

Coromandel International

Estimate change 

TP change 

Rating change 

CMP: INR1,810

TP: INR2,270 (+25%)

Buy

Benign RM costs and better volumes aid 3Q performance

Operating performance above estimates

- Coromandel International (CRIN) reported a strong operating performance in 3QFY25 (EBIT up 2.2x YoY), aided by strong growth in the Nutrient & Other allied business (up 2.5x YoY) and decent performance in the crop protection business (EBIT up 8% YoY). Margin improvement was driven by better manufactured volume (up 8% YoY), operating leverage, and benign raw material prices.
- With improved reservoir levels and above-normal northeast monsoons, the company is expecting healthy growth in fertilizer volumes in the upcoming quarters. This, coupled with the stabilization of agrochemical prices, should lead to a better performance in 4QFY25 and FY26.
- Factoring in a strong performance in 3Q and a healthy trajectory for 4Q, we increase our FY25 earnings estimate by 6% while maintain our FY26/FY27 earnings estimates. We value the company at ~25x FY27E EPS to arrive at a TP of INR2,270. **Reiterate BUY.**

Fertilizer business drives strong operating performance

- CRIN reported total revenue of INR69.4b (est. INR64.4b) in 3QFY25, up 27% YoY, led by higher sales volume. Total manufacturing volumes (NPK+DAP) grew 4% YoY to 0.9mmt, and total phosphate fertilizer manufacturing volumes (including SSP) rose 8% YoY to 1.1mmt.
- Nutrient & other allied business revenue rose 30% YoY to INR63.7b, while crop protection business revenue grew 3% YoY to INR6.3b.
- EBITDA jumped 2x YoY to INR7.2b (est. INR6.6b). As per our calculations, manufacturing EBITDA/mt (including SSP) stood at INR4,609 (up 3.5x YoY), while EBITDA/mt for phosphate fertilizers (DAP and NPK) stood at INR5,287 (up 3.9x YoY).
- EBIT margin for Nutrient & other allied business expanded 470bp YoY to 9.8%, while crop protection business EBIT margin expanded 60bp YoY to 14.3%.
- Adjusted PAT stood at INR5.1b (est. INR4.5b), up 2.2x YoY.
- For 9MFY25, revenue/EBITDA grew 5%/4% YoY to INR191b/INR22b, while adj. PAT remained flat YoY. Our implied growth in 4Q is 23%/52%/72% YoY.

Highlights from the management commentary

- **Capacity:** The Kakinada project for 200KMT of phosphoric acid and sulfuric acid is on track for commissioning in 4QFY26. Moreover, construction of its 750KMT NPK facility has begun, with commercial production likely by 4QCY27. Negotiations with the technology provider and business partner are in the final stages.
- **Subsidy** received in 3Q/9MFY25 stood at ~INR20.4b/INR59b vs. INR7.2b/INR70.3b in 3Q/9MFY24. Subsidy outstanding as of Dec'24 was INR21b vs. INR24.1b in Dec'23.
- **SSP:** CRIN expects margins to improve as the share of differentiated SSP products rises, which can boost margins to INR1,500-2,000/mt or more.

Bloomberg	CRIN IN
Equity Shares (m)	295
M.Cap.(INRb)/(USDb)	533.1 / 6.2
52-Week Range (INR)	1978 / 1025
1, 6, 12 Rel. Per (%)	-3/15/64
12M Avg Val (INR M)	712

Financials & Valuations (INR b)

Y/E Mar	2025E	2026E	2027E
Sales	239.1	257.2	281.1
EBITDA	26.2	31.1	35.9
PAT	17.6	22.4	26.4
EBITDA (%)	10.9	12.1	12.8
EPS (INR)	59.9	76.0	89.8
EPS Gr. (%)	7.4	26.9	18.2
BV/Sh. (INR)	365.9	427.9	503.7

Ratios

Net D/E	-0.3	-0.3	-0.4
RoE (%)	17.5	19.1	19.3
RoCE (%)	19.6	20.5	20.4
Payout (%)	23.4	18.4	15.6

Valuations

P/E (x)	30.2	23.8	20.2
EV/EBITDA (x)	19.2	15.8	13.2
Div Yield (%)	0.8	0.8	0.8
FCF Yield (%)	1.0	2.9	3.4

Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	57.2	57.3	57.3
DII	21.3	20.8	21.1
FII	7.8	7.5	7.2
Others	13.8	14.4	14.3

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

Valuation and view

- CRIN's key product (NPK) witnessed volume resilience (up 8% YoY in 9MFY25), with margin recovery in 3QFY25 led by benign raw material prices and operating leverage. The company is expected to deliver a similar performance in 4QFY25.
- CRIN's longer-term outlook remains strong, led by 1) backward integration (full integration of Kakinada facility by CY26 and Baobab Mining and Chemicals Corporation mines); 2) product diversification (Nano fertilizers and new products across fertilizer and crop protection) and market expansion (such as in UP and MP); 3) scale-up of CDMO business; and 4) ramp-up of its key subsidiary (Daksha).
- We expect a CAGR of ~8%/14%/17% in revenue/EBITDA/adj. PAT over FY24-27E. We value CRIN at ~25x FY27E EPS to arrive at our TP of INR2,270. **Reiterate BUY.**

Quarterly Performance

(INR m)

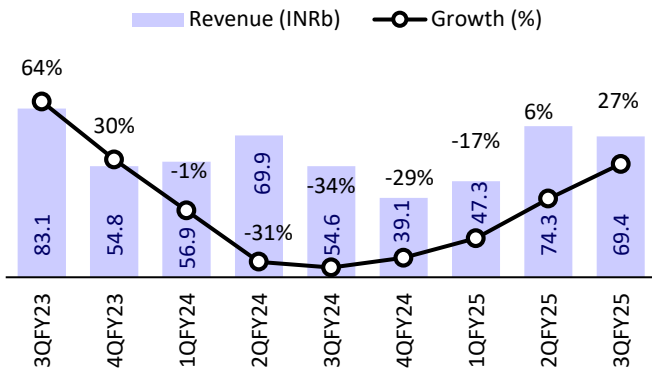
Y/E March	FY24				FY25E				FY24	FY25E	FY25	Var
Consolidated	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	%
Net Sales	56,934	69,881	54,642	39,127	47,288	74,328	69,352	48,174	2,20,584	2,39,142	64,419	8
YoY Change (%)	-0.6	-30.9	-34.2	-28.5	-16.9	6.4	26.9	23.1	-25.5	8.4	17.9	
Total Expenditure	49,842	59,294	51,063	36,397	42,231	64,581	62,134	44,023	1,96,596	2,12,968	57,782	
EBITDA	7,092	10,587	3,578	2,730	5,058	9,748	7,218	4,151	23,988	26,174	6,637	9
Margins (%)	12.5	15.2	6.5	7.0	10.7	13.1	10.4	8.6	10.9	10.9	10.3	
Depreciation	481	540	635	630	653	690	708	715	2,286	2,765	680	
Interest	405	462	381	617	574	661	731	550	1,866	2,516	640	
Other Income	445	448	585	835	541	650	1,137	1,002	2,314	3,330	800	
PBT before EO expense	6,651	10,033	3,147	2,319	4,372	9,047	6,916	3,888	22,150	24,223	6,117	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	6,651	10,033	3,147	2,319	4,372	9,047	6,916	3,888	22,150	24,223	6,117	
Tax	1,674	2,450	776	578	1,125	2,328	1,752	979	5,478	6,183	1,540	
Rate (%)	25.2	24.4	24.7	24.9	25.7	25.7	25.3	25.2	24.7	25.5	25.2	
Minority Interest & P/L of Asso. Cos.	36	15	61	138	137	79	46	144	250	407	64	
Reported PAT	4,940	7,569	2,310	1,603	3,110	6,641	5,118	2,765	16,422	17,633	4,513	
Adj PAT	4,940	7,569	2,310	1,603	3,110	6,641	5,118	2,765	16,422	17,633	4,513	13
YoY Change (%)	-1.0	2.2	-56.2	-34.9	-37.1	-12.3	121.6	72.5	-18.4	7.4	95.4	
Margins (%)	8.7	10.8	4.2	4.1	6.6	8.9	7.4	5.7	7.4	7.4	7.0	

Key Performance Indicators

Y/E March	FY24				FY25E				FY24	FY25E
Consolidated	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Volume Growth (%)	20.3	-20.8	-7.7	-19.5	-3.4	24.6	14.6	17.0	-9.6	13.6
Manufacturing (%)	10.6	-8.2	-9.8	-9.6	3.3	6.3	7.6	8.9	-5.0	6.3
Trading (%)	59.9	-53.0	-3.3	-31.0	-22.4	116.1	28.3	29.4	-19.4	31.9
Mfg EBITDA/MT (INR)	6,754	7,230	1,330	2,890	4,261	5,435	4,609	3,920	4,190	4,186
Cost Break-up										
RM Cost (% of sales)	74.1	73.2	79.1	72.1	73.6	74.9	76.4	71.0	74.7	74.3
Staff Cost (% of sales)	2.9	2.5	3.4	4.4	3.9	2.5	3.0	4.4	3.2	3.3
Freight Cost (% of sales)	5.3	4.3	5.6	6.4	6.0	5.0	5.4	6.5	5.3	5.6
Other Cost (% of sales)	5.2	4.7	5.3	10.2	5.8	4.5	4.9	9.5	6.0	5.9
Gross Margins (%)	25.9	26.8	20.9	27.9	26.4	25.1	23.6	29.0	25.3	25.7
EBITDA Margins (%)	12.5	15.2	6.5	7.0	10.7	13.1	10.4	8.6	10.9	10.9
EBIT Margins (%)	11.6	14.4	5.4	5.4	9.3	12.2	9.4	7.1	9.8	9.8

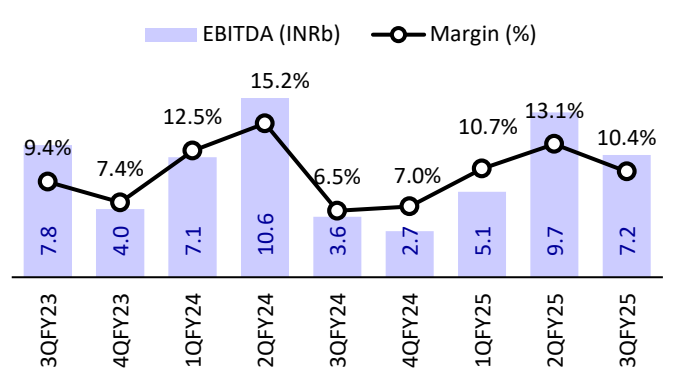
Key exhibits

Exhibit 1: Revenue trend



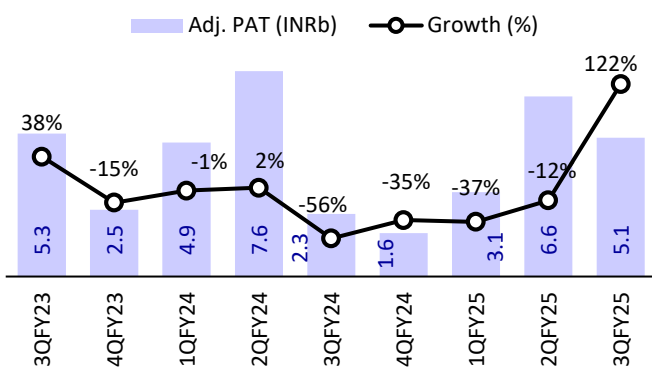
Source: Company, MOFSL

Exhibit 2: EBITDA trend



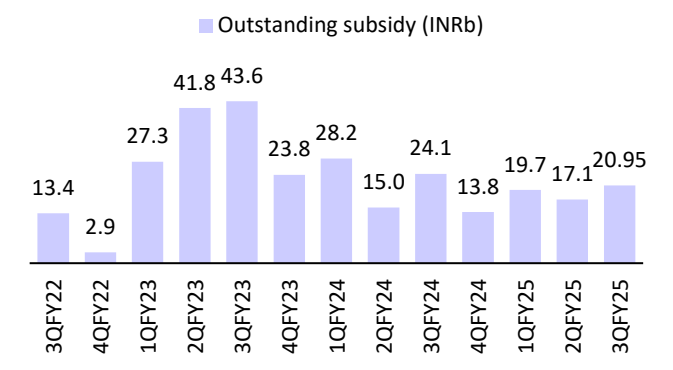
Source: Company, MOFSL

Exhibit 3: Adjusted PAT trend



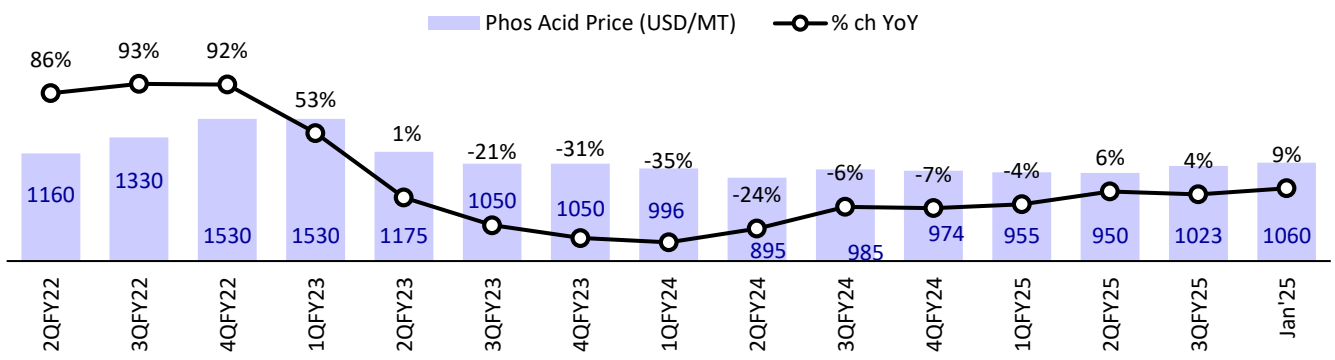
Source: Company, MOFSL

Exhibit 4: Trend in outstanding subsidy



Source: Company, MOFSL

Exhibit 5: Price trend in phosphoric acid



Source: Company, Bloomberg, MOFSL

Exhibit 6: Segmental revenue and EBIT trends

INR m	3QFY23	4QFY23	1QFY25	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25
Segment revenue									
Nutrient and Other Allied	77,098	48,806	52,006	63,017	49,027	33,702	42,137	67,503	63,674
YoY growth (%)	72%	33%	2%	-33%	-36%	-31%	-19%	7%	30%
Crop Protection	6,526	6,155	5,475	7,301	6,154	5,644	5,516	7,511	6,357
YoY growth (%)	5%	11%	-17%	3%	-6%	-8%	1%	3%	3%
Less: Inter-segment	528	203	547	437	540	219	364	686	678
Total	83,096	54,758	56,934	69,881	54,642	39,127	47,288	74,328	69,352
Segment EBIT									
Nutrient and Other Allied	6,972	3,390	6,717	9,913	2,516	2,515	4,317	8,507	6,261
Margin (%)	9.0%	6.9%	12.9%	15.7%	5.1%	7.5%	10.2%	12.6%	9.8%
Crop Protection	810	928	550	871	846	631	629	1,083	910
Margin (%)	12.4%	15.1%	10.0%	11.9%	13.7%	11.2%	11.4%	14.4%	14.3%
Unallocated expenses	447	731	656	737	419	1,046	540	532	661
Total	7,335	3,587	6,611	10,048	2,943	2,100	4,405	9,058	6,510

Source: Company, MOFSL

Exhibit 7: Volume trend

Quarterly volume trend ('000MT)	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25
Manufactured									
NPK	886	531	714	994	817	506	726	1,086	912
Growth (%)	73%	-16%	14%	-7%	-8%	-5%	2%	9%	12%
DAP	28	7	44	33	59	33	85	0	0
Growth (%)	-7%	-88%	-25%	-3%	111%	371%	93%	-100%	-100%
SSP	216	190	179	212	143	119	157	231	184
Growth (%)	36%	19%	13%	-13%	-34%	-37%	-12%	9%	29%
Total Manufacturing	1,130	728	937	1,239	1,019	658	968	1,317	1,096
Growth (%)	61%	-14%	11%	-8%	-10%	-10%	3%	6%	8%
Traded									
MOP	2	1	11	37	22	12	7	29	20
Growth (%)	NA	NA	175%	85%	1000%	1100%	-36%	-22%	-9%
DAP Traded	136	87	97	132	62	51	27	181	227
Growth (%)	157%	123%	149%	-4%	-54%	-41%	-72%	37%	266%
NPK Traded	0	0	0	0	0	0	0	43	0
Urea	400	542	223	79	436	372	223	283	420
Growth (%)	78%	230%	36%	-79%	9%	-31%	0%	258%	-4%
Total Trading	538	630	331	248	520	435	257	536	667
Growth (%)	88%	204%	60%	-53%	-3%	-31%	-22%	116%	28%
Total Trading + Mfg.	1,668	1,358	1,268	1,487	1,539	1,093	1,225	1,853	1,763
Growth (%)	69%	29%	20%	-21%	-8%	-20%	-3%	25%	15%
Total NPK (mfg. + trading)	886	531	714	994	817	506	726	1,129	912
Growth (%)	70%	-16%	14%	-7%	-8%	-5%	2%	14%	12%
Total DAP (mfg. + trading)	164	94	141	165	121	84	112	181	227
Growth (%)	98%	-4%	44%	-4%	-26%	-11%	-21%	10%	88%
Total phosphatic fertilizer	1,050	625	855	1,159	938	590	838	1,310	1,139
Growth (%)	74%	-14%	18%	-7%	-11%	-6%	-2%	13%	21%

Source: Company, MOFSL



Highlights from the management commentary

Industry scenario

- Raw material prices remained stable overall, except for a sharp decline in sulphur and sulphuric acid, driven by demand from China and Indonesia.
- The northeast monsoon, which is a major rainfall activity over the south peninsula, particularly in key markets of AP, Rajasthan, Tamil Nadu, and Karnataka, was good, and all regions have reported good rains, especially in Oct-Dec'24. The majority of these regions received above-normal rains.
- Forecasts for the upcoming cropping season indicate low to neutral conditions, supporting stable agricultural growth and minimizing weather-related risks.
- Storage levels remain strong, particularly in the south, with most regions reporting higher reserves than last year's average.
- The gross value addition from agri industries is also expected to grow ~3.8% compared to ~1.4% in the previous year, making it the fastest-growing sector in the country.
- The government has advanced infrastructure efforts, including the recently announced Ken-Betwa River Linking Project, which is aimed at providing assured irrigation to 3.5 million hectares.
- The collaboration between the industry and the government has ensured the continued availability of DAP in key markets, with the government extending a special package of INR3,510/MT until Mar'25.

Operating performance

- The company delivered a resilient performance with volume growth across business segments, driven by higher throughput of intermediate phosphoric and sulphuric acid, lower conversion costs, and improved power generation in fertilizer units.
- The plant's capacity utilization stood at ~95%, with a capacity of ~840KMT of NPKs.
- Phosphoric acid production reached record levels in 3QFY25. The newly commissioned sulphuric acid plant has been running at full capacity.
- In 9MFY25, CRIN increased its market share to ~17% from ~13% last year
- New product mix stands at ~24% currently vs. 14% last year

Outlook and Guidance

- The retail segment added 18 stores this quarter, bringing the total store count to 810. The company targets to double its store network by FY27.
- CRIN anticipates improved performance in the coming periods, driven by resilient business segments, improved operational efficiencies, and product growth.
- The blended margin of the company's products is expected to increase to INR2,500 per ton, driven by the increased volume of value-added products like GroPlus and Urea SSP.
- Since the crop season will end by Feb'25, the next phase of consumption will start in May'25. While significant volume improvements in POS are expected in Jan'25, the management expects volumes to not grow in double digits going ahead and be more or less aligned with the market demand.

- The outlook is positive for volume growth in export markets, driven by bottomed-out prices.

Subsidy

- The subsidy/non-subsidy business share stood at ~84%/16% in 3QFY25, compared to ~82%/18% in 3QFY24.
- The subsidy EBITDA share stood at ~69%/79% in 3QFY25/9MFY25 vs. ~77%/74% in 3QFY24/9MFY24.
- CRIN received a subsidy of ~INR20.36b in 3QFY25 vs. ~INR7.2b in 3QFY24.
- Outstanding subsidy as of Dec'24 stood at ~INR21b.

Crop protection business

- The crop protection business had a robust performance, with domestic formulation shipments growing by 15% and global exports up by 5%.
- The business also improved its margin structure, with EBIT rising by ~8%, driven by domestic B2B and formulation shipments. The overall EBIT margin for the segment stood at ~14.3%.
- The new products introduced during the year have performed exceptionally well, with sales from these products accounting for ~24% of total sales, compared to ~14% last year.

Capacity

- The Kakinada project, aimed at setting up 200KMT of phosphoric acid and related sulfuric acid capacity, is progressing as planned, with the plant expected to be commissioned by 4QFY26.
- The company is in the final stages of negotiations with its technology partner for the additional capacity of 750KMT for the NPK facility, which is expected to commence commercial production by 4QFY27.

SSP

- SSP has revived in this quarter and the current performance is much better, driven by the good monsoon and also due to the shortage of DAP.
- The company expects margins to improve with the increase in the share of differentiated SSP products, which can boost margins to INR1,500-2,000 or more.
- The Capacity of stands ~1MMT, with the company aiming to achieve a full capacity in two years.

Nano DAP

- The agronomy team has been actively engaging with farmers across the country, conducting field trials with positive responses. During the nine-month period, the company sold 25 lakh bottles of Nano DAP, representing almost 40% of the total sales in the country.

Other key highlights

- The company launched the GrowMore Drive, a drone spraying initiative, over the last nine months. During this period, it covered more than 1.1 lakh acres, including services provided through retail outlets.
- In export markets, demand for its key products has started rising, driven by positive momentum in Brazil.
- CRIN engaged proactively with the GST authorities and represented the matter relating to a demand of ~INR5b against the earlier GST applications, and refunds have been received.
- Mancozeb prices in the international market have started to move up.
- The company is doing debottlenecking in its Kakinada and Vizag plants, and this is expected to add to volume growth next year.
- Going ahead, the company expects softness in rock phosphate prices.
- The overbook for Daksha stands at ~INR2.5b.

Valuation and view

- The company's key product (NPK) witnessed volume resilience (up 8% YoY in 9MFY25), with margin recovery in 3Q led by benign raw material prices and operating leverage. CRIN is expected to deliver a similar performance in 4QFY25.
- CRIN's longer-term outlook remains strong, led by: 1) backward integration (full integration of Kakinada facility by CY26 and Baobab Mining and Chemicals Corporation mines); 2) product diversification (Nano fertilizers and new products across fertilizer and crop protection) and market expansion (such as in UP and MP); 3) scale-up of CDMO business; and 4) ramp-up of its key subsidiary (Daksha).
- We expect a CAGR of ~8%/14%/17% in revenue/EBITDA/Adj. PAT over FY24-27E. We value CRIN at ~25x FY27E EPS to arrive at our TP of INR2,270. **Reiterate BUY.**

Exhibit 8: Revisions to our estimates

Earnings Change (INR m)	Old			New			Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	2,29,008	2,45,641	2,67,481	2,39,142	2,57,198	2,81,076	4%	5%	5%
EBITDA	24,949	30,623	35,305	26,174	31,076	35,891	5%	1%	2%
Adj. PAT	16,662	21,725	25,634	17,633	22,373	26,439	6%	3%	3%

Source: MOFSL

Financials and valuations

Consolidated - Income Statement							(INRm)		
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Total Income from Operations	1,32,246	1,31,367	1,41,820	1,91,109	2,96,279	2,20,584	2,39,142	2,57,198	2,81,076
Change (%)	19.3	(0.7)	8.0	34.8	55.0	(25.5)	8.4	7.6	9.3
Total Expenditure	1,17,815	1,14,057	1,21,977	1,69,610	2,67,017	1,96,596	2,12,968	2,26,122	2,45,185
EBITDA	14,431	17,310	19,843	21,499	29,262	23,988	26,174	31,076	35,891
Margin (%)	10.9	13.2	14.0	11.2	9.9	10.9	10.9	12.1	12.8
Depreciation	1,138	1,580	1,731	1,727	1,820	2,286	2,765	2,737	2,954
EBIT	13,292	15,730	18,112	19,772	27,442	21,702	23,409	28,340	32,937
Int. and Finance Charges	2,507	2,353	1,057	755	1,900	1,866	2,516	1,700	1,600
Other Income	371	400	751	1,443	1,711	2,314	3,330	3,830	4,595
PBT bef. EO Exp.	11,156	13,777	17,806	20,460	27,253	22,150	24,223	30,469	35,932
EO Expense/(Income)	-239	0	0	0	0	0	0	0	0
PBT after EO Exp.	10,917	13,777	17,806	20,460	27,253	22,150	24,223	30,469	35,932
Total Tax	3,721	3,135	4,568	5,213	6,879	5,478	6,183	7,669	9,044
Tax Rate (%)	34.1	22.8	25.7	25.5	25.2	24.7	25.5	25.2	25.2
Less: MI/Sh of profit/loss of JV & Ass.	-8	-8	-54	-37	245	250	407	427	449
Reported PAT	7,205	10,650	13,292	15,285	20,129	16,422	17,633	22,373	26,439
Adjusted PAT	7,443	10,650	13,292	15,285	20,129	16,422	17,633	22,373	26,439
Change (%)	7.7	43.1	24.8	15.0	31.7	-18.4	7.4	26.9	18.2
Margin (%)	5.6	8.1	9.4	8.0	6.8	7.4	7.4	8.7	9.4

Consolidated - Balance Sheet							(INRm)		
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	293	293	293	294	294	294	294	294	294
Total Reserves	33,291	42,884	51,213	63,289	78,784	93,905	1,07,416	1,25,667	1,47,985
Net Worth	33,584	43,177	51,506	63,583	79,078	94,199	1,07,710	1,25,962	1,48,279
Deferred Liabilities	1,123	578	576	660	591	827	827	827	827
Total Loans	29,545	16,251	16	0	46	518	518	518	518
Capital Employed	64,252	60,007	52,098	64,243	79,715	95,814	1,09,325	1,27,576	1,49,894
Gross Block	26,631	31,166	36,849	39,337	42,245	46,769	49,936	59,536	63,536
Less: Accum. Deprn.	13,387	14,967	16,698	18,424	20,244	22,529	25,294	28,031	30,985
Net Fixed Assets	13,244	16,200	20,151	20,913	22,001	24,240	24,642	31,505	32,552
Goodwill on Consolidation	3	3	3	3	3	2,849	2,849	2,849	2,849
Capital WIP	1,756	654	898	1,412	3,993	2,355	11,187	6,587	7,587
Current Investments	1	0	0	0	0	0	0	0	0
Total Investments	2,008	2,113	2,138	2,435	2,867	8,538	8,538	8,538	8,538
Curr. Assets, Loans&Adv.	88,728	82,517	65,765	88,085	1,13,484	1,20,534	1,11,354	1,30,452	1,55,284
Inventory	32,414	26,971	26,009	36,632	44,165	46,125	36,035	38,756	42,354
Account Receivables	18,244	17,341	5,544	2,649	5,893	13,935	5,241	5,637	6,161
Govt Subsidies Receivable	23,935	23,162	5,897	2,941	23,779	13,772	16,380	17,616	19,252
Cash and Bank Balance	1,593	783	7,221	17,533	14,178	28,586	30,111	43,075	59,795
Loans and Advances	12,542	14,259	21,094	28,330	25,470	18,116	23,587	25,367	27,723
Curr. Liability & Prov.	41,488	41,481	36,857	48,605	62,633	62,702	49,246	52,355	56,916
Account Payables	37,625	33,481	29,222	39,135	53,138	53,606	40,403	42,880	46,614
Other Current Liabilities	3,542	7,643	7,281	9,132	9,057	8,606	7,862	8,456	9,241
Provisions	321	357	354	337	439	489	981	1,019	1,061
Net Current Assets	47,240	41,036	28,908	39,481	50,851	57,832	62,108	78,096	98,368
Appl. of Funds	64,252	60,007	52,098	64,243	79,715	95,814	1,09,325	1,27,576	1,49,894

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)									
EPS	25.4	36.3	45.3	52.1	68.5	55.8	59.9	76.0	89.8
Cash EPS	29.3	41.7	51.2	58.0	74.7	63.5	69.3	85.3	99.8
BV/Share	114.8	147.4	175.5	216.6	269.0	320.0	365.9	427.9	503.7
DPS	6.5	12.0	12.0	12.0	12.0	12.0	14.0	14.0	14.0
Payout (%)	31.7	39.6	26.5	23.0	17.5	21.5	23.4	18.4	15.6
Valuation (x)									
P/E	71.1	49.8	40.0	34.8	26.4	32.4	30.2	23.8	20.2
Cash P/E	61.7	43.4	35.3	31.2	24.2	28.5	26.1	21.2	18.1
P/BV	15.8	12.3	10.3	8.4	6.7	5.7	4.9	4.2	3.6
EV/Sales	4.2	4.2	3.7	2.7	1.7	2.3	2.1	1.9	1.7
EV/EBITDA	38.6	31.5	26.4	23.9	17.7	21.1	19.2	15.8	13.2
Dividend Yield (%)	0.4	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8
FCF per share	8.7	51.8	121.3	60.6	1.4	29.0	17.8	52.3	62.1
Return Ratios (%)									
RoE	23.8	27.7	28.1	26.6	28.2	19.0	17.5	19.1	19.3
RoCE	15.1	20.3	25.3	27.5	30.5	20.8	19.6	20.5	20.4
RoIC	16.2	21.1	27.4	34.8	40.4	28.4	30.1	32.9	34.4
Working Capital Ratios									
Fixed Asset Turnover (x)	5	4	4	5	7	5	5	4	4
Asset Turnover (x)	2.1	2.2	2.7	3.0	3.7	2.3	2.2	2.0	1.9
Inventory (Days)	89	75	67	70	54	76	55	55	55
Debtor (Days)	50	48	14	5	7	23	8	8	8
Govt Subs Receivable (days)	66	64	15	6	29	23	25	25	25
Creditor (Days)	147	135	110	100	83	119	83	83	83
Working Capital Turnover (Days)	126	112	56	42	45	48	49	50	50
Leverage Ratio (x)									
Current Ratio	2.1	2.0	1.8	1.8	1.8	1.9	2.3	2.5	2.7
Interest Cover Ratio	5	7	17	26	14	12	9	17	21
Debt/Equity	0.9	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Consolidated - Cash Flow Statement

(INRm)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
NP/(Loss) Before Tax and EO Items	11,156	13,777	17,806	20,460	27,253	22,150	24,223	30,469	35,932
Depreciation	1,138	1,580	1,731	1,727	1,820	2,286	2,765	2,737	2,954
Interest & Finance Charges	1,783	2,353	1,057	755	189	-448	-814	-2,130	-2,995
Direct Taxes Paid	-3,709	-3,135	-4,568	-4,834	-7,038	-5,478	-6,183	-7,669	-9,044
(Inc)/Dec in WC	-4,601	4,044	25,476	3,716	-16,520	7,427	-2,751	-3,024	-3,551
CF from Operations	5,768	18,620	41,502	21,824	5,703	25,936	17,240	20,383	23,295
Others	-504	0	0	-1,044	207	-11,659	0	0	0
CF from Operating incl EO	5,264	18,620	41,502	20,781	5,910	14,277	17,240	20,383	23,295
(inc)/dec in FA	-2,731	-3,434	-5,926	-3,002	-5,489	-5,732	-12,000	-5,000	-5,000
Free Cash Flow	2,534	15,186	35,576	17,779	421	8,545	5,240	15,383	18,295
(Pur)/Sale of Investments	0	-105	-25	-297	-432	-5,671	0	0	0
Others	-4,053	1,320	-6,622	-12,921	12,312	-1,940	3,330	3,830	4,595
CF from Investments	-6,784	-2,219	-12,572	-16,220	6,390	-13,343	-8,670	-1,170	-405
Issue of Shares	45	1	0	0	1	0	0	0	0
Inc/(Dec) in Debt	2,316	-13,294	-16,235	-16	46	472	0	0	0
Interest Paid	-2,511	-2,353	-1,057	-755	-1,900	-1,866	-2,516	-1,700	-1,600
Dividend Paid	-2,292	-4,219	-3,521	-3,522	-3,528	-3,533	-4,122	-4,122	-4,122
Others	0	2,654	-1,679	10,044	-10,273	18,400	-407	-427	-449
CF from Fin. Activity	-2,441	-17,211	-22,491	5,751	-15,655	13,474	-7,044	-6,249	-6,170
Inc/Dec of Cash	-3,961	-810	6,438	10,312	-3,355	14,408	1,526	12,963	16,721
Add: Beginning Balance	5,554	1,593	783	7,221	17,533	14,178	28,586	30,111	43,075
Closing Balance	1,593	783	7,221	17,533	14,178	28,586	30,111	43,075	59,795

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NOTES

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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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