

# Aurobindo Pharma

Estimate change	↔
TP change	↓
Rating change	↔

**CMP: INR1,192**      **TP: INR1,310 (+10%)**      **Neutral**

## 3Q in line; EU/ROW outshine while US underperforms

### Remediation measures complete at Eugia-III

Bloomberg	ARBP IN
Equity Shares (m)	581
M.Cap.(INRb)/(USDb)	692.1 / 7.9
52-Week Range (INR)	1593 / 959
1, 6, 12 Rel. Per (%)	-8/-16/12
12M Avg Val (INR M)	1879

### Financials & Valuations (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	315.4	343.3	381.4
EBITDA	66.5	73.8	84.3
Adj. PAT	35.9	41.1	48.2
EBIT Margin (%)	16.0	16.3	17.2
Cons. Adj. EPS (INR)	61.2	70.1	82.3
EPS Gr. (%)	9.2	14.5	17.4
BV/Sh. (INR)	566.3	632.4	710.7

### Ratios

Net D:E	-0.1	-0.1	-0.2
RoE (%)	11.4	11.7	12.3
RoCE (%)	10.5	11.0	11.8
Payout (%)	6.7	5.7	4.9

### Valuations

P/E (x)	19.8	17.3	14.7
EV/EBITDA (x)	10.2	9.0	7.4
Div. Yield (%)	0.3	0.3	0.3
FCF Yield (%)	4.5	1.9	6.2
EV/Sales (x)	2.2	1.9	1.6

### Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	51.8	51.8	51.8
DII	25.2	25.1	20.6
FII	16.3	16.6	20.7
Others	6.7	6.5	6.9

FII includes depository receipts

- Aurobindo Pharma (ARBP) delivered an in-line performance for 3QFY25. Robust growth in Europe/ROW markets and higher off-take of ARV sales were partially offset by weaker US sales. The US sales growth was soft for the quarter due to lower business from g-Revlimid and reduced production at the Eugia site.
- We largely maintain our estimates for FY25/FY26/FY27. We value ARBP at 18x 12M forward earnings to arrive at a TP of INR1,310.
- In addition to its US generics, ARBP is working on enhancing its offerings in the biologics/GLP-1 space. Further, the company is ramping up the production of PEN-G for in-house consumption as well as external sales. PEN-G is expected to positively contribute to EBITDA from FY26 onwards. With remediation measures in place, it is expected to scale up production at the Eugia site, which will improve operating leverage in the injectable segment. Accordingly, we build 10%/12.5%/16% revenue/EBITDA/PAT CAGR over FY25-27. We maintain a Neutral rating, given the limited upside from current levels.

### Lower operating leverage outweighs product mix benefit on YoY basis

- ARBP's 3QFY25 sales grew 8.5% YoY to INR79.8b (our estimate: INR76.1b). Overall formulation sales grew 10.8% YoY to INR69.7b. US formulation revenues declined 2.3% YoY to INR36.7b (CC: -3.5% YoY to USD435m; 46% of sales), driven by lower transient product sales. Europe formulation sales grew 30.4% YoY to INR21.2b (27% of sales). Growth markets sales grew 12.5% YoY to INR8.7b (11% of sales).
- ARV revenue grew 71.5% YoY to INR3.1b (2% of sales).
- API sales contracted 1.6% on a YoY basis to INR10.1b (13% of sales).
- Gross Margin (GM) expanded 130bp YoY to 58.4%.
- EBITDA margin, however, contracted 140bp YoY to 20.4% (our estimate: 21.4%), led by an increase in employee cost/other expense (+70bp/+170bp YoY).
- EBITDA was up 20.4% YoY to INR16.3b (in line with estimates).
- PAT declined 2.8% YoY to INR8.8b (our est: INR9b), led by a higher tax outgo.
- Revenue/EBITDA/PAT grew 9%/17.6%/14.2% YoY to INR233.4b/INR48.9b/INR26b in 9MFY25.

### Highlights from the management commentary

- ARBP has guided for an EBITDA margin of 21.5-22% for FY25, having achieved 20.9% for 9MFY25.
- Higher RM prices and a lower off-take of transient products affected margins for the quarter.
- ARBP has completed remedial actions at Eugia and expects production to ramp up to 60-70% in 4Q, compared to the current capacity utilization of 45-50%.

Tushar Manudhane - Research Analyst (Tushar.Manudhane@MotilalOswal.com)

Research Analyst - Akash Manish Dobhada (Akash.Dobhada@MotilalOswal.com) | Viraj Shah (Viraj.Shah@MotilalOswal.com)

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

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## Quarterly performance (Consolidated)

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	vs Est
<b>Net Sales</b>	<b>68.5</b>	<b>72.2</b>	<b>73.5</b>	<b>75.8</b>	<b>75.7</b>	<b>78.0</b>	<b>79.8</b>	<b>81.9</b>	<b>290.0</b>	<b>315.4</b>	<b>76.1</b>	<b>4.8%</b>
YoY Change (%)	9.9	25.8	14.7	17.1	10.5	8.0	8.5	8.1	16.7	8.7	3.5	
<b>EBITDA</b>	<b>11.5</b>	<b>14.0</b>	<b>16.0</b>	<b>16.9</b>	<b>16.9</b>	<b>15.7</b>	<b>16.3</b>	<b>17.7</b>	<b>58.4</b>	<b>66.5</b>	<b>16.3</b>	<b>-0.1%</b>
YoY Change (%)	12.4	33.4	67.8	68.3	47.2	11.6	1.7	4.7	44.9	13.9	1.7	
Margins (%)	16.8	19.4	21.8	22.3	22.4	20.1	20.4	21.5	20.1	21.1	21.4	
Depreciation	3.3	4.2	4.2	3.5	4.0	3.8	4.2	4.1	15.2	16.2	4.0	
<b>EBIT</b>	<b>8.2</b>	<b>9.9</b>	<b>11.8</b>	<b>13.3</b>	<b>12.9</b>	<b>11.8</b>	<b>12.1</b>	<b>13.5</b>	<b>43.2</b>	<b>50.4</b>	<b>12.3</b>	
YoY Change (%)	10.7	30.7	86.1	103.0	56.5	20.1	2.6	1.6	54.9	16.6	4.7	
Interest	0.6	0.7	0.8	0.9	1.1	1.1	1.2	1.1	2.9	4.5	1.1	
Other Income	0.8	1.9	1.2	1.4	1.2	1.4	1.6	1.4	5.2	5.5	1.4	
<b>PBT before EO expense</b>	<b>8.5</b>	<b>11.0</b>	<b>12.2</b>	<b>13.8</b>	<b>13.0</b>	<b>12.1</b>	<b>12.5</b>	<b>13.9</b>	<b>45.5</b>	<b>51.4</b>	<b>12.7</b>	<b>-1.8%</b>
Forex loss/(gain)	-0.4	0.3	-0.5	0.1	0.0	0.0	0.5	0.0	-0.4	0.5	0.0	
Exceptional (expenses)/income	-0.7	0.0	0.0	-1.2	0.2	0.0	0.0	0.0	-1.9	0.2	0.0	
<b>PBT</b>	<b>8.1</b>	<b>10.7</b>	<b>12.7</b>	<b>12.4</b>	<b>13.3</b>	<b>12.1</b>	<b>12.0</b>	<b>13.9</b>	<b>44.0</b>	<b>51.2</b>	<b>12.7</b>	<b>-5.7%</b>
Tax	2.4	3.2	3.2	3.2	4.1	3.9	3.5	3.8	12.1	15.4	3.7	
Rate (%)	29.7	30.1	25.5	26.0	30.6	32.3	29.6	27.7	27.5	30.0	29.0	
Minority Interest	0.0	-0.1	0.1	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.0	
<b>Reported PAT</b>	<b>5.7</b>	<b>7.6</b>	<b>9.4</b>	<b>9.1</b>	<b>9.2</b>	<b>8.2</b>	<b>8.4</b>	<b>9.9</b>	<b>31.7</b>	<b>35.7</b>	<b>9.0</b>	<b>-6.7%</b>
<b>Adj PAT</b>	<b>5.9</b>	<b>7.8</b>	<b>9.0</b>	<b>10.1</b>	<b>9.0</b>	<b>8.2</b>	<b>8.8</b>	<b>9.9</b>	<b>32.8</b>	<b>35.9</b>	<b>9.0</b>	<b>-2.9%</b>
YoY Change (%)	0.9	17.2	87.4	96.3	51.9	5.1	-2.8	-1.9	46.1	9.2	0.0	
Margins (%)	8.7	10.8	12.3	13.3	11.9	10.5	11.0	12.1	11.3	11.4	11.9	
<b>EPS</b>	<b>10.1</b>	<b>13.3</b>	<b>15.4</b>	<b>17.3</b>	<b>15.4</b>	<b>14.0</b>	<b>15.0</b>	<b>16.9</b>	<b>56.0</b>	<b>61.2</b>	<b>14.1</b>	

E: MOFSL Estimates

## Key performance indicators (Consolidated)

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			
<b>Formulations</b>	<b>58.2</b>	<b>59.7</b>	<b>62.9</b>	<b>65.1</b>	<b>64.8</b>	<b>66.4</b>	<b>69.7</b>	<b>71.0</b>	<b>244.2</b>	<b>271.9</b>	<b>64.8</b>
YoY Change (%)	9.2	25.1	15.4	19.3	11.3	11.3	10.8	9.1	16.2	11.3	3.0
ARV form.	1.9	2.5	1.8	2.4	2.3	1.9	3.1	1.6	8.7	8.9	2.1
YoY Change (%)	-49.8	52.4	-28.7	49.7	20.2	-22.8	71.5	-34.3	-9.0	2.0	20.0
US generic form.	33.0	33.9	37.6	35.9	35.6	35.3	36.7	38.4	138.7	145.9	36.3
YoY Change (%)	11.2	28.3	25.1	17.8	7.6	4.3	-2.3	6.9	19.0	5.2	-3.3
EU and ROW form.	23.2	23.3	23.6	26.8	26.9	29.2	29.9	31.1	96.8	117.1	26.3
YoY Change (%)	17.4	18.5	7.0	19.2	15.8	25.0	27.1	15.8	15.3	20.9	11.7
<b>APIs</b>	<b>10.3</b>	<b>11.7</b>	<b>10.2</b>	<b>10.2</b>	<b>10.9</b>	<b>11.6</b>	<b>10.1</b>	<b>10.9</b>	<b>42.4</b>	<b>43.5</b>	<b>11.3</b>
YoY Change (%)	14.0	20.3	7.1	0.2	5.7	-0.9	-1.6	7.3	10.2	2.5	11.0
<b>Cost Break-up</b>											
RM Cost (% of Sales)	46.1	44.8	42.9	40.4	40.6	41.2	41.6	40.7	43.5	41.0	41.0
Staff Cost (% of Sales)	13.9	13.2	13.5	13.5	14.2	14.2	14.2	13.8	13.5	14.1	14.1
R&D Expenses(% of Sales)	5.7	4.2	5.4	5.2	4.5	5.3	5.6	5.4	5.1	5.2	5.1
Other Cost (% of Sales)	17.6	18.3	16.5	18.7	18.4	19.2	18.2	18.6	17.5	18.6	18.4
Gross Margins (%)	53.9	55.2	57.1	59.6	59.4	58.8	58.4	59.3	56.5	59.0	59.0
EBITDA Margins (%)	16.8	19.4	21.8	22.3	22.4	20.1	20.4	21.5	20.1	21.1	21.4
EBIT Margins (%)	12.0	13.7	16.0	17.6	17.1	15.2	15.2	16.5	14.9	16.0	16.2

E: MOFSL Estimates

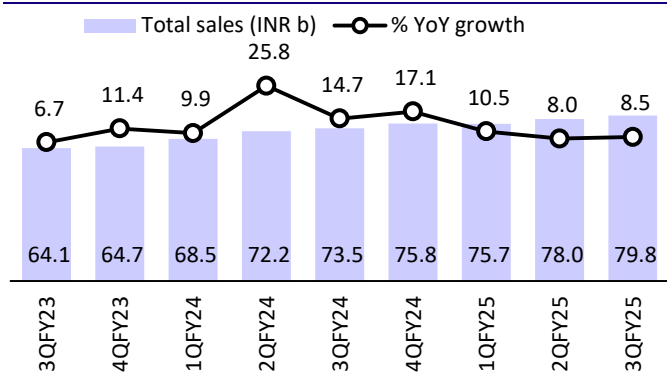


### Conference call highlights

- Following the positive opinion by the European Medical Agency for filgrastim and long-acting filgrastim, approval is expected within 2M. Overall biosimilar revenue for ARBP is expected to begin in FY26 onwards
- Oral generics sales witnessed 4% YoY growth, led by volume gains and new launches.
- B-Xolair – There has been some delay in patient recruitment, but the number of sites for patient recruitment has increased.
- ARBP reported an operational loss of INR600m related to Pen-G for the quarter. It expects to break even by Mar’25. ARBP has manufacturing capacities across the value chain for Pen-G products.
- ARBP exhibited superior performance across geographies, driving 23% YoY growth in the EU.
- Overall, 6-7 biosimilar products are expected to be commercialized in CY27.
- ~30-35% of R&D is spent on biosimilars.
- ARBP is working on the entire portfolio of GLP-1 peptides, with the device to be outsourced, in line with other industry players.

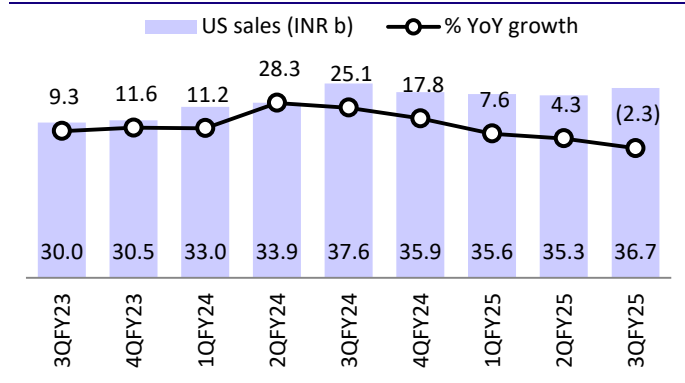
### Key Exhibits

Exhibit 1: Revenue grew 8.5% YoY in 3QFY25



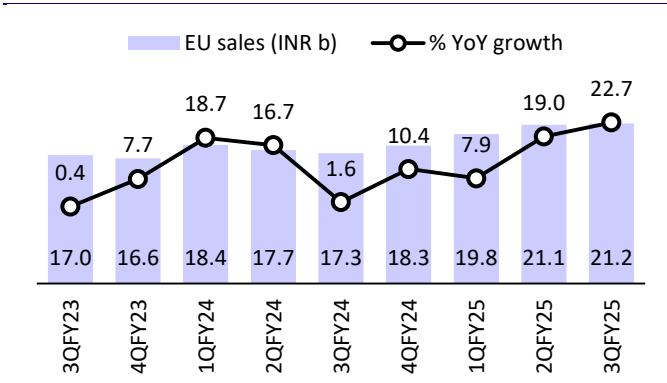
Source: MOFSL, Company

Exhibit 2: US sales were down 2.3% YoY in 3QFY25 in INR terms



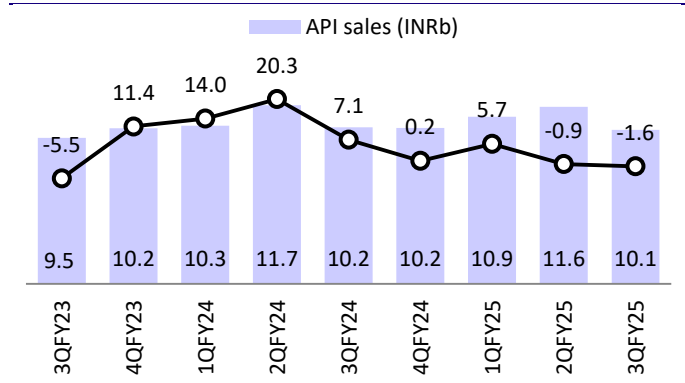
Source: MOFSL, Company

Exhibit 3: EU sales increased 22.7% YoY in 2QFY25



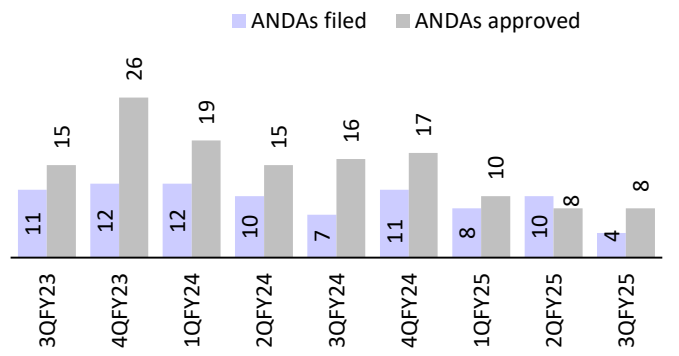
Source: MOFSL, Company

Exhibit 4: API sales were down 1.6% YoY in 3QFY25



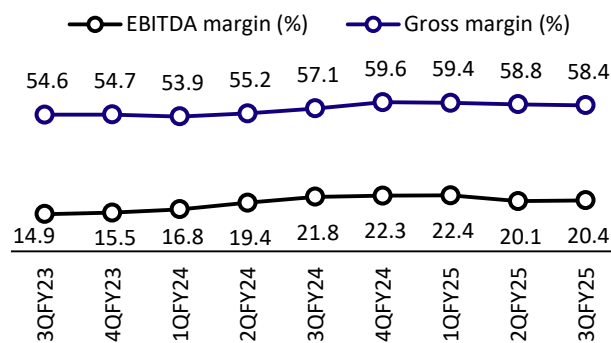
Source: MOFSL, Company

**Exhibit 5: ARBP filed four ANDAs in 3QFY25**



Source: MOFSL, Company

**Exhibit 6: EBITDA margin contracted 140bp YoY in 3QFY25**



Source: MOFSL, Company

**EU/ROW on robust growth momentum; US yet to scale up**

**US: Steady base business; WIP for biosimilars/GLP1 products**

- In 9MFY25, ARBP’s US sales grew 1.5% YoY in CC terms to USD1.3b. Specialty & Injectables revenue in the US stood at ~USD260m (-1.6% YoY).
- As of Dec’24, ARBP had a total of 853 ANDA filings, of which 678 had final approvals, 26 had tentative approvals, and 149 were under review.
- ARBP has implemented efforts in the GLP-1 category of products, with 14 DMFs filed. Further, the company is setting up Oligonucleotide synthesis capabilities by end-FY25.
- Additionally, ARBP is already working on the biosimilar portfolio for global markets in the near to medium term, which would further drive growth.
- ARBP has completed remediation measures at Eugia-III and is well-positioned to improve production at this facility going forward.
- Accordingly, we expect 9.6% sales CAGR over FY25-27 to INR175b (USD2.1b).

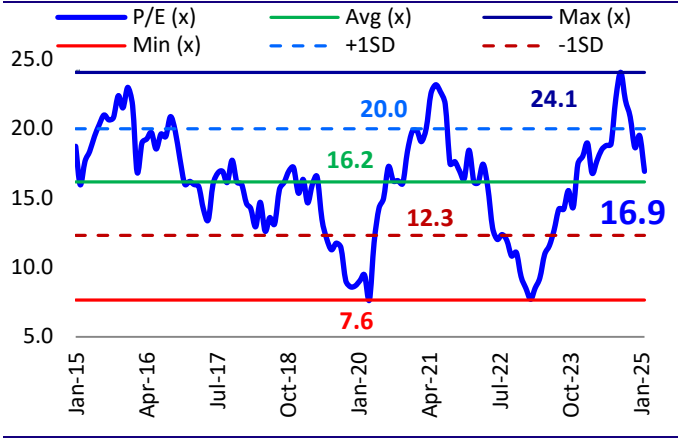
**EU: Broad-based offering/superior execution drives growth**

- In 9MFY25, EU sales grew 16.4% YoY to INR62.1b. ARBP continues to witness robust demand across the base portfolio and new launches.
- In biosimilars, ARBP received positive opinions for two oncology products, while Phase III clinical trials are going on for one oncology and one respiratory product.
- ARBP expects Omalizumab filing in 4QFY26, while Bevacizumab filing is planned for 1QFY27.
- Accordingly, we expect a 10% sales CAGR over FY25-27 to INR102b.

**Maintain neutral**

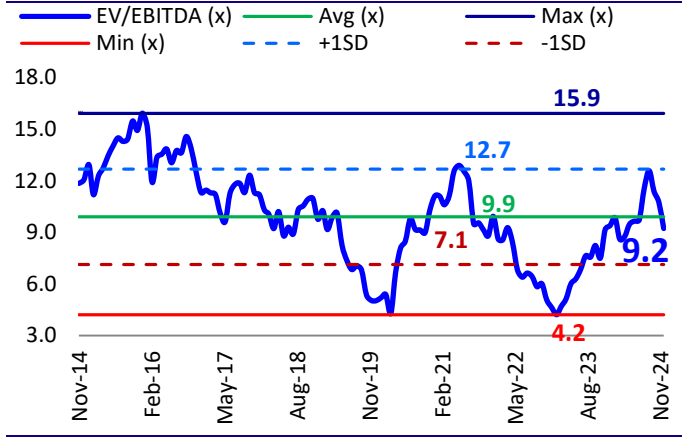
- We largely maintain our estimates for FY25/FY26/FY27. We value ARBP at 18x 12M forward earnings to arrive at a TP of INR1,310.
- In addition to its US generics, ARBP is working on enhancing its offering in the biologics/GLP-1 space. Further, it is ramping up the production of PEN-G for in-house consumption as well as external sales. PEN-G is expected to positively contribute to EBITDA from FY26 onwards. With remediation measures in place, it is expected to scale up production at the Eugia site, which will improve operating leverage in the injectable segment.
- Accordingly, we build 10%/12.5%/16% revenue/EBITDA/PAT CAGR over FY25-27. We maintain a Neutral rating, given the limited upside from current levels.

**Exhibit 7: P/E chart**



Source: MOFSL, Company, Bloomberg

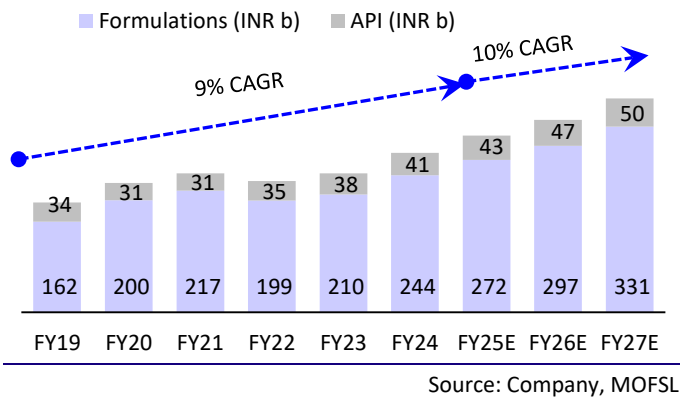
**Exhibit 8: EV/EBITDA chart**



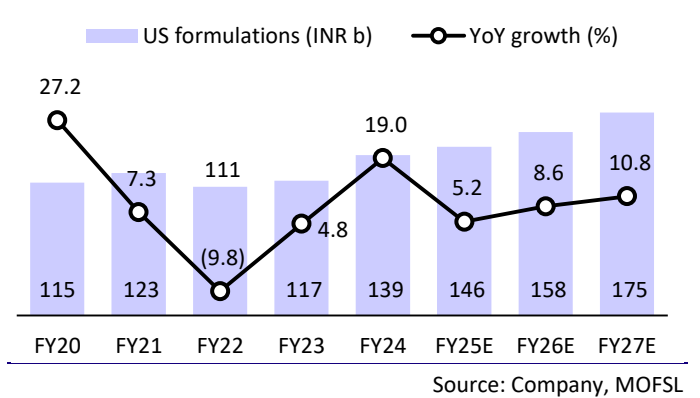
Source: MOFSL, Company, Bloomberg

## Story in charts

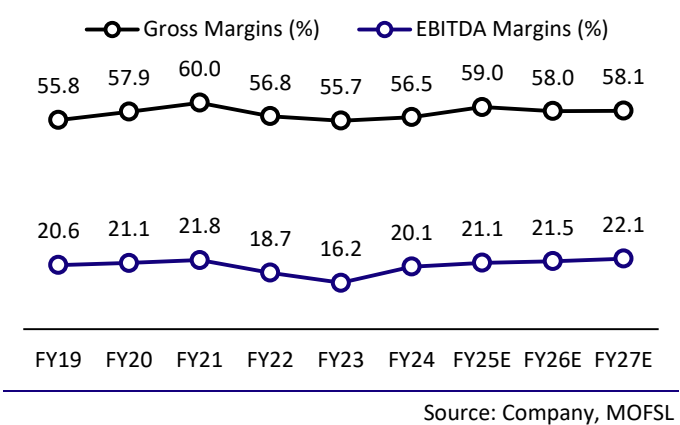
**Exhibit 9: Expect sales CAGR of 10% over FY25-27**



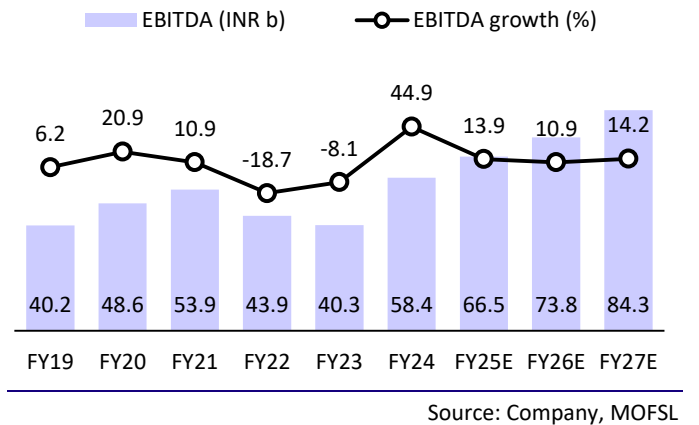
**Exhibit 10: US sales to clock 11% CAGR over FY25-27**



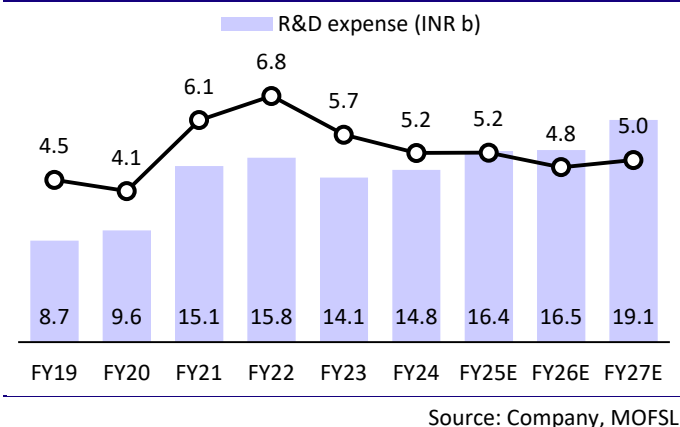
**Exhibit 11: EBITDA margin to be stable over FY25-27**



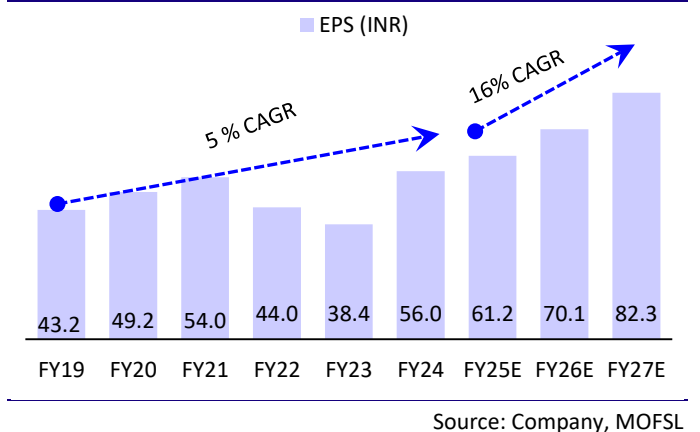
**Exhibit 12: EBITDA to clock 13% CAGR over FY25-27**



**Exhibit 13: R&D expense to increase over FY25-27**



**Exhibit 14: Expect EPS CAGR of 16% over FY25-27**



## Financials and valuations

Consolidated - Income Statement									(INR b)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Total Income from Operations</b>	<b>195.6</b>	<b>231.0</b>	<b>247.7</b>	<b>234.6</b>	<b>248.6</b>	<b>290.0</b>	<b>315.4</b>	<b>343.3</b>	<b>381.4</b>
Change (%)	18.6	18.1	7.3	-5.3	6.0	16.7	8.7	8.9	11.1
<b>Total Expenditure</b>	<b>155.4</b>	<b>182.3</b>	<b>193.8</b>	<b>190.7</b>	<b>208.2</b>	<b>231.6</b>	<b>248.8</b>	<b>269.5</b>	<b>297.1</b>
<b>EBITDA</b>	<b>40.2</b>	<b>48.6</b>	<b>53.9</b>	<b>43.9</b>	<b>40.3</b>	<b>58.4</b>	<b>66.5</b>	<b>73.8</b>	<b>84.3</b>
Margin (%)	20.6	21.1	21.8	18.7	16.2	20.1	21.1	21.5	22.1
Depreciation	6.7	9.7	10.6	11.3	12.4	15.2	16.2	17.8	18.7
<b>EBIT</b>	<b>33.5</b>	<b>39.0</b>	<b>43.4</b>	<b>32.6</b>	<b>27.9</b>	<b>43.2</b>	<b>50.4</b>	<b>56.0</b>	<b>65.5</b>
Int. and Finance Charges	1.6	1.6	0.7	0.5	1.4	2.9	4.5	3.2	2.8
Other Income	1.2	0.9	2.4	2.5	2.9	5.2	5.5	4.8	4.4
<b>PBT bef. EO Exp.</b>	<b>33.1</b>	<b>38.2</b>	<b>45.0</b>	<b>34.6</b>	<b>29.4</b>	<b>45.5</b>	<b>51.4</b>	<b>57.6</b>	<b>67.2</b>
EO Items	-2.2	-0.7	29.0	-0.6	-1.0	2.3	-0.7	0.0	0.0
<b>PBT after EO Exp.</b>	<b>30.9</b>	<b>37.6</b>	<b>74.0</b>	<b>34.0</b>	<b>28.4</b>	<b>47.8</b>	<b>50.7</b>	<b>57.6</b>	<b>67.2</b>
Current Tax	7.3	9.1	20.1	7.3	6.8	12.1	15.4	16.4	18.8
Tax Rate (%)	23.5	24.3	27.2	21.3	24.1	25.3	30.3	28.5	28.0
Less: Minority Interest	0.0	0.1	0.6	0.3	-0.1	0.1	0.1	0.1	0.1
<b>Reported PAT</b>	<b>23.6</b>	<b>28.3</b>	<b>53.3</b>	<b>26.5</b>	<b>21.7</b>	<b>35.6</b>	<b>35.2</b>	<b>41.1</b>	<b>48.2</b>
<b>Adjusted PAT</b>	<b>25.3</b>	<b>28.8</b>	<b>31.7</b>	<b>25.8</b>	<b>22.5</b>	<b>32.8</b>	<b>35.9</b>	<b>41.1</b>	<b>48.2</b>
Change (%)	1.1	13.9	9.9	-18.5	-12.9	46.1	9.2	14.5	17.4
Margin (%)	12.9	12.5	12.8	11.0	9.0	11.3	11.4	12.0	12.6

Consolidated - Balance Sheet									(INR b)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY25E
Equity Share Capital	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Total Reserves	138.3	167.5	218.7	245.2	267.8	297.8	331.2	369.9	415.8
<b>Net Worth</b>	<b>138.9</b>	<b>168.1</b>	<b>219.3</b>	<b>245.8</b>	<b>268.4</b>	<b>298.4</b>	<b>331.8</b>	<b>370.5</b>	<b>416.4</b>
Minority Interest	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1
Deferred Liabilities	1.0	1.4	1.2	1.2	-2.9	-8.6	-8.7	-8.9	-9.1
Total Loans	67.5	54.2	49.7	23.7	48.6	63.2	49.5	38.8	30.4
<b>Capital Employed</b>	<b>207.4</b>	<b>223.7</b>	<b>270.2</b>	<b>270.7</b>	<b>314.3</b>	<b>353.1</b>	<b>372.6</b>	<b>400.5</b>	<b>437.8</b>
Gross Block	98.0	116.4	134.3	158.4	175.4	227.7	240.7	253.7	266.7
Less: Accum. Deprn.	18.3	28.0	38.5	49.8	62.2	77.4	93.6	111.4	130.1
<b>Net Fixed Assets</b>	<b>79.7</b>	<b>88.4</b>	<b>95.8</b>	<b>108.7</b>	<b>113.2</b>	<b>150.3</b>	<b>147.1</b>	<b>142.3</b>	<b>136.6</b>
Goodwill on Consolidation	8.3	9.2	4.3	4.8	6.0	6.0	6.0	6.0	6.0
Capital WIP	13.4	16.2	24.3	29.4	45.0	27.4	27.4	27.4	27.4
<b>Total Investments</b>	<b>3.6</b>	<b>5.5</b>	<b>5.9</b>	<b>10.0</b>	<b>5.4</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>157.7</b>	<b>168.3</b>	<b>203.8</b>	<b>183.6</b>	<b>222.6</b>	<b>251.3</b>	<b>257.5</b>	<b>292.6</b>	<b>342.0</b>
Inventory	72.5	77.0	90.3	75.5	85.1	98.1	93.9	119.3	137.9
Account Receivables	34.1	43.2	35.0	40.1	44.7	48.2	57.0	64.9	78.4
Cash and Bank Balance	19.6	28.4	54.7	41.9	60.8	62.8	79.8	81.5	98.9
Loans and Advances	31.5	19.7	23.7	26.0	31.9	42.2	26.8	26.8	26.8
<b>Curr. Liability &amp; Prov.</b>	<b>55.3</b>	<b>63.9</b>	<b>63.8</b>	<b>65.6</b>	<b>77.9</b>	<b>85.5</b>	<b>69.1</b>	<b>71.5</b>	<b>77.8</b>
Account Payables	25.5	25.4	27.9	27.0	38.7	44.5	38.5	40.8	47.2
Other Current Liabilities	26.1	33.5	32.6	35.2	35.4	36.1	30.0	30.0	30.0
Provisions	3.6	4.9	3.3	3.4	3.7	4.8	0.6	0.6	0.6
<b>Net Current Assets</b>	<b>102.4</b>	<b>104.3</b>	<b>140.0</b>	<b>117.9</b>	<b>144.7</b>	<b>165.8</b>	<b>188.4</b>	<b>221.1</b>	<b>264.2</b>
Deferred Tax assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Misc Expenditure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Appl. of Funds</b>	<b>207.4</b>	<b>223.7</b>	<b>270.2</b>	<b>270.7</b>	<b>314.3</b>	<b>353.1</b>	<b>372.6</b>	<b>400.5</b>	<b>437.8</b>

## Financials and valuations

### Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY25E
<b>Basic (INR)</b>									
<b>EPS</b>	<b>43.2</b>	<b>49.2</b>	<b>54.0</b>	<b>44.0</b>	<b>38.4</b>	<b>56.0</b>	<b>61.2</b>	<b>70.1</b>	<b>82.3</b>
Cash EPS	54.6	65.7	72.0	63.3	59.7	82.0	88.8	100.5	114.3
BV/Share	237.1	286.9	374.3	419.5	458.4	509.3	566.3	632.4	710.7
DPS	2.5	2.5	2.5	3.5	4.0	4.0	4.0	4.0	4.0
Payout (%)	6.8	5.2	2.7	7.7	10.8	6.6	6.6	5.7	4.9
<b>Valuation (x)</b>									
P/E	28.1	24.6	22.4	27.5	31.6	21.6	19.8	17.3	14.7
Cash P/E	22.2	18.4	16.8	19.1	20.3	14.8	13.6	12.1	10.6
P/BV	5.1	4.2	3.2	2.9	2.6	2.4	2.1	1.9	1.7
EV/Sales	3.9	3.2	2.8	2.9	2.8	2.4	2.2	1.9	1.7
EV/EBITDA	18.8	15.1	13.1	15.8	17.3	12.1	10.2	9.0	7.6
Dividend Yield (%)	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3
FCF per share	1.6	50.4	12.5	35.7	-13.5	-8.9	55.2	22.9	45.7
<b>Return Ratios (%)</b>									
RoE	19.8	18.8	16.3	11.1	8.7	11.6	11.4	11.7	12.3
RoCE	14.4	14.1	13.6	10.3	8.0	10.7	10.5	11.0	11.8
RoIC	16.9	17.1	17.6	13.7	10.8	14.0	13.5	14.6	15.8
<b>Working Capital Ratios</b>									
Fixed Asset Turnover (x)	2.0	2.0	1.8	1.5	1.4	1.3	1.3	1.4	1.4
Inventory (Days)	277	280	308	298	266	265	271	270	294
Debtor (Days)	68	61	58	58	62	58	61	65	69
Creditor (Days)	109	96	98	99	109	121	117	100	101
Working Cap. (Days)	235	246	267	258	219	203	215	234	262
<b>Leverage Ratio (x)</b>									
Current Ratio	2.9	2.6	3.2	2.8	2.9	2.9	3.7	4.1	4.4
Interest Cover Ratio	21	24	58	67	20	15	11	18	24
Net Debt/Equity	0.3	0.2	0.0	-0.1	0.0	0.0	-0.1	-0.1	-0.2

### Consolidated - Cash Flow Statement

(INR b)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY25E
OP/(Loss) before Tax	30.9	37.4	45.0	34.6	29.4	45.5	51.4	57.6	67.2
Depreciation	6.7	9.7	10.6	11.3	12.4	15.2	16.2	17.8	18.7
Interest / Dividend received	1.4	1.2	-1.6	-2.0	-1.5	-2.3	-1.0	-1.6	-1.6
Direct Taxes Paid	-7.7	-7.3	-20.1	-7.3	-6.8	-12.1	-15.4	-16.4	-18.8
(Inc)/Dec in WC	-14.8	2.8	-9.3	9.2	-7.8	-19.1	-5.6	-30.9	-25.7
<b>CF from Operations</b>	<b>16.4</b>	<b>43.8</b>	<b>24.5</b>	<b>45.8</b>	<b>25.7</b>	<b>27.2</b>	<b>45.6</b>	<b>26.4</b>	<b>39.8</b>
Others	0.1	0.0	8.7	4.4	-1.0	2.3	-0.2	0.0	0.0
<b>CF from Operating incl EO</b>	<b>16.5</b>	<b>43.8</b>	<b>33.3</b>	<b>50.2</b>	<b>24.7</b>	<b>29.5</b>	<b>45.3</b>	<b>26.4</b>	<b>39.8</b>
(inc)/dec in FA	-15.6	-14.3	-26.0	-29.2	-32.6	-34.7	-13.0	-13.0	-13.0
<b>Free Cash Flow</b>	<b>0.9</b>	<b>29.5</b>	<b>7.3</b>	<b>20.9</b>	<b>-7.9</b>	<b>-5.2</b>	<b>32.3</b>	<b>13.4</b>	<b>26.8</b>
(Pur)/Sale of Investments	-13.4	-1.4	0.4	4.1	-4.5	-1.7	0.0	0.0	0.0
<b>CF from Investments</b>	<b>-29.0</b>	<b>-15.7</b>	<b>6.0</b>	<b>-32.1</b>	<b>-39.8</b>	<b>-36.4</b>	<b>-13.0</b>	<b>-13.0</b>	<b>-13.0</b>
Inc/(Dec) in Debt	26.2	-13.1	-4.5	-26.0	25.0	14.5	-13.7	-10.7	-8.4
Interest Paid	-1.5	-1.3	-0.7	-0.5	-1.4	-2.9	-4.5	-3.2	-2.8
Dividend Paid	-1.6	-1.9	-1.5	-2.1	-2.3	-2.3	-2.3	-2.3	-2.3
Others	-3.4	-2.8	-6.9	-1.2	12.5	-0.4	5.2	4.5	4.1
<b>CF from Fin. Activity</b>	<b>19.8</b>	<b>-19.1</b>	<b>-13.6</b>	<b>-29.7</b>	<b>33.8</b>	<b>8.9</b>	<b>-15.3</b>	<b>-11.7</b>	<b>-9.4</b>
<b>Inc/Dec of Cash</b>	<b>7.3</b>	<b>9.1</b>	<b>25.6</b>	<b>-11.6</b>	<b>18.7</b>	<b>1.9</b>	<b>17.0</b>	<b>1.7</b>	<b>17.4</b>
Opening Balance	12.6	19.6	28.4	54.7	41.9	60.8	62.8	79.8	81.5
Others incl. impact of fx	-0.3	-0.2	0.7	-1.2	0.0	0.0	0.0	0.0	0.0
<b>Closing Balance</b>	<b>19.6</b>	<b>28.4</b>	<b>54.7</b>	<b>41.9</b>	<b>60.6</b>	<b>62.8</b>	<b>79.8</b>	<b>81.5</b>	<b>98.9</b>

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Nainesh Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto:nainesh.rajani@motilaloswal.com)

Contact: (+65) 8328 0276

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Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal,

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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