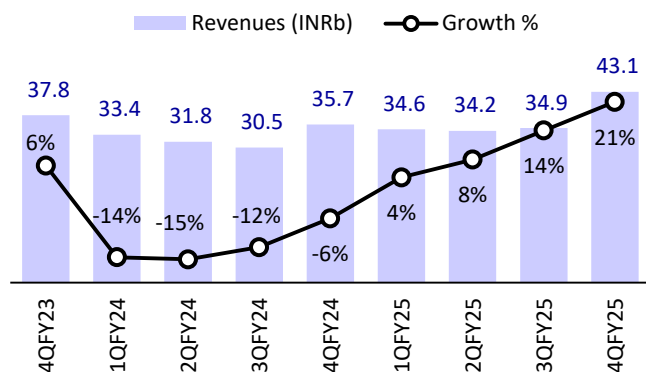
Y/E March	FY24				FY25				FY24	FY25	FY25E	(INR m)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4Q	Var %
<b>Net Sales</b>	<b>33,384</b>	<b>31,774</b>	<b>30,530</b>	<b>35,697</b>	<b>34,641</b>	<b>34,243</b>	<b>34,913</b>	<b>43,133</b>	<b>131,385</b>	<b>146,931</b>	<b>41,608</b>	<b>4</b>
YoY Change (%)	-14.3	-14.8	-12.0	-5.5	3.8	7.8	14.4	20.8	-11.6	11.8	16.6	
Total Expenditure	26,184	25,320	24,691	28,581	28,435	28,637	28,375	33,108	104,777	118,555	32,693	
<b>EBITDA</b>	<b>7,200</b>	<b>6,453</b>	<b>5,839</b>	<b>7,116</b>	<b>6,207</b>	<b>5,606</b>	<b>6,538</b>	<b>10,025</b>	<b>26,608</b>	<b>28,376</b>	<b>8,916</b>	<b>12</b>
Margins (%)	21.6	20.3	19.1	19.9	17.9	16.4	18.7	23.2	20.3	19.3	21.4	
Depreciation	1,566	1,612	1,689	1,859	1,882	1,939	1,943	1,952	6,726	7,715	2,100	
Interest	656	793	674	900	965	938	963	894	3,023	3,760	940	
Other Income	118	291	188	234	253	333	396	345	830	1,327	350	
<b>PBT before EO expense</b>	<b>5,095</b>	<b>4,339</b>	<b>3,664</b>	<b>4,591</b>	<b>3,612</b>	<b>3,063</b>	<b>4,029</b>	<b>7,525</b>	<b>17,689</b>	<b>18,229</b>	<b>6,226</b>	
Extra-Ord expense & DO	237	191	181	158	172	226	342	451	767	1,192	0	
<b>PBT</b>	<b>4,858</b>	<b>4,148</b>	<b>3,483</b>	<b>4,433</b>	<b>3,440</b>	<b>2,837</b>	<b>3,687</b>	<b>7,074</b>	<b>16,922</b>	<b>17,037</b>	<b>6,226</b>	
Tax	1,265	1,140	949	211	918	822	976	1,813	3,565	4,529	1,526	
Rate (%)	24.8	26.3	25.9	4.6	25.4	26.9	24.2	24.1	20.2	24.8	24.5	
<b>Reported PAT</b>	<b>3,593</b>	<b>3,008</b>	<b>2,534</b>	<b>4,222</b>	<b>2,522</b>	<b>2,014</b>	<b>2,711</b>	<b>5,261</b>	<b>13,357</b>	<b>12,508</b>	<b>4,700</b>	
<b>Adj PAT</b>	<b>3,830</b>	<b>3,199</b>	<b>2,715</b>	<b>4,380</b>	<b>2,695</b>	<b>2,240</b>	<b>3,053</b>	<b>5,712</b>	<b>14,124</b>	<b>13,700</b>	<b>4,700</b>	<b>22</b>
YoY Change (%)	-39.5	-38.1	-48.4	-25.8	-29.6	-30.0	12.4	30.4	-37.7	-3.0	7	
Margins (%)	11.5	10.1	8.9	12.3	7.8	6.5	8.7	13.2	10.8	9.3	11.3	

## Key Performance Indicators

Y/E March	FY24E				FY25E				FY24	FY25
Consolidated	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Segment Revenue (INRm)										
Technical Textile	4,647	5,062	4,584	4,689	5,253	5,355	5,098	4,584	18,980	20,291
Chemicals	16,605	14,263	13,941	18,161	14,820	13,578	14,957	23,553	62,970	66,908
Packaging Film	10,948	11,215	10,907	11,824	13,363	14,206	13,848	14,122	44,893	55,538
Others	1,187	1,269	1,136	1,062	1,262	1,128	1,011	874	4,653	4,275
Segment Revenue Growth (%)										
Technical Textile	-18.6	8.6	7.6	8.9	13.1	5.8	11.2	-2.2	0.2	
Chemicals	-3.6	-22.1	-20.6	-13.6	-10.8	-4.8	7.3	29.7	-15.0	6.9
Packaging Film	-26.8	-15.7	-9.3	2.5	22.1	26.7	27.0	19.4	-13.4	6.3
Other	12.4	26.4	23.0	12.6	6.3	-11.1	-10.9	-17.6	18.5	23.7
Segment Results (INRm)										-8.1
Technical Textile	607	750	688	698	677	713	589	401	2,742	
Chemicals	4,601	3,478	3,219	4,977	3,064	2,461	3,638	7,485	16,274	
Packaging Film	513	773	449	331	868	828	904	1,046	2,065	2,381
Others	232	331	212	156	236	172	157	124	930	16,648
Segment EBIT Margins (%)										3,645
Technical Textile	13.1	14.8	15.0	14.9	12.9	13.3	11.6	8.7	14.4	688
Chemicals	27.7	24.4	23.1	27.4	20.7	18.1	24.3	31.8	25.8	
Packaging Film	4.7	6.9	4.1	2.8	6.5	5.8	6.5	7.4	4.6	
Others	19.5	26.1	18.7	14.7	18.7	15.2	15.5	14.2	20.0	11.7
Cost Break-up										24.9
RM Cost (% of sales)	50.9	51.0	50.9	51.4	52.7	53.6	51.7	51.8	51.1	6.6
Staff Cost (% of sales)	6.5	7.1	8.0	6.9	7.3	7.4	7.5	6.4	7.1	16.1
Power and Fuel Cost (% of sales)	10.6	10.8	10.5	9.2	9.9	10.1	9.5	7.7	10.2	
Other Cost (% of sales)	10.4	10.7	11.5	12.6	12.2	12.6	12.6	10.9	11.3	
Gross Margins (%)	49.1	49.0	49.1	48.6	47.3	46.4	48.3	48.2	48.9	52.4
EBITDA Margins (%)	21.6	20.3	19.1	19.9	17.9	16.4	18.7	23.2	20.3	7.1
EBIT Margins (%)	16.9	15.2	13.6	14.7	12.5	10.7	13.2	18.7	15.1	9.2

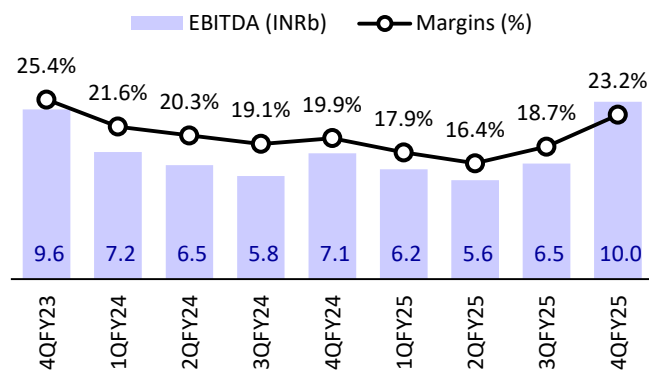
## Key Exhibits

**Exhibit 1: Consolidated revenue trend**



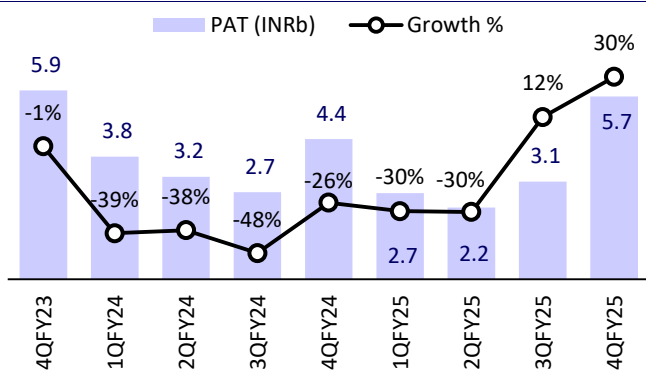
Source: Company, MOFSL

**Exhibit 2: Consolidated EBITDA trend**



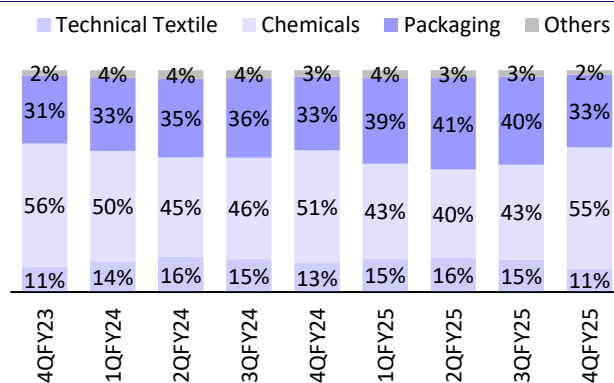
Source: Company, MOFSL

**Exhibit 3: Consolidated adjusted PAT trend**



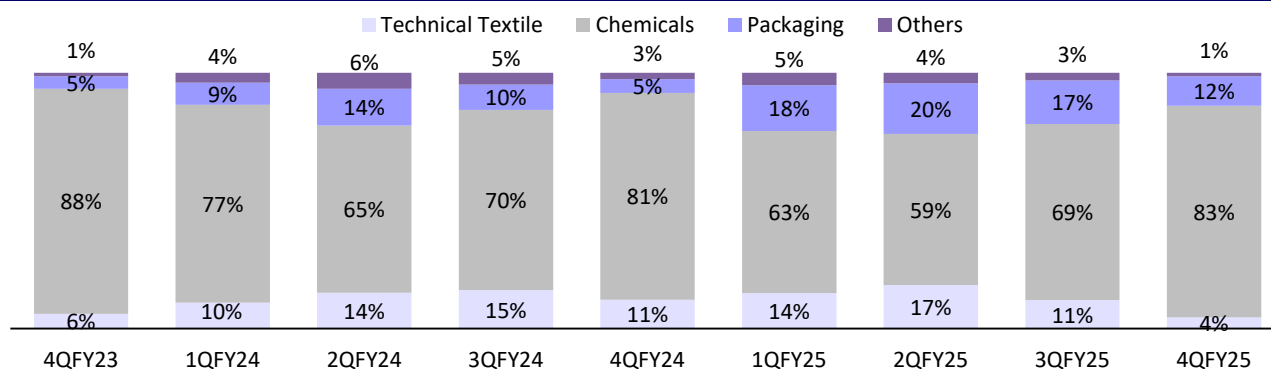
Source: Company, MOFSL

**Exhibit 4: Revenue mix trend**



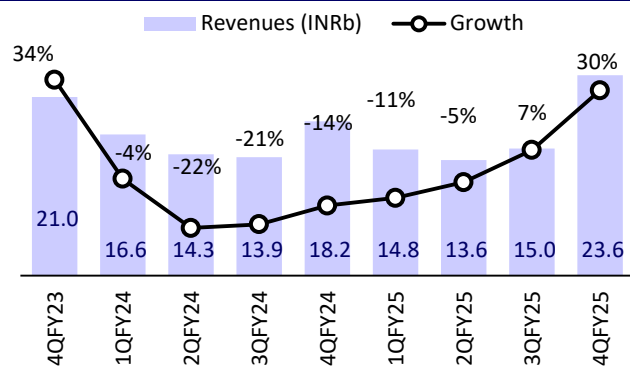
Source: Company, MOFSL

**Exhibit 5: EBIT mix trend**



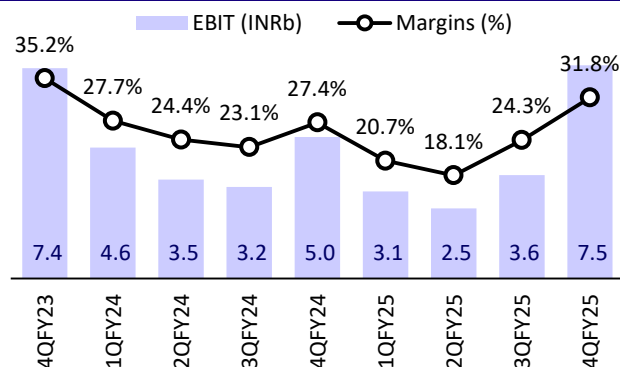
Source: Company, MOFSL

**Exhibit 6: Revenue trend in the Chemicals business**



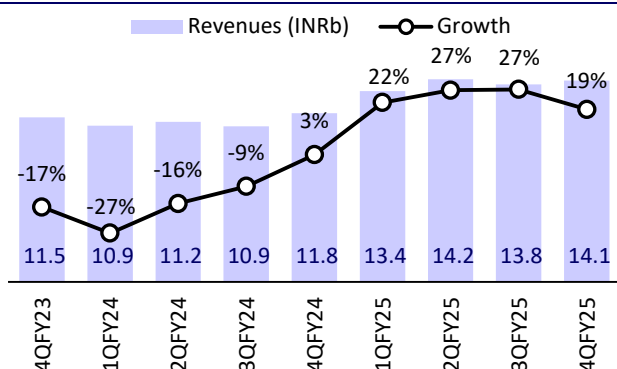
Source: Company, MOFSL

**Exhibit 7: EBIT trend in the Chemicals business**



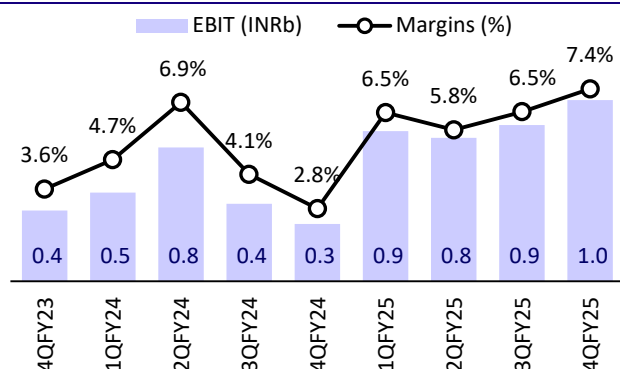
Source: Company, MOFSL

**Exhibit 8: Revenue trend in the Packaging Film business**



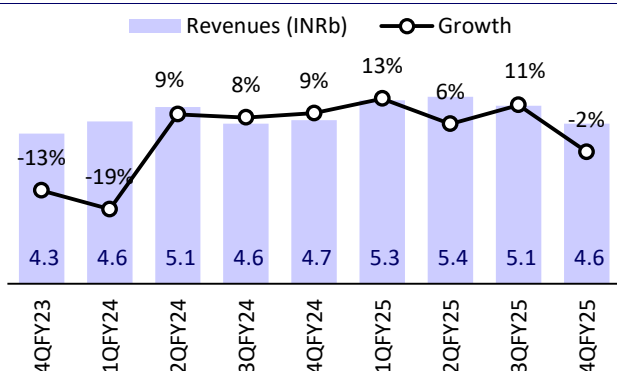
Source: Company, MOFSL

**Exhibit 9: EBIT trend in the Packaging Film business**



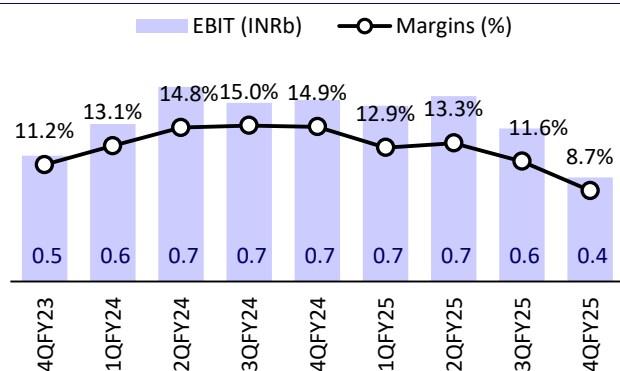
Source: Company, MOFSL

**Exhibit 10: Revenue trend in the Technical Textiles business**



Source: Company, MOFSL

**Exhibit 11: EBIT trend in the Technical Textiles business**



Source: Company, MOFSL



## Key highlights from the management commentary

### Chemicals business: Specialty chemicals

- The specialty chemicals segment delivered strong revenue and margin growth YoY mainly led by the strong traction in the recently launched products and the recovery in off-take of certain key agrochemical intermediates
- SRF continues its focus on strengthening the product pipeline and ramping up newly commissioned plants
- Successfully launched five new agro products and three new pharma products in FY25
- SRF undertook debottlenecking of capacity across several products and multiple campaigns in MPPs with an investment of INR7b, enhancing future capabilities, leading to a 30% increase in overall capacity
- The pricing pressure from Chinese competitors continued, leading to price adjustments for multiple products
- Raw materials have started showing signs of stabilization
- Management is targeting 20%+ revenue growth in FY26 and building strong momentum in the years ahead, with an aim of INR110b+ revenue in the next three years
- 2HFY26 is expected to surpass 1HFY26, led by some factor of seasonality in this estimate
- Volumes are expected to be better for both the businesses in 1HFY26, along with better volumes for legacy products with incremental volumes from new products
- The overall chemical business EBIT margins are expected to be in the range of ~25-26% (+/- 2%) going ahead, led by healthy volumes and better product mix
- The pharma segment contributed to ~6-7% revenue share in FY25
- Export currently stands for ~70-71% in the specialty chemicals business

### Chemicals: Fluorochemicals

- Fluorochemicals business reported strong performance in 4QFY25, driven by the higher volumes and realizations of HFCs across domestic and export markets, along with record domestic sales of ref gases, driven by the highest-ever R32 production and offtake.
- Demand for Dymel continued to see strong traction.
- With the rising demand for refrigerants due to increased AC and automobile production in India, SRF maintains its dominant share in the domestic Room Air Conditioners (RAC) and Mobile Air Conditioners (MAC) markets.
- Mandate for in-cabin AC for Commercial vehicles is expected to further drive ref gas consumption, with India and the Middle East expected to drive future growth for Ref gas
- Reduced Chinese HFC supplies resulting in increased global prices
- Increased competition and the oversupply situation in the domestic chloromethane market are adversely impacting margins
- Inventory levels in the US have decreased
- PTFE is showing early signs of improvement, with the ramp-up fully expected in FY26

- The ongoing capex of INR11b will be completed within 30 months from the date of approval.
- No major impact was witnessed, neither negative nor positive from the India-UK FTA.
- The pricing trends for FY26 are as follows: R32 pricing is still expected to fluctuate, R134A is anticipated to remain flat with a slight positive trend, R125 is expected to stay flat, and R22 pricing is experiencing an increase.
- Capacity utilization for HFC is expected to increase significantly in FY26, rising to 80-85% from 70% in FY25.

#### **Packaging film business**

- Performance Films & Foil Business witnessed healthy revenue growth, driven by higher volume and realizations for both BOPP and BOPET, and margin expansion led by continued focus on ramping up value-added products.
- Demand-supply balance for BOPP stands better than BOPET, and the capacity utilization in India has improved for both BOPP and BOPET.
- SRF launched 12 new products in FY25: 5 in BOPET and 7 in BOP
- Performance of Aluminum foil witnessed a positive change over 3Q, led by higher export volume, while the domestic demand for aluminium foil remained subdued
- The board has approved the establishment of a new capacity of BOPP PE film line in Indore during the year, with an investment of INR4.45b and is expected to commence in ~ 25 months from the date of approval
- An additional 50-55 KPTA of new capacity is expected to be introduced in this segment.
- The subsidiaries, primarily involved in the packaging film business in Hungary and aluminum foil business, are currently facing a PAT loss in Hungary but expect a positive PAT in FY26, with both subsidiaries being profitable at the EBITDA level.
- Going ahead, the company will continue its focus on increasing the sales of the high-impact VAP

#### **Technical textiles business:**

- Technical textiles business declined by 2% YoY in 4QFY25 due to Weak demand and increased competition from low-cost Chinese imports in Belting Fabrics, while the margins were impacted by the lower margins in Nylon Tyre Cord Fabrics
- Achieved the highest-ever production and sales in FY25 of Tyre Cord Fabrics, Polyester Industrial Yarn, and belting fabrics
- Maintained dominant position in the domestic Belting Fabrics market with sequential growth in exports
- The management expects the belting fabrics' performance to improve with increased government spending, revival of tier II markets, and higher exports, along with a rebound in cement, steel, and coal production and round construction in FY26
- FY26 is expected to deliver performance similar to that of FY25.



### Others

- Chances of seeing global growth slowing down with the company continuing to navigate through uncertain times
- The prices for each gas are expected to fluctuate differently.
- SRF plans to incur capex in the range of INR22b to INR23b for the FY26, with the possibility of an increase during the year.
- SRF expects the benefit of reduced borrowing costs in FY26 due to global interest rates trending downward.
- The company plans to optimize raw material sourcing as part of its cost-saving initiatives in the future.
- The management believes it will be able to maintain or increase its market share in the chemicals business, regardless of the situation in China.
- Strong demand is anticipated for both coated and laminated fabrics going forward.

### Valuation and view

- The chemicals business (fluorochemicals and specialty chemicals) is expected to continue the growth momentum in FY26, led by a strong order book in the specialty business and ramp-up of export volumes, coupled with growth in PTFE within the fluorochemicals business. The packaging business is experiencing improvement in the near term, led by increasing focus on high-impact VAPs.
- We build in revenue/EBITDA/Adj. PAT CAGR of 18%/32%/46% over FY25-27E. We broadly maintain our estimates and reiterate **our BUY** rating, valuing the stock on an SoTP basis to arrive at our TP of INR3,500.

### Exhibit 12: Valuation methodology

EV/EBITDA	FY27 EBITDA (INRm)	Multiple (x)	EV (INRm)
Technical Textiles	4,759	12	59,253
Chemicals	35,928	25	913,465
Packaging Films	10,886	12	135,318
Others	1,154	10	12,005
<b>Total EV</b>			<b>1,085,812</b>
Less: Debt			52,412
Less: Minority Interest			-
Add: Cash & Cash Equivalents			7,638
<b>Target Mcap (INR m)</b>			<b>1,041,037</b>
Outstanding Share (m)			297.4
<b>Target Price (INR)</b>			<b>3,500</b>

Source: MOFSL

### Exhibit 13: Revisions to our estimates

Earnings Change (INR m)	Old		New		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY27E	FY27E
Revenue	176,613	209,090	173,402	205,050	-2	-2
EBITDA	38,542	50,557	37,527	49,302	-3	-2
Adj. PAT	21,310	29,774	21,100	29,344	-1	-1

Source: MOFSL



## Financials and valuations

### Consolidated - Income Statement

(INRm)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Income from Operations	72,094	84,000	124,337	148,703	131,385	146,931	173,402	205,050
Less: Excise Duty	0	0	0	0	0	0	0	0
<b>Total Income from Operations</b>	<b>72,094</b>	<b>84,000</b>	<b>124,337</b>	<b>148,703</b>	<b>131,385</b>	<b>146,931</b>	<b>173,402</b>	<b>205,050</b>
Change (%)	1.5	16.5	48.0	19.6	-11.6	11.8	18.0	18.3
<b>Total Expenditure</b>	<b>57,510</b>	<b>62,667</b>	<b>93,305</b>	<b>112,371</b>	<b>104,777</b>	<b>118,555</b>	<b>135,876</b>	<b>155,748</b>
% of Sales	79.8	74.6	75.0	75.6	79.7	80.7	78.4	76.0
<b>EBITDA</b>	<b>14,584</b>	<b>21,333</b>	<b>31,032</b>	<b>36,332</b>	<b>26,608</b>	<b>28,376</b>	<b>37,527</b>	<b>49,302</b>
Margin (%)	20.2	25.4	25.0	24.4	20.3	19.3	21.6	24.0
Depreciation	3,886	4,531	5,172	5,753	6,726	7,715	8,443	9,619
<b>EBIT</b>	<b>10,698</b>	<b>16,803</b>	<b>25,860</b>	<b>30,579</b>	<b>19,882</b>	<b>20,661</b>	<b>29,084</b>	<b>39,682</b>
Int. and Finance Charges	2,007	1,340	1,159	2,048	3,023	3,760	2,663	2,571
Other Income	491	545	428	749	830	1,327	1,526	1,755
<b>PBT bef. EO Exp.</b>	<b>9,182</b>	<b>16,008</b>	<b>25,128</b>	<b>29,280</b>	<b>17,689</b>	<b>18,229</b>	<b>27,948</b>	<b>38,867</b>
EO Items	997	116	727	-1,040	-767	-1,192	0	0
<b>PBT after EO Exp.</b>	<b>10,179</b>	<b>16,123</b>	<b>25,856</b>	<b>28,240</b>	<b>16,922</b>	<b>17,037</b>	<b>27,948</b>	<b>38,867</b>
Current Tax	265	4,154	7,139	6,617	3,565	4,544	6,848	9,523
Deferred Tax	-277	-10	-173	0	0	-14	0	0
Tax Rate (%)	-0.1	25.7	26.9	23.4	21.1	26.6	24.5	24.5
Less: Minority Interest	0	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>10,191</b>	<b>11,979</b>	<b>18,889</b>	<b>21,623</b>	<b>13,357</b>	<b>12,508</b>	<b>21,100</b>	<b>29,344</b>
<b>Adjusted PAT</b>	<b>9,194</b>	<b>11,864</b>	<b>18,162</b>	<b>22,663</b>	<b>14,124</b>	<b>13,700</b>	<b>21,100</b>	<b>29,344</b>
Change (%)	49.4	29.0	53.1	24.8	-37.7	-3.0	54.0	39.1
Margin (%)	12.8	14.1	14.6	15.2	10.8	9.3	12.2	14.3

### Consolidated - Balance Sheet

(INRm)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Equity Share Capital	585	603	2,974	2,974	2,974	2,974	2,974	2,974
Total Reserves	48,748	67,962	82,679	100,296	111,816	123,288	139,331	163,618
<b>Net Worth</b>	<b>49,333</b>	<b>68,564</b>	<b>85,654</b>	<b>103,271</b>	<b>114,790</b>	<b>126,262</b>	<b>142,305</b>	<b>166,592</b>
Minority Interest	0	0	0	0	0	0	0	0
Deferred Liabilities	1,755	3,862	6,775	8,092	9,387	10,553	10,553	10,553
Total Loans	40,468	33,950	35,394	43,541	49,202	46,412	50,412	52,412
<b>Capital Employed</b>	<b>91,556</b>	<b>106,376</b>	<b>127,822</b>	<b>154,903</b>	<b>173,380</b>	<b>183,227</b>	<b>203,271</b>	<b>229,558</b>
Gross Block	76,934	96,167	106,943	128,622	167,373	180,146	200,146	233,146
Less: Accum. Deprn.	15,540	20,071	25,243	30,997	37,723	45,438	53,880	63,499
<b>Net Fixed Assets</b>	<b>61,394</b>	<b>76,096</b>	<b>81,699</b>	<b>97,626</b>	<b>129,650</b>	<b>134,708</b>	<b>146,266</b>	<b>169,646</b>
Goodwill on Consolidation	6	6	0	0	0	0	0	0
Capital WIP	13,933	7,723	16,716	24,055	8,053	8,110	11,110	6,110
Current Investments	1,985	4,125	3,167	4,901	4,056	7,045	7,045	7,045
<b>Total Investments</b>	<b>2,027</b>	<b>4,167</b>	<b>3,209</b>	<b>4,942</b>	<b>5,267</b>	<b>8,273</b>	<b>8,273</b>	<b>8,273</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>31,265</b>	<b>41,121</b>	<b>56,025</b>	<b>60,735</b>	<b>61,574</b>	<b>64,123</b>	<b>73,498</b>	<b>86,397</b>
Inventory	12,012	14,658	21,385	22,743	23,265	23,490	26,302	30,302
Account Receivables	8,911	12,746	17,925	17,856	19,428	21,695	23,754	28,089
Cash and Bank Balance	1,255	2,820	4,594	6,165	4,075	3,538	5,731	7,638
Loans and Advances	9,088	10,898	12,123	13,972	14,805	15,401	17,711	20,368
<b>Curr. Liability &amp; Prov.</b>	<b>17,211</b>	<b>22,918</b>	<b>29,944</b>	<b>32,642</b>	<b>31,440</b>	<b>32,344</b>	<b>36,233</b>	<b>41,226</b>
Account Payables	11,117	15,852	20,964	22,313	21,978	23,316	26,302	30,302
Other Current Liabilities	5,653	6,544	8,391	9,642	8,660	8,104	8,914	9,806
Provisions	442	522	590	687	802	924	1,017	1,118
<b>Net Current Assets</b>	<b>14,054</b>	<b>18,203</b>	<b>26,081</b>	<b>28,093</b>	<b>30,134</b>	<b>31,779</b>	<b>37,265</b>	<b>45,171</b>
Deferred Tax assets	143	181	116	187	276	357	357	357
Misc Expenditure	0	0	0	0	0	0	0	0
<b>Appl. of Funds</b>	<b>91,556</b>	<b>106,376</b>	<b>127,822</b>	<b>154,903</b>	<b>173,380</b>	<b>183,227</b>	<b>203,271</b>	<b>229,558</b>

## Financials and valuations

### Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>30.9</b>	<b>39.9</b>	<b>61.1</b>	<b>76.2</b>	<b>47.5</b>	<b>46.1</b>	<b>70.9</b>	<b>98.7</b>
Cash EPS	44.0	55.1	78.5	95.5	70.1	72.0	99.3	131.0
BV/Share	165.9	230.5	288.0	347.2	385.9	424.5	478.4	560.1
DPS	2.8	4.9	16.8	7.2	7.2	15.0	17.0	17.0
Payout (%)	9.6	12.1	26.4	9.9	16.0	35.7	24.0	17.2
<b>Valuation (x)</b>								
P/E	95	73	48	38	62	64	41	30
Cash P/E	67	53	37	31	42	41	29	22
P/BV	18	13	10	8	8	7	6	5
EV/Sales	13	11	7	6	7	6	5	4
EV/EBITDA	62	42	29	25	34	32	24	18
Dividend Yield (%)	0.1	0.2	0.6	0.2	0.2	0.5	0.6	0.6
FCF per share	-2.3	19.1	9.7	0.0	-6.1	40.5	19.9	25.3
<b>Return Ratios (%)</b>								
RoE	20.3	20.1	23.6	24.0	13.0	11.4	15.7	19.0
RoCE	13.3	13.4	17.2	17.9	10.5	9.6	12.6	15.2
RoIC	15.3	26.3	34.2	34.7	18.2	17.4	22.3	26.8
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	0.9	0.9	1.2	1.2	0.8	0.8	0.9	0.9
Asset Turnover (x)	0.8	0.8	1.0	1.0	0.8	0.8	0.9	0.9
Inventory (Days)	119	133	129	112	127	111	108	108
Debtor (Days)	45	55	53	44	54	54	50	50
Creditor (Days)	110	144	126	110	120	111	108	108
Working Cap. Turnover (Days)	65	67	63	54	72	70	66	67
<b>Leverage Ratio (x)</b>								
Current Ratio	1.8	1.8	1.9	1.9	2.0	2.0	2.0	2.1
Interest Cover Ratio	5	13	22	15	7	5	11	15
Debt/Equity	0.8	0.5	0.4	0.4	0.4	0.4	0.4	0.3

### Consolidated - Cash Flow Statement

(INRm)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
OP/(Loss) before Tax	10,706	16,099	25,856	28,240	16,922	17,037	27,948	38,867
Depreciation	3,929	4,531	5,172	5,753	6,726	7,715	8,443	9,619
Interest & Finance Charges	2,016	1,340	1,159	2,048	3,023	3,760	2,663	2,571
Direct Taxes Paid	-1,427	-2,553	-4,016	-6,617	-3,565	-4,544	-6,848	-9,523
(Inc)/Dec in WC	-239	-1,236	-6,645	-408	-2,168	906	-3,293	-5,999
<b>CF from Operations</b>	<b>14,984</b>	<b>18,181</b>	<b>21,527</b>	<b>29,017</b>	<b>20,938</b>	<b>24,875</b>	<b>28,912</b>	<b>35,535</b>
Others	-1,940	-464	-469	0	0	0	0	0
<b>CF from Operating incl EO</b>	<b>13,044</b>	<b>17,717</b>	<b>21,057</b>	<b>29,017</b>	<b>20,938</b>	<b>24,875</b>	<b>28,912</b>	<b>35,535</b>
(inc)/dec in FA	-13,730	-12,047	-18,171	-29,019	-22,748	-12,830	-23,000	-28,000
<b>Free Cash Flow</b>	<b>-685</b>	<b>5,670</b>	<b>2,886</b>	<b>-2</b>	<b>-1,810</b>	<b>12,044</b>	<b>5,912</b>	<b>7,535</b>
(Pur)/Sale of Investments	-886	-1,886	1,028	-1,733	-325	-3,006	0	0
Others	2,813	-1,064	1,265	1,138	800	996	0	0
<b>CF from Investments</b>	<b>-11,803</b>	<b>-14,997</b>	<b>-15,877</b>	<b>-29,614</b>	<b>-22,273</b>	<b>-14,840</b>	<b>-23,000</b>	<b>-28,000</b>
Issue of Shares	0	7,500	2	0	0	0	0	0
Inc/(Dec) in Debt	3,205	-6,856	622	8,147	5,662	-2,790	4,000	2,000
Interest Paid	-2,040	-1,574	-1,173	-2,048	-3,023	-3,760	-2,663	-2,571
Dividend Paid	-803	-1,408	-2,117	-2,142	-2,142	-4,462	-5,056	-5,056
Others	-2,337	1,182	-741	-1,789	-1,252	439	0	0
<b>CF from Fin. Activity</b>	<b>-1,975</b>	<b>-1,155</b>	<b>-3,406</b>	<b>2,168</b>	<b>-754</b>	<b>-10,572</b>	<b>-3,719</b>	<b>-5,627</b>
<b>Inc/Dec of Cash</b>	<b>-734</b>	<b>1,565</b>	<b>1,774</b>	<b>1,571</b>	<b>-2,089</b>	<b>-538</b>	<b>2,193</b>	<b>1,907</b>
Opening Balance	1,989	1,255	2,820	4,594	6,164	4,075	3,538	5,731
<b>Closing Balance</b>	<b>1,255</b>	<b>2,820</b>	<b>4,594</b>	<b>6,164</b>	<b>4,075</b>	<b>3,538</b>	<b>5,731</b>	<b>7,638</b>

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