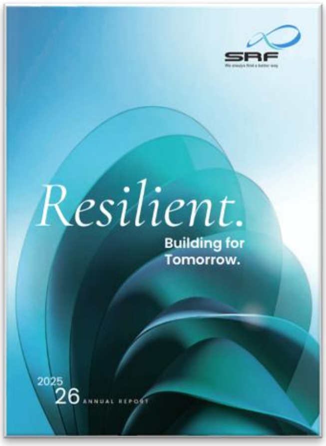
24 June 2026

Annual Report Update | Sector: Chemicals

SRF

BSE SENSEX	S&P CNX
76,991	24,022



Stock Info

Bloomberg	SRF IN
Equity Shares (m)	296
M.Cap.(INRb)/(USDb)	819.9 / 8.7
52-Week Range (INR)	3325 / 2314
1, 6, 12 Rel. Per (%)	4/-3/-5
12M Avg Val (INR M)	1459
Free float (%)	49.7

Financials Snapshot (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	157.9	184.1	206.7
EBITDA	36.0	44.8	51.5
Adj. PAT	20.4	25.6	30.1
EBITDA margin (%)	22.8	24.3	24.9
Cons. Adj. EPS (INR)	68.6	86.2	101.3
EPS Gr. (%)	48.9	25.7	17.5
BV/Sh. (INR)	472	541	626
Ratios			
Net D:E	0.3	0.2	0.1
RoE (%)	15.3	17.0	17.4
RoCE (%)	12.5	13.8	14.5
Payout (%)	27.6	19.7	16.8
Valuations			
P/E (x)	39.7	31.6	26.9
EV/EBITDA (x)	23.6	18.8	16.2
Div. Yield (%)	0.6	0.6	0.6
FCF Yield (%)	0.9	1.4	2.0

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	18.6	18.6	21.5
DII	17.6	14.7	9.1
FII	48.5	52.9	58.8
Others	15.3	13.8	10.7

FII includes depository receipts

CMP: INR2,766 TP: INR3,350 (+21%) Buy

Diversification, strategic investments drive growth

FY26 was characterized by a volatile and uncertain global environment, with the geopolitical tensions in the Middle East disrupting trade flows and supply chains. These challenges impacted SRF's logistics network, supply chain operations, and access to key markets. Despite these macroeconomic headwinds, the company successfully navigated the environment through disciplined execution, operational excellence and continued strategic investments across its businesses.

- **The Fluorochemical segment delivered a record performance in FY26, driven by strong demand, improved realizations, and high-capacity utilization. SRF continued to invest in next-generation refrigerants, capacity expansions, and specialty polymers to strengthen its product portfolio and integration. Growth is expected to be supported by rising AC demand, PTFE ramp-up, higher HFC capacities, and the commissioning of the specialty polymer plant.**
- **The Specialty Chemicals segment faced a challenging FY26 as revenue was impacted by weakness in the agrochemical sector and global pricing pressure. SRF maintained its competitive position through cost discipline, operational improvements, capacity expansions, and continued investment in new product development. The company remains focused on expanding its presence in agrochemicals, pharmaceuticals, and other high-value specialty molecules, supporting a positive growth outlook.**
- **FY26 was a recovery year for the Performance Films & Foil (PFB) business, driven by operational efficiencies and a higher share of value-added products, resulting in revenue growth and strong margin expansion. The business strengthened its portfolio through expansion into high-value technical films, including the upcoming Capacitor Grade BOPP film line. Going ahead, growth is expected to be supported by technical film ramp-ups, improving aluminum foil profitability, and continued productivity gains.**
- **Capex intensity increased significantly in FY26, with SRF incurring ~INR17.2b of capex (+57% YoY), primarily directed toward expansion initiatives.**
- **SRF remains well positioned to deliver healthy growth, supported by its diversified portfolio, capacity expansion initiatives, and innovation-led strategy. While the Chemicals business is expected to remain the primary growth driver, the improving industry conditions in Technical Textiles (TTB) and a constructive outlook for Packaging Films are expected to support further growth in FY27.**
- **We expect SRF to clock a CAGR of 14%/20%/22% in revenue/EBITDA/adj. PAT over FY26-28. We reiterate our BUY rating on the stock with our SoTP-based TP of INR3,350.**

Fluorochemicals drive earnings as capacity expansion accelerates

- Chemical business continued its growth momentum in FY26 and accounted for 49%/75% of consolidated sales/EBIT. Revenue/EBITDA grew 16%/30% YoY, while EBITDA margin expanded by ~380bp YoY to 35.7%, driven by growth in fluorochemicals.

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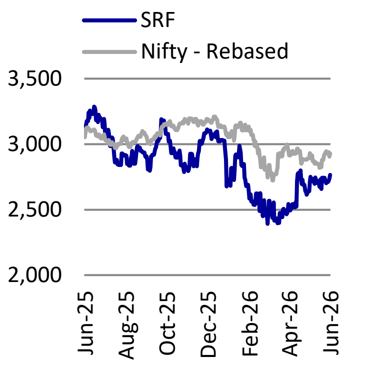
Stock performance (one year)



- **Fluorochemicals** delivered a record performance, with revenue rising 60% YoY to ~INR36b, driven by strong global demand, improved realizations, and optimal capacity utilization. Despite some regional disruptions in the Middle East, the company has successfully diversified into alternate markets, sustaining volumes and growth momentum.
- SRF is strengthening its presence in next-generation refrigerants through a planned capex of ~INR23b over the next two years, including a 20,000-TPA Hydrofluoroolefins (HFO) facility, a 30,000-TPA HF plant, and downstream HF derivative capacities. The investment is expected to enhance value-chain integration, strengthen manufacturing capabilities, and expand the portfolio of high-value specialty products.
- The company is also undertaking a debottlenecking capex of ~INR880m at Dahej to strengthen its market position in line with the potential HCFC quota under the Montreal Protocol. With the necessary environmental clearances already in place, the project is expected to increase HFC capacity beyond 65,000 TPA.
- Fluoropolymer's business delivered a strong all-round performance, with improvements in costs, sales, and customer approvals, including key global account wins. Operational stability continued to strengthen, supported by the addition of new grades and enhanced market acceptance.
- The specialty polymers project remains on track for commissioning in early FY27, while the partnership with Chemours achieved significant milestones and is progressing as planned. Looking ahead, the successful commissioning of the new specialty polymer plant and further enhancement of application development capabilities will be key focus areas in FY27.
- Fluorochemicals business has demonstrated a strong growth trajectory, with 60% growth in FY26 and a 23% revenue CAGR over FY16-FY26. With multiple growth levers in place, including expanding AC demand, PTFE ramp-up, and higher HFC capacities, **we expect a 19% CAGR in revenue over FY26-28.**
- **Specialty Chemicals** business faced a challenging environment, with revenue declining 7% YoY to INR35.4b amid agrochemical sector weakness and global pricing pressure. However, effective cost control and operational efficiency supported its competitive position.
- During FY26, SRF continued to strengthen its Specialty Chemicals business through targeted capacity expansions at recently commissioned facilities and enhanced operational efficiency at its Bhiwadi and Dahej plants. These efforts supported the scale-up of a growing portfolio of high-value products, deepened customer engagement and accelerated new product development.
- Specialty Chemicals business has delivered a healthy 17% revenue CAGR during FY16-FY26. While FY26 was impacted by a weak macro environment, the outlook remains intact. The company continues to strengthen its presence in agrochemicals and pharmaceuticals while expanding capabilities in complex, high-value molecules. **We expect the segment to deliver a revenue CAGR of 18% over FY26-28.**

PFB earnings recovery supported by value-added portfolio expansion

- FY26 marked a phase of recovery for the PFB business (~37%/~17% of consolidated revenue/EBIT), **with revenue growth of 4%** in FY26 as the company navigated challenging environment characterized by supply chain volatility and persistent pricing pressures.

- Despite these headwinds, disciplined execution, operational efficiencies, and a sharp focus on customer requirements enabled the business to sustain the **performance, resulting in EBITDA growth of 29%.**
- **EBITDA margins expanded 250bp YoY to 13.2%,** driven by a higher share of value-added products. BOPP margins improved steadily through the year on the back of a more balanced demand-supply environment, while BOPET margins showed early signs of recovery, supported by price improvements.
- Management continues to strengthen PFBs strategic positioning through scale, portfolio diversification, and an expanding value-added product portfolio, enabling it to emerge as a 'one-stop shop' for customers across packaging, specialty, and technical film applications.
- Further the Capacitor Grade BOPP film line is expected to be commissioned shortly, marking the business's entry into technical films, leveraging growth opportunities arising from EVs, electronics manufacturing, and renewable energy.
- Going forward, industry conditions are expected to remain dynamic. While demand growth for films is expected to remain robust, upcoming capacity additions, particularly in the BOPP segment in India, could exert pressure on margins. In contrast, the BOPET market is expected to remain relatively better balanced.
- Additionally, the start-up and ramp-up of the Capacitor Grade BOPP and BOPP-BOPE film lines, improving profitability in the Aluminum Foil business, and ongoing productivity enhancements are expected to support future growth. **We expect a CAGR of 12%/24% in revenue/EBITDA over FY26-28.**

TTB poised for recovery as market conditions improve

- TTB (12%/6% of consolidated revenue/EBIT) reported a 7.5% YoY decline in revenue to ~INR18.7b, while EBITDA fell 14% YoY to INR2.5b, impacted by a challenging operating environment, competitive pricing pressures (particularly from imports) and fluctuating demand across certain end-use segments.
- During the year, SRF continued to strengthen its presence across key segments. The business maintained strong sales momentum in non-N6 Tyre Cord Fabric (TCF) products while successfully expanding its customer base in Belting Fabrics (BF) and Polyester Industrial Yarn (PIY).
- The TCF segment maintained its presence in both Nylon 66 TCF and Polyester Tyre Cord Fabric (PTCF) during the year. Despite margin pressures from low-cost imports and volatility in lactam prices, the business sustained its market share in the Nylon 6 TCF segment through improved operational efficiencies and strong customer relationships.
- Demand in the Belting Fabrics segment remained largely flat during the year and was impacted by the imposition of reciprocal US tariffs and continued pressure from low-cost Chinese imports.
- Meanwhile, demand in the Polyester Industrial Yarn (PIY) segment was marginally lower than the previous year. The withdrawal of the PIY quality control order led to higher imports from China, resulting in margin pressure; however, the segment operated at full capacity utilization and delivered a stable performance.
- We expect the TTB segment to recover in FY27, supported by improving market conditions. Further growth is likely to be driven by a higher share of dipped

fabric in non-N6 TCF, market share gains in Nylon 66 and PTCF, and improved capacity utilization, export growth, and value-added product expansion in Belting Fabrics. **Accordingly, we model a CAGR of 8%/16% in revenue/EBITDA over FY26-28.**

Disciplined capital allocation continues amid rising growth investments

- SRF has maintained a strong capex trajectory over the past few years, with investments aimed at expanding manufacturing capacity, improving operational efficiencies, and upgrading existing infrastructure. The company has also strategically deployed capital to diversify into new growth areas, particularly the pharmaceutical segment, supporting its long-term growth ambitions.
- SRF has incurred a cumulative capex of **~INR99.8b** over the last five years as of Mar'26. Chemicals accounted for the highest capex (~65%), followed by Packaging Films (26%), and TTB (7%).
- SRF incurred a capex of ~**INR17.2b in FY26**, up 57% YoY, of which 50% was incurred in PFF business (vs. 16% in FY25), followed by chemical (43% vs. 60% in FY25) and TTB business (3% vs. 20% in FY25).
- The **intensity of capex increased in FY26,** led by the focus on driving growth and expansion across the segments while maintaining financial discipline to preserve sufficient liquidity to effectively navigate changing economic conditions and market uncertainties. **SRF is expecting a total capex of ~INR25b in FY27.**
- The Dahej capex in the pharma and agrochemical segments is progressing as planned, with benefits expected from FY27. The company will continue to focus on operational improvements to enhance its cost competitiveness.
- **With an improving business scenario in Chemicals, SRF is likely to increase its capex intensity in FY27, in line with its aspirations for the future.**
- In the **PFF business**, the board has deferred the proposed ~INR4.9b BOPP Film manufacturing facility at Indore indefinitely, as changes in the operating environment necessitate a reassessment of the timing of investment.

Margin gain and strong balance sheet offset working capital headwinds

- SRF's net working capital cycle increased from 55 to 60 days in FY26, majorly driven by an increase **in receivables/inventory days by 4/9**, bringing them to **55/120 days**. However, this gain was partially offset by an **8-day increase in payables** to **115 days**.
- Gross/EBITDA margin rose by 300bp/350bp to 51%/23%, while gross profit/ EBITDA rose 14%/~27% to ~INR80b/INR36b. Net profit margin increased to 12.9% in FY26 from 9.3% in FY25.
- CFO increased by 3% (vs. 19% growth last year) to **INR25.5b** in FY26. This marked a strong turnaround from the 28% decline in FY24. However, the CFO-to-EBITDA ratio declined from 88% to 71% in FY26. Further, FCF declined to INR7.4b in FY26 from INR12b in FY25.
- SRF's debt-to-equity ratio **remained steady at 0.36x** in FY26 compared to 0.47x in FY25, reflecting a strong balance sheet.
- SRF spent ~INR1.6b on R&D in FY26, registering ~8% CAGR over the last decade. R&D spending as a percentage of EBITDA/sales largely stood at 4.6%/1% vs. 5.4%/1% in FY25.

Valuation and view

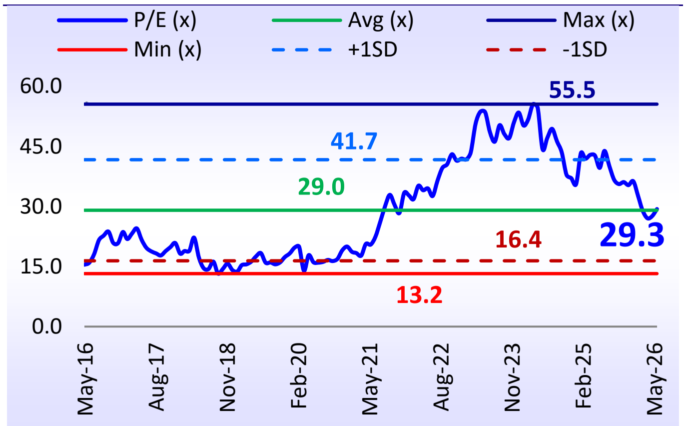
- Building on its strong FY26 performance, SRF is well positioned to sustain growth in FY27, supported by ongoing capacity expansions, ramp-up of recently commissioned plants, strategic investments, continued focus on innovation and market recovery.
- SRF remains well positioned to deliver healthy growth, aided by its diversified portfolio, ongoing capacity expansions, and innovation-led strategy. Growth is likely to be driven by robust demand for refrigerant gases, PTFE ramp-up, higher HFC production, and a gradual recovery in Specialty Chemicals. Improving market conditions, a richer product mix, and better capacity utilization should aid the TTB and PFF businesses.
- We expect SRF to clock a CAGR of 14%/20%/22% in revenue/EBITDA/adj. PAT over FY26-28. **We reiterate our BUY rating on the stock with our SoTP-based TP of INR3,350.**

Exhibit 1: Valuation methodology

EV/EBITDA	FY28 EBITDA (INR m)	Multiple (x)	EV (INR m)
TTB	3,360	11	36,963
Chemicals	38,584	23	8,92,037
Packaging Films	11,679	11	1,28,465
Others	991	10	10,307
Less: other income/unallocable	3,113	10	30,875
Total EV			**10,36,897**
Less: Debt			52,043
Less: Minority Interest			-
Add: Cash & Cash Equivalents			11,570
Target Mcap (INR m)			**9,96,424**
Outstanding share (m)			297.4
Target Price (INR)			**3,350**

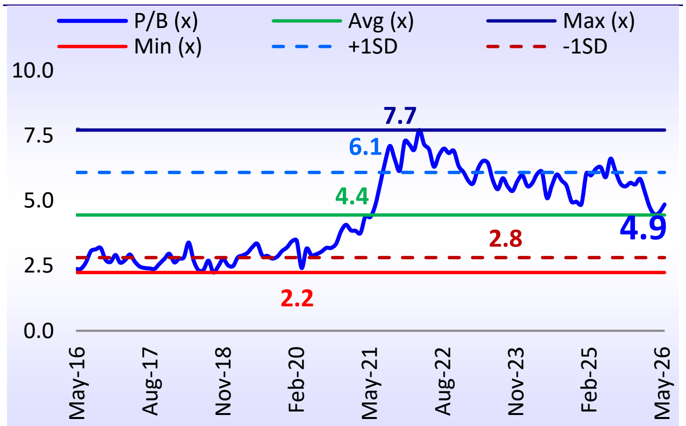
Source: MOFSL

Exhibit 2: One-year forward P/E ratio



Source: MOFSL

Exhibit 3: One-year forward EV/EBITDA ratio



Source: MOFSL

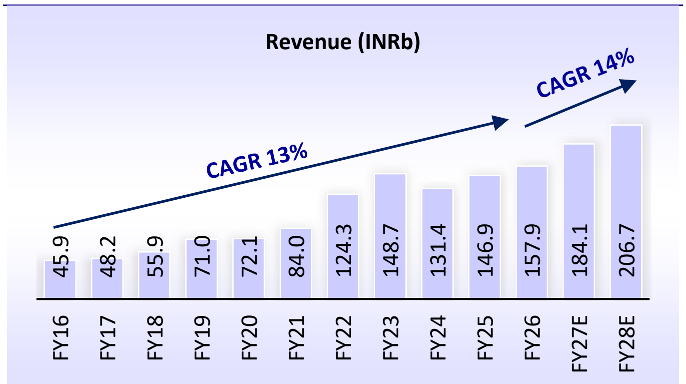
Story in charts

Exhibit 4: Summary of FY26 performance and outlook

Business Segment	Technical Textiles Business (TTB)	Chemical Business		Packaging Films Business (PFB)
		Fluorochemicals	Specialty Chemicals	
Revenue FY26 (INR b)	**18.8**	**36.0**	**35.4**	**57.6**
Growth %	-7.5	59.9	-6.7	3.8
Revenue CAGR % (FY16-26)	-0.1	23.1	16.9	15.5
Revenue CAGR % (FY26-28E)	8.7	20.3	19.8	12.4
EBITDA (INR b)	**2.5**	**27.7**		**7.6**
EBITDAM %	13	36		13
EBITDA CAGR % (FY16-26)	1	18		12
EBITDA CAGR % (FY26-28E)	34	19		24
Current Situation	FY26 was marked by a challenging operating environment; however, performance improved progressively through the year, supported by stable operations margins.	Business delivered robust performance due to higher volumes and realizations of HFCs in domestic and export markets, along with steady performance from Industrial Chemicals and Fluoropolymers.	Aggressive participation from Chinese players led to pricing pressure across the markets as well as customers' end markets. Despite challenging global environment, business delivered QoQ improvement in 4QFY26.	Overall performance improved across PFB units in 4Q, aided by better volumes and margins in BOPET and BOPP, continued strong performance in South Africa, and an improved product mix with higher exports in the Aluminum Foil business.
Key Developments	Belting Fabrics saw early signs of recovery, aided by rationalization of US duties benefiting customers and aiding order flows. NTCF demand was resilient, led by growth in PV and CV segments, with volumes increasing modestly in FY26.	The board has approved increased investments in Odisha site to ~INR23b, covering a 20,000MTPA HFO facility, a 30,000MTPA new HF plant, and value-added HF derivatives.	Extensive work on cost reduction through technological intervention helped sustain market share in key products. Product pipeline has been enhanced, supported by customer enquiries across both Agro and Pharma segments.	The board has deferred the proposed ~ INR4.9b BOPP Film manufacturing facility at Indore indefinitely, as changes in the operating environment necessitate a reassessment of the timing of investment.
Outlook	Market conditions are expected to improve in FY27, boosting growth across segments. Growth in non-N6 TCF should be driven by a higher share of dipped fabric, while Nylon 66 and PTCF could gain market share through customer additions. The Belting Fabrics segment should benefit from improved capacity utilization, export growth, and an expanding portfolio of value-added products.	Growth in Fluoropolymers segment should be driven by the commissioning of the specialty polymer plant in FY27, alongside continued new grade development and enhanced application capabilities.	The Specialty Chemicals business will focus on the agrochemicals and pharmaceuticals segments, strengthening customer partnerships and expanding capabilities in complex, high-value molecules. Growth is expected to be supported by process innovation, automation, strategic collaborations, and continued focus on operational excellence.	For FY27, demand across packaging films is expected to remain healthy; however, significant BOPP capacity additions in India may continue to weigh on margins. In contrast, the BOPET market is expected to remain relatively balanced, supporting a more stable operating environment.

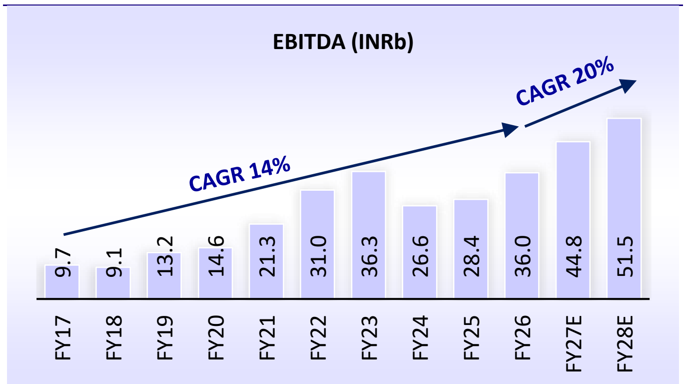
Source: MOFSL

Exhibit 5: SRF's consolidated revenue expected to register 14% CAGR over FY26-28



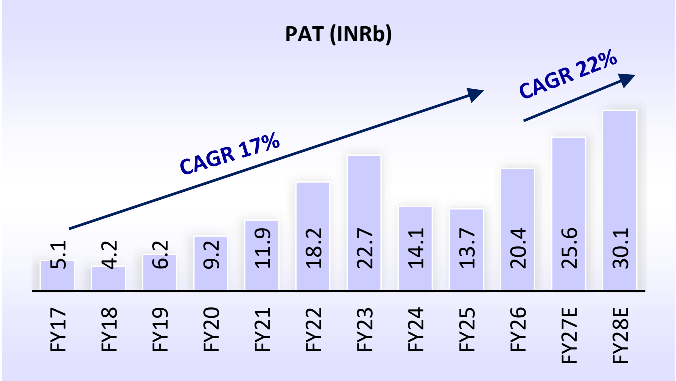
Source: Company, MOFSL

Exhibit 6: Consolidated EBITDA likely to report 20% CAGR over FY26-28



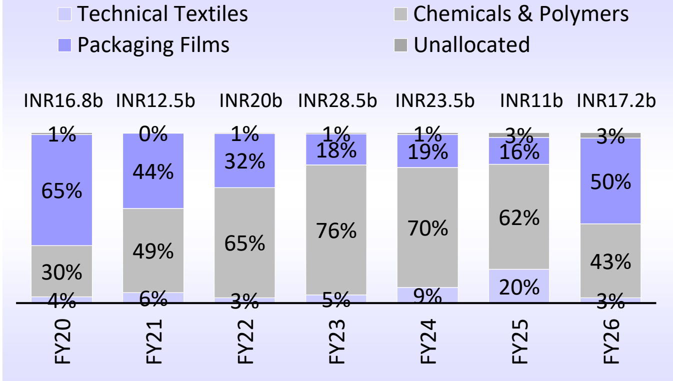
Source: Company, MOFSL

Exhibit 7: Consolidated adj. PAT expected to clock 22% CAGR over FY26-28



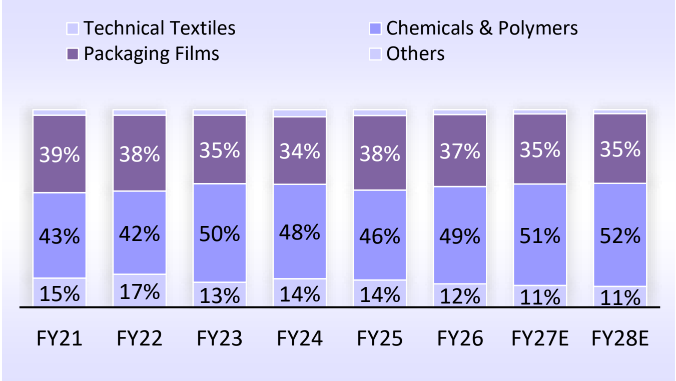
Source: Company, MOFSL

Exhibit 8: Capex trend



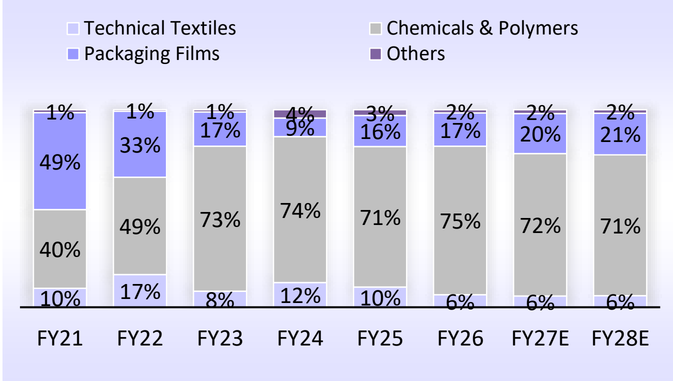
Source: Company, MOFSL

Exhibit 9: Revenue mix trend



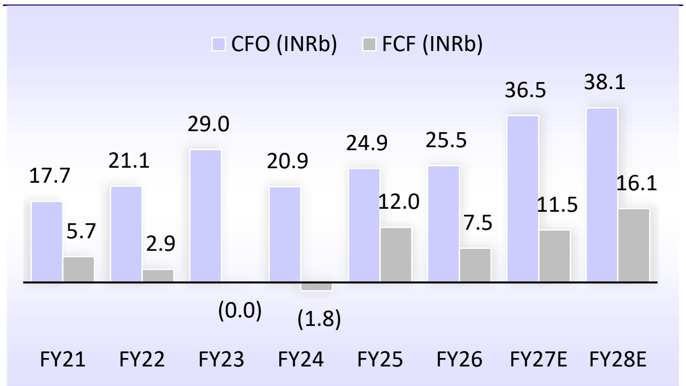
Source: Company, MOFSL

Exhibit 10: EBIT mix trend



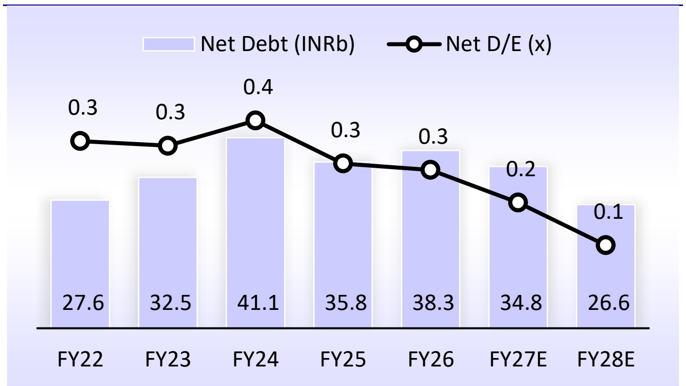
Source: Company, MOFSL

Exhibit 11: Cash flow trend



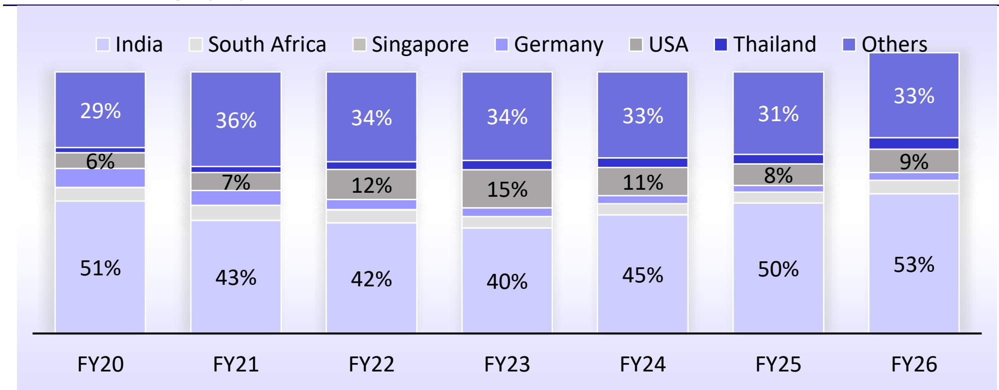
Source: Company, MOFSL

Exhibit 12: Net debt trend



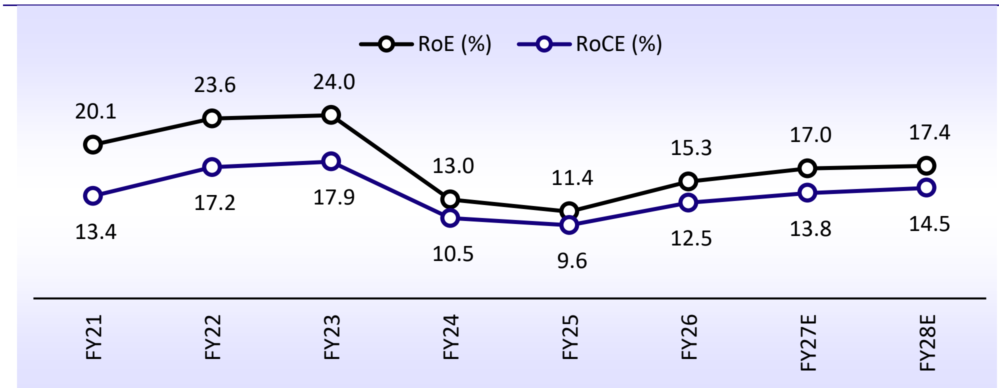
Source: Company, MOFSL

Exhibit 13: Geography-wise revenue mix (%)



Source: Company, MOFSL

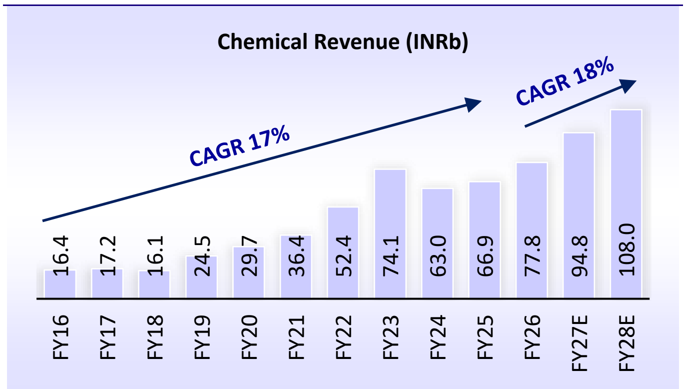
Exhibit 14: RoE and RoCE trends



Source: Company, MOFSL

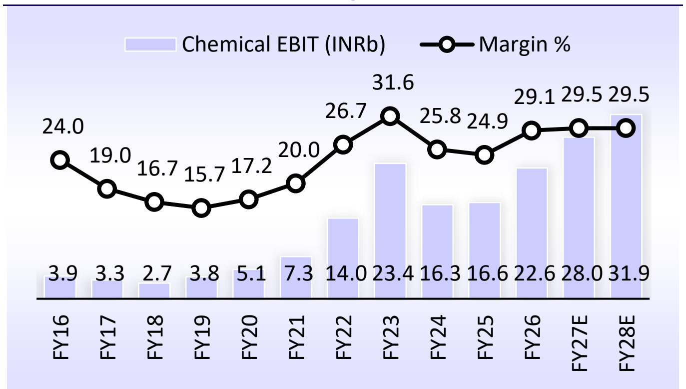
Key Charts

Exhibit 15: Chemicals revenue likely to continue its growth momentum over FY25-27



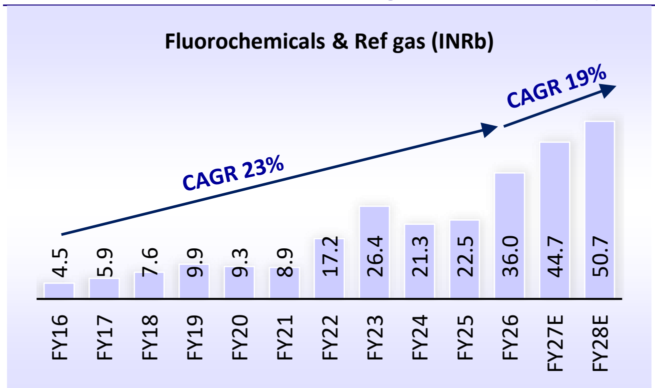
Source: Company, MOFSL

Exhibit 16: Chemicals EBIT margin trend



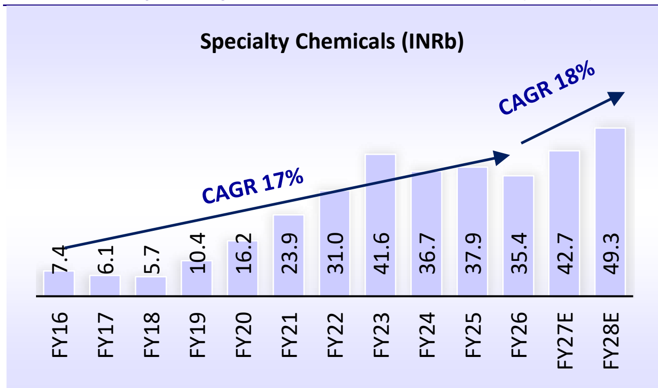
Source: Company, MOFSL

Exhibit 17: Fluorochemicals & Ref gas revenue trend (INR b)



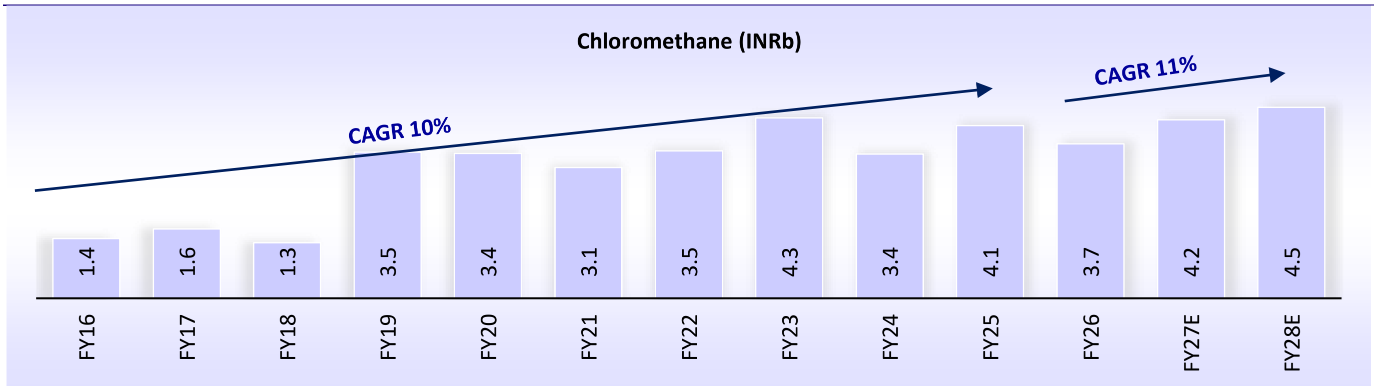
Source: Company, MOFSL

Exhibit 18: Specialty Chemicals revenue trend (INR b)



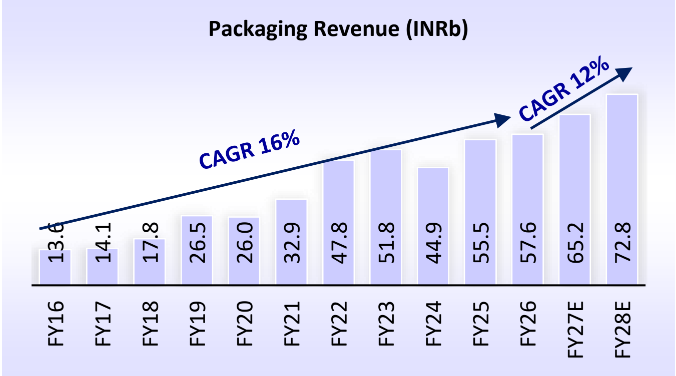
Source: Company, MOFSL

Exhibit 19: Chloromethane revenue trend (INR b)



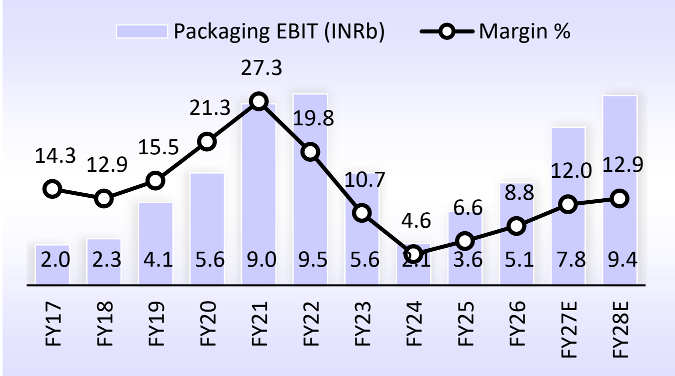
Source: Company, MOFSL

Exhibit 20: PFF revenue to register 12% CAGR over FY26-28



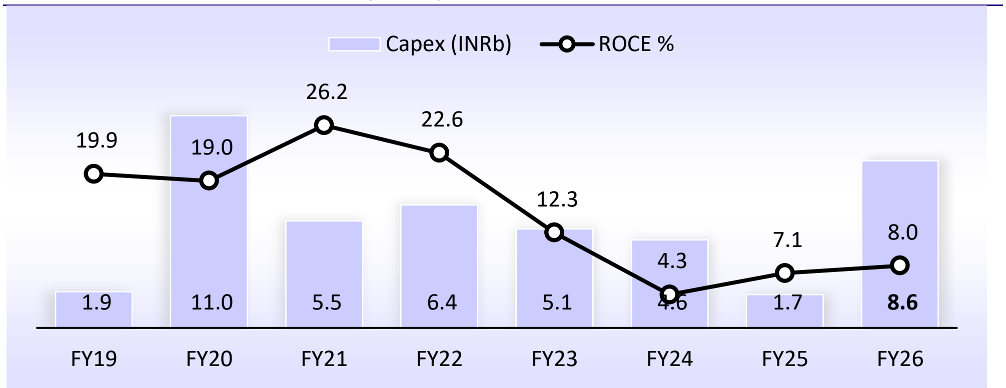
Source: Company, MOFSL

Exhibit 21: PFF business EBIT trend



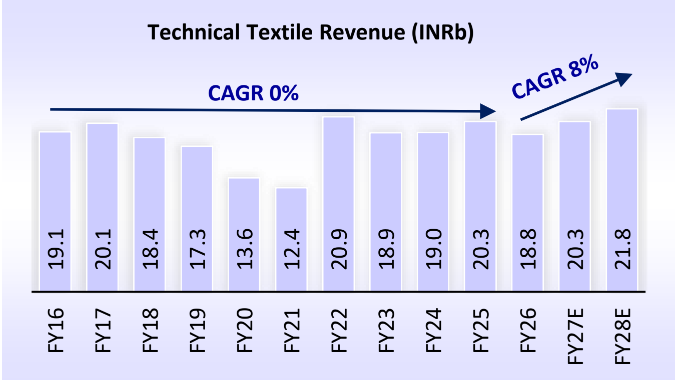
Source: Company, MOFSL

Exhibit 22: PPF business RoCE trajectory



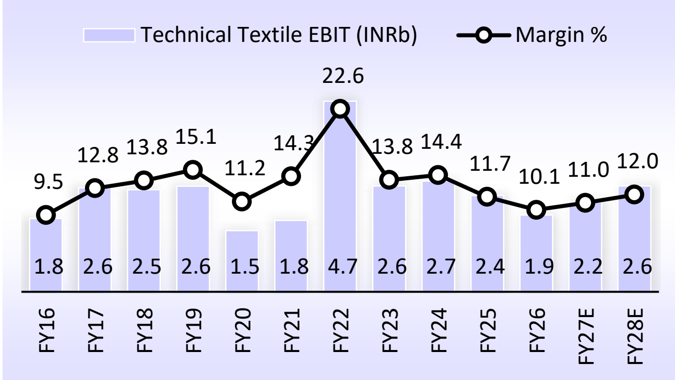
Source: Company, MOFSL

Exhibit 23: TTB revenue to clock 8% CAGR over FY26-28



Source: Company, MOFSL

Exhibit 24: TTB EBIT margin trend



Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement								(INR m)
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	1,84,146	2,06,743
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**	**1,84,146**	**2,06,743**
Change (%)	16.5	48.0	19.6	-11.6	11.8	7.4	16.6	12.3
Cost of Materials Consumed	40,189	60,669	73,935	67,088	76,992	77,977	91,591	1,02,593
Personnel Expenses	6,214	7,800	8,138	9,350	10,425	11,483	11,969	12,611
Other Expenses	16,264	24,835	30,297	28,339	31,138	32,425	35,763	40,038
Total Expenditure	**62,667**	**93,305**	**1,12,371**	**1,04,777**	**1,18,555**	**1,21,885**	**1,39,324**	**1,55,242**
% of Sales	74.6	75.0	75.6	79.7	80.7	77.2	75.7	75.1
EBITDA	**21,333**	**31,032**	**36,332**	**26,608**	**28,376**	**35,980**	**44,822**	**51,501**
Margin (%)	25.4	25.0	24.4	20.3	19.3	22.8	24.3	24.9
Depreciation	4,531	5,172	5,753	6,726	7,715	8,521	9,156	10,167
EBIT	**16,803**	**25,860**	**30,579**	**19,882**	**20,661**	**27,459**	**35,666**	**41,335**
Int. and Finance Charges	1,340	1,159	2,048	3,023	3,760	2,780	2,943	2,856
Other Income	545	428	749	830	1,327	1,071	1,231	1,416
PBT bef. EO Exp.	**16,008**	**25,128**	**29,280**	**17,689**	**18,229**	**25,749**	**33,955**	**39,895**
EO Items	116	727	-1,040	-767	-1,192	-2,733	0	0
PBT after EO Exp.	**16,123**	**25,856**	**28,240**	**16,922**	**17,037**	**23,016**	**33,955**	**39,895**
Current Tax	4,154	7,139	6,617	3,565	4,544	5,656	8,320	9,775
Deferred Tax	-10	-173	0	0	-14	-991	0	0
Tax Rate (%)	25.7	26.9	23.4	21.1	26.6	20.3	24.5	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**	**25,635**	**30,119**
Adjusted PAT	**11,864**	**18,162**	**22,663**	**14,124**	**13,700**	**20,401**	**25,635**	**30,119**
Change (%)	29.0	53.1	24.8	-37.7	-3.0	48.9	25.7	17.5
Margin (%)	14.1	14.6	15.2	10.8	9.3	12.9	13.9	14.6

Consolidated - Balance Sheet								(INR m)
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	1,58,032	1,83,095
Net Worth	**68,564**	**85,654**	**1,03,271**	**1,14,790**	**1,26,262**	**1,40,428**	**1,61,006**	**1,86,069**
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**	**2,23,398**	**2,43,460**
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	63,114	73,281
Net Fixed Assets	**76,096**	**81,699**	**97,626**	**1,29,650**	**1,34,708**	**1,36,836**	**1,44,680**	**1,61,513**
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**	**87,828**	**1,00,940**
Inventory	14,658	21,385	22,743	23,265	23,490	27,886	27,101	30,356
Account Receivables	12,746	17,925	17,856	19,428	21,695	25,616	27,593	30,979
Cash and Bank Balance	2,820	4,594	6,165	4,075	3,538	6,110	11,570	14,807
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**	**43,379**	**48,262**
Account Payables	15,852	20,964	22,313	21,978	23,316	25,850	27,101	30,356
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**	**44,449**	**52,678**
Deferred Tax assets	181	116	187	276	357	501	501	501
Appl. of Funds	**1,06,376**	**1,27,822**	**1,54,903**	**1,73,380**	**1,83,227**	**2,00,819**	**2,23,398**	**2,43,460**

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**	**86.2**	**101.3**
Cash EPS	55.1	78.5	95.5	70.1	72.0	97.2	117.0	135.4
BV/Share	230.5	288.0	347.2	385.9	424.5	472.1	541.3	625.6
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	19.7	16.8
Valuation (x)								
P/E	69	45	36	58	60	40	32	27
Cash P/E	50	35	29	39	38	28	24	20
P/BV	12	10	8	7	7	6	5	4
EV/Sales	10	7	6	7	6	5	5	4
EV/EBITDA	40	27	24	32	30	24	19	16
Dividend Yield (%)	0.2	0.6	0.3	0.3	0.5	0.6	0.6	0.6
FCF per share	19.1	9.7	0.0	-6.1	40.5	25.1	38.5	54.3
Return Ratios (%)								
RoE	20.1	23.6	24.0	13.0	11.4	15.3	17.0	17.4
RoCE	13.4	17.2	17.9	10.5	9.6	12.5	13.8	14.5
RoIC	26.3	34.2	34.7	18.2	17.4	20.7	26.5	28.2
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	0.8	0.8
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	67
Leverage Ratio (x)								
Current Ratio	1.8	1.9	1.9	2.0	2.0	1.9	2.0	2.1
Interest Cover Ratio	13	22	15	7	5	10	12	14
Debt/Equity	0.5	0.4	0.4	0.4	0.4	0.36	0.3	0.3

Consolidated - Cash Flow Statement (INR m)

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	33,955	39,895
Depreciation	4,531	5,172	5,753	6,726	7,715	8,521	9,156	10,167
Interest & Finance Charges	1,340	1,159	2,048	3,023	3,760	2,780	2,943	2,856
Direct Taxes Paid	-2,553	-4,016	-6,617	-3,565	-4,544	-5,063	-8,320	-9,775
(Inc)/Dec in WC	-1,236	-6,645	-408	-2,168	906	-4,252	-1,273	-4,993
CF from Operations	**18,181**	**21,527**	**29,017**	**20,938**	**24,875**	**25,003**	**36,460**	**38,149**
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**	**36,460**	**38,149**
(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**	**11,460**	**16,149**
(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	-2,943	-2,856
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**	**-5,999**	**-12,913**
Inc/Dec of Cash	**1,565**	**1,774**	**1,571**	**-2,089**	**-538**	**2,770**	**5,461**	**3,237**
Opening Balance	1,255	2,820	4,594	6,164	4,075	3,340	6,110	11,570
Closing Balance	**2,820**	**4,594**	**6,164**	**4,075**	**3,538**	**6,110**	**11,570**	**14,807**

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Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
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NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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