

Estimate change



TP change



Rating change


**CMP: INR2,025**
**TP: INR2,150 (+6%)**
**Neutral**

## India, the US, and controlled costs drive earnings

### On track to sustain the growth momentum in the US market

- Lupin (LPC) delivered a better-than-expected performance for the quarter. LPC exhibited growth across focus markets except in emerging markets. New launches in the US/Domestic Formulation (DF) markets as well as increasing penetration in the branded prescription market and controlled opex led to profitable growth for the quarter.
- We raise our earnings estimates by 5%/3%/1% for FY25/FY26/FY27 to factor in: 1) the benefits from the PLI scheme, 2) a robust ANDA pipeline for the US market, and 3) an enhanced reach for prescription, trade generics as well as diagnostic businesses in the India market. We value LPC at 26x 12M forward earnings to arrive at our TP of INR2,150.
- With EBITDA reaching almost 3x over FY23-25E, we expect LPC to deliver 8% EBITDA CAGR over FY25-27, led by niche launches in the US market and superior execution in the DF market. The current valuation adequately captures the earnings upside, and **hence we reiterate our Neutral rating.**

### Superior product mix and better operating leverage drive margins YoY

- LPC's revenue grew 11% YoY to INR57.7b. (our est. INR57.4b). The US sales grew 12.3% YoY to INR21.2b (up 11% YoY in CC to USD235m; 38% of sales). DF sales rose 11.9% YoY to INR19.3b (34% of sales). EMEA sales grew 20.9% YoY to INR6.2b (11% of sales). API sales increased 4% YoY to INR2.9b (5% of sales). ROW sales rose 1.8% YoY to INR2b (4% of sales). However, EM sales declined 4.7% YoY to INR4.5b (8% of sales).
- Gross margin expanded 340bp YoY to 70.2% due to a better product mix.
- EBITDA margin improved 550bp YoY to 25.2%, primarily led by better GM and supported by reduced other expenses (-210bp YoY as a % of sales).
- As a result, EBITDA grew 42% YoY to INR14.5b (vs our est: INR12.5b).
- Adjusting for the provision related to the ongoing disputes of INR856m and a forex loss of INR100m, adj. PAT grew 55.4% YoY INR9.3b (our est: INR7.6b).
- In 9MFY25, LPC's revenue/EBITDA/PAT grew 14%/56%/88% YoY to INR169b/INR40.5b/INR26b.

### Highlights from the management commentary

- LPC expects the EBITDA margin to be 23-23.5% for FY25. LPC delivered a 9MFY25 EBITDA margin of 24%.
- LPC expects a double-digit YoY growth in the US business vs. earlier guidance of a single-digit YoY growth for FY25.
- LPC indicated USD1b of US sales for FY26 assuming competition in Mirabegron and Albuterol, while additional business from Tolvaptan (1HFY26) and injectables (2HFY26).
- R&D spending will be INR18b for FY25, implying R&D to be higher for 4QFY25. Complex generics 5 nasal sprays are expected to be filed in 4Q.
- LPC filed Ranibizumab for the EU market.

Bloomberg	LPC IN
Equity Shares (m)	456
M.Cap.(INRb)/(USDb)	924 / 10.6
52-Week Range (INR)	2403 / 1493
1, 6, 12 Rel. Per (%)	-6/2/20
12M Avg Val (INR M)	2316

#### Financials & Valuations (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Sales	223.5	252.1	277.9
EBITDA	52.3	56.2	61.1
Adj. PAT	32.8	35.5	38.4
EBIT Margin (%)	18.8	18.0	17.9
Cons. Adj. EPS (INR)	72.1	78.2	84.5
EPS Gr. (%)	73.6	8.4	8.1
BV/Sh. (INR)	381.6	456.9	541.4

#### Ratios

Net D:E	0.0	-0.2	-0.3
RoE (%)	20.7	18.6	16.9
RoCE (%)	18.9	17.5	16.3
Payout (%)	4.2	3.7	0.0

#### Valuations

P/E (x)	28.0	25.8	23.9
EV/EBITDA (x)	17.5	15.7	13.9
Div. Yield (%)	0.1	0.1	0.0
FCF Yield (%)	3.0	3.6	3.8
EV/Sales (x)	4.1	3.5	3.1

#### Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	47.0	47.0	47.0
DII	24.8	25.1	29.7
FII	22.0	21.5	16.1
Others	6.3	6.4	7.1

FII Includes depository receipts

## Quarterly Performance (Consolidated)

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	% Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
<b>Net Sales</b>	<b>46,087</b>	<b>50,385</b>	<b>51,974</b>	<b>49,608</b>	<b>56,003</b>	<b>55,427</b>	<b>56,927</b>	<b>55,144</b>	<b>1,98,054</b>	<b>2,23,502</b>	<b>57,448</b>	-0.9
YoY Change (%)	23.1	21.5	20.2	12.0	21.5	10.0	9.5	11.2	19.0	12.8	10.5	
Total Expenditure	39,574	41,153	41,755	39,640	42,389	43,059	43,162	42,591	1,62,123	1,71,202	44,982	
<b>EBITDA</b>	<b>6,513</b>	<b>9,232</b>	<b>10,220</b>	<b>9,968</b>	<b>13,614</b>	<b>12,368</b>	<b>13,765</b>	<b>12,553</b>	<b>35,932</b>	<b>52,299</b>	<b>12,466</b>	10.4
YoY Change (%)	297.3	112.6	83.8	65.0	109.0	34.0	34.7	25.9	104.4	45.6	22.0	
Margins (%)	14.1	18.3	19.7	20.1	24.3	22.3	24.2	22.8	18.1	23.4	21.7	
Depreciation	2,347	2,479	2,572	2,559	2,477	2,569	2,715	2,495	9,956	10,256	2,575	
<b>EBIT</b>	<b>4,166</b>	<b>6,754</b>	<b>7,648</b>	<b>7,409</b>	<b>11,137</b>	<b>9,799</b>	<b>11,050</b>	<b>10,058</b>	<b>25,977</b>	<b>42,044</b>	<b>9,891</b>	11.7
YoY Change (%)	LP	192.7	127.9	117.9	167.3	45.1	44.5	35.7	196.0	61.9	29.3	
Margins (%)	9.0	13.4	14.7	14.9	19.9	17.7	19.4	18.2	13.1	18.8	17.2	
Interest	856	806	740	713	680	709	669	711	3,116	2,769	698	
Other Income	228	404	294	293	678	423	537	462	1,218	2,100	525	
EO Exp/(Inc)	-2,053	54	-160	2,012	1,204	-1,036	956	0	-147	1,124	0	
<b>PBT</b>	<b>5,591</b>	<b>6,298</b>	<b>7,361</b>	<b>4,977</b>	<b>9,930</b>	<b>10,549</b>	<b>9,963</b>	<b>9,808</b>	<b>24,227</b>	<b>40,251</b>	<b>9,718</b>	2.5
Tax	1,055	1,344	1,174	1,295	1,875	1,954	2,124	2,322	4,867	8,275	2,138	
Rate (%)	18.9	21.3	15.9	26.0	18.9	18.5	21.3	23.7	20.1	20.6	22.0	
Minority Interest	-11	-57	-56	-88	-42	-69	-37	51	-211	-97	-24	
<b>Reported PAT</b>	<b>4,525</b>	<b>4,898</b>	<b>6,131</b>	<b>3,594</b>	<b>8,013</b>	<b>8,526</b>	<b>7,802</b>	<b>7,536</b>	<b>19,149</b>	<b>31,879</b>	<b>7,556</b>	3.3
<b>Adj PAT</b>	<b>2,855</b>	<b>4,940</b>	<b>5,997</b>	<b>5,083</b>	<b>8,990</b>	<b>7,682</b>	<b>8,554</b>	<b>7,537</b>	<b>18,875</b>	<b>32,764</b>	<b>7,556</b>	13.2
YoY Change (%)	LP	319.9	256.1	95.0	214.9	55.5	42.6	48.3	382.1	73.6	26.0	
Margins (%)	6.2	9.8	11.5	10.2	16.1	13.9	15.0	13.7	9.5	14.7	13.2	
<b>EPS</b>	<b>6</b>	<b>11</b>	<b>13</b>	<b>11</b>	<b>20</b>	<b>17</b>	<b>19</b>	<b>17</b>	<b>42</b>	<b>72</b>	<b>17</b>	3.3

E: MOFSL estimates

## Key Performance Indicators (Consolidated)

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>INRm</b>										
Domestic formulations	16,384	16,915	17,251	16,015	19,259	20,096	19,305	18,361	66,564	77,021
YoY Change (%)	9.8	6.8	13.4	8.3	17.5	18.8	11.9	14.7	9.6	15.7
US formulations	15,905	18,666	18,885	19,006	20,408	19,711	21,213	21,514	72,462	82,846
YoY Change (%)	57.4	40.4	23.7	22.6	28.3	5.6	12.3	13.2	33.8	14.3
EMEA	3987	4759	5170	5318	5031	5693	6249	5724	19235	22697
YoY Change (%)	19.6	23.9	36.0	17.3	26.2	19.6	20.9	7.6	24.0	18.0
Emerging Market	4066	4378	4729	5093	5151	4896	4508	4442	18266	18997
YoY Change (%)	(4.0)	(1.6)	12.9	16.1	26.7	11.8	(4.7)	(12.8)	5.8	4.0
ROW	1,655	1,990	1,985	938	1,672	1,629	2,020	1,904	6,568	7,225
YoY Change (%)	85.3	101.8	71.4	8.1	1.0	(18.1)	1.8	103.0	68.2	10.0
API	3,371	2,684	2,779	2,581	3,622	2,944	2,891	2,757	11,415	12,214
YoY Change (%)	32.1	7.4	(1.3)	(20.0)	7.4	9.7	4.0	6.8	2.9	7.0
<b>Cost Break-up</b>										
RM Cost (% of Sales)	35.6	33.8	33.2	31.7	31.2	30.5	30.2	30.1	34.2	30.8
Staff Cost (% of Sales)	18.3	17.1	17.1	18.1	17.3	18.2	17.3	17.6	18.0	17.8
R&D Expenses(% of Sales)	8.0	7.5	6.9	8.6	6.2	8.1	7.6	8.9	7.8	7.8
Other Cost (% of Sales)	24.0	23.3	23.2	21.5	21.0	20.9	20.7	20.7	23.4	21.0
Gross Margin (%)	64.4	66.2	66.8	68.3	68.8	69.5	69.8	69.9	65.8	69.2
EBITDA Margin (%)	14.1	18.3	19.7	20.1	24.3	22.3	24.2	22.8	18.1	23.4
EBIT Margin (%)	9.0	13.4	14.7	14.9	19.9	17.7	19.4	18.2	13.1	18.8

E: MOFSL Estimates



## Highlights from the management commentary

- LPC is readying itself for the Semaglutide business opportunity and would be in the first wave of launches in Canada, India, and other international markets for injectables. It is developing oral solids internally.
- The expected ETR for FY25 to be ~21-22%
- In M&A, the company's main focus would be India and its Specialty portfolio and then the US generic markets.

### US market (38% of sales)

- FY26 would have potential launches like g-Tolvaptan, g-Glucagon, g-Liraglutide, and g-Risperdal-consta in the US market.
- LPC hopes to receive 30-40% market share in Tolvaptan based on the partnership established with channel partners. It expects 2-3 additional players in this product post-exclusivity.
- Risperdal-consta will be manufactured at CMO in the Netherlands and the site will be inspected without any USFDA classification.
- The company plans to file Ranibizumab in the US in the coming quarters.
- The flu season is picking up in the US, which would benefit the respiratory portfolio during 4QFY25.
- The company expects that g-Etnercept to be an FY29 opportunity.
- From FY27, the company would file many green propellant products in the US market including NDA products in respiratory therapy.
- LPC expects to continue to sell g-Mirabegron at risk. LPC has witnessed an increase in market share as well in this product.
- LPC working on the Respiratory platform, and injectables (Robust pipeline of peptide, iron colloid, depot, liposomal, and 505(b)(2) injectable products in development).
- The company expects that Suprep's market share to increase above 40% in FY26. The current TRx and Rx market share for Suprep is 50%+ and 40%+.
- The company witnesses low-single-price erosion in the base business during the quarter.

### India Market (34% of sales)

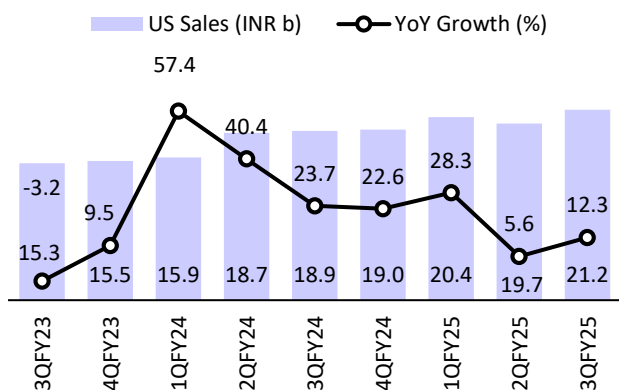
- Innovative products, 10K MRs, and in-licensed products to drive IPM outperformance in the Indian market.
- The Rx growth during the quarter is 5.8% YoY and for 9MFY25 is 9.1% YoY.
- For Semaglutide the company would outsource the manufacturing of injectables to its partner. Further, it has an additional capacity at Nagpur to scale up manufacturing, if required.

### EMEA Market (11% of sales)

- The company expects a growth of 21% led by market share gains in key products like luforbec and expansion in new markets.

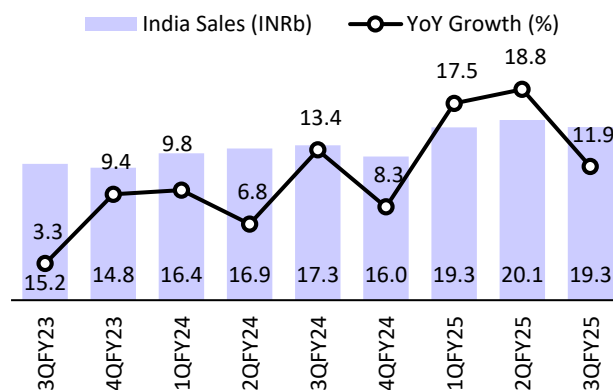
## Key exhibits

**Exhibit 1: US sales increased 12.3% YoY in 3QFY25**



Source: MOFSL, Company

**Exhibit 2: DF sales up 11.9% YoY in 3QFY25**



Source: MOFSL, Company

## Niche portfolio to drive growth

### US – Building a strong pipeline to sustain the medium-term growth momentum

- In 9MFY25, the US sales grew 15% YoY to INR61b (USD682m; up 12.5% in CC terms), aided by the strong momentum in respiratory products including Tiotropium/Albuterol and new product launches like Mirabegron/Doxycycline offset by a decline in Suprep/Darunavir led by additional competition.
- In 9MFY25, LPC received 22 ANDA approvals and launched 7 products.
- The company is expanding its portfolio in complex formulations, inhalation, injectables, and biosimilars, with 40+ injectables and 20+ inhalation products in development. It plans to file 30+ complex products in the US within two years.
- LPC plans to file Ranibizumab in the coming quarters and awaits USFDA approval for Pegfilgrastim, with Aflibercept and other biosimilars in development.
- Having said this over the short term, Pred Forte, Tolavptan, and other key drugs with CGT approval to drive growth.
- Further, the company is planning to launch limited competition products in the US in oral solids as well as injectable dosages.
- Accordingly, we expect an 8% CAGR in the US sales over FY25-27 to USD1.1b.

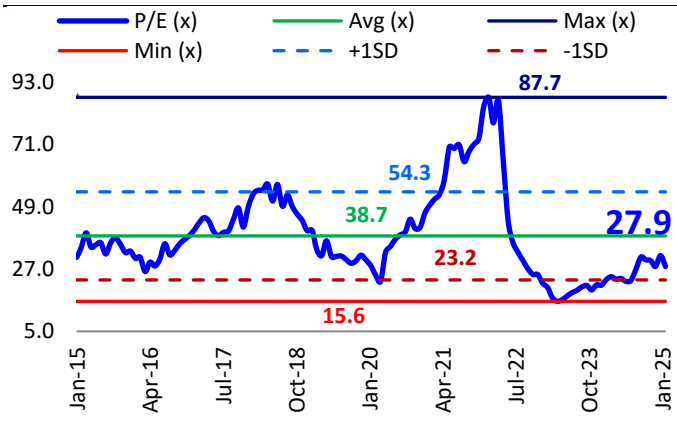
### DF – Superior execution and new launches to drive growth

- In 9MFY25, DF sales grew 16% YoY to INR59b, due to strong growth in key therapies, offsetting subdued performance in gynaec therapy.
- In 3QFY25, Diabetes/Cardiac drove the growth while gynaec/anti-infective therapy dragged the growth.
- The company is focusing on increasing the contribution from chronic therapies and growing in new areas such as biosimilars.
- Moreover, the company is planning to launch GLP-1 products in India post-patent expiry.
- LPC continues to look for M&A, which would drive growth.
- Accordingly, we expect an 11% CAGR in DF sales to INR96b over FY25-27.

**Maintain Neutral**

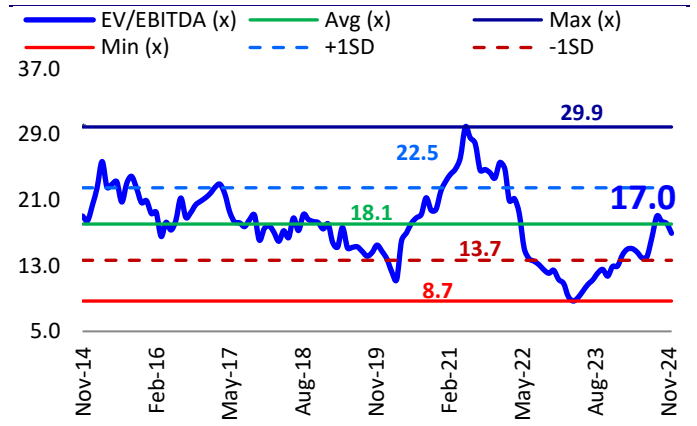
- We raise our earnings estimates by 5%/3%/1% for FY25/FY26/FY27 to factor in: 1) the benefits from the PLI scheme, 2) a robust ANDA pipeline for the US market, and 3) an enhanced reach for prescription, trade generics as well as diagnostic businesses in the India market. We value LPC at 26x 12M forward earnings to arrive at our TP of INR2,150.
- With EBITDA reaching almost 3x over FY23-25E, we expect LPC to deliver 8% EBITDA CAGR over FY25-27, led by niche launches in the US market and superior execution in the DF market. The current valuation adequately captures the earnings upside, and **hence we reiterate our Neutral rating.**

**Exhibit 3: P/E chart**



Source: MOFSL, Company, Bloomberg

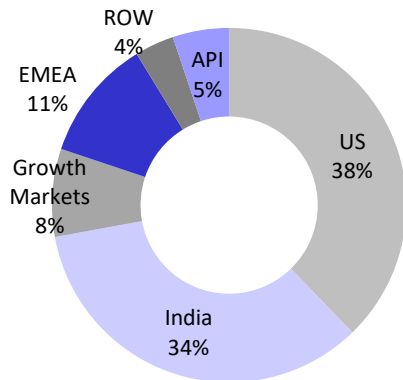
**Exhibit 4: EV/EBITDA chart**



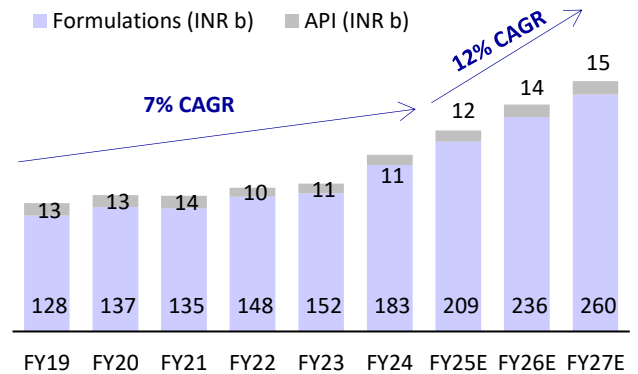
Source: MOFSL, Company, Bloomberg

## Story in charts

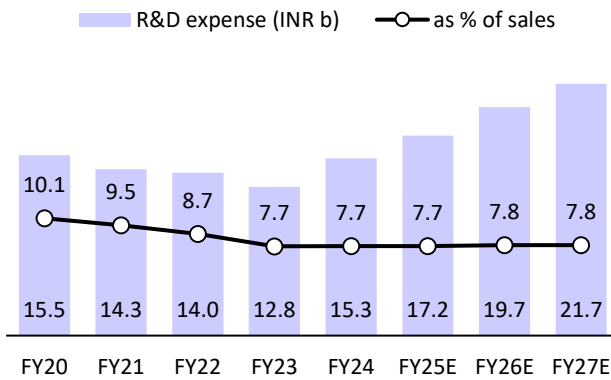
**Exhibit 5: Revenue mix in 3QFY25**



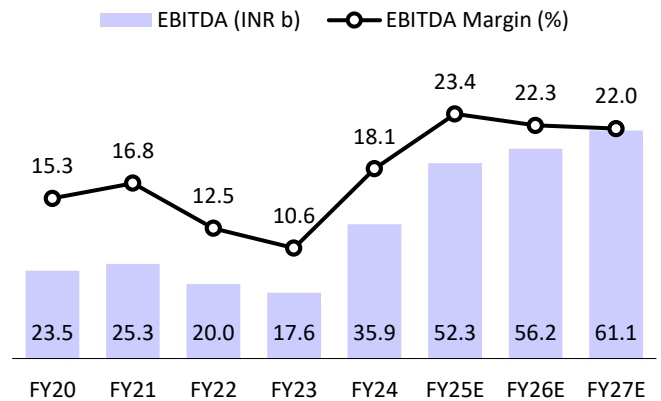
**Exhibit 6: Expect 12% sales CAGR over FY25-27**



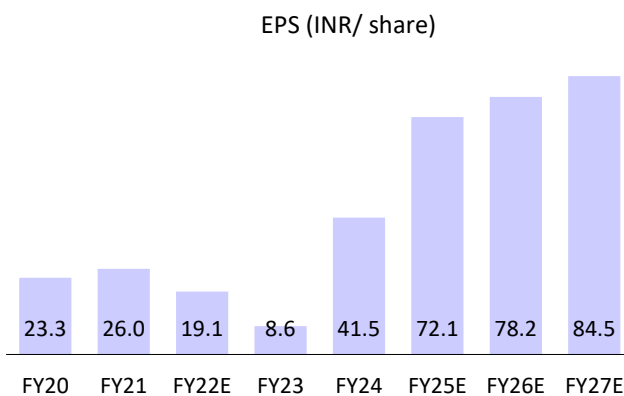
**Exhibit 7: R&D spending to stabilize ~8% going forward**



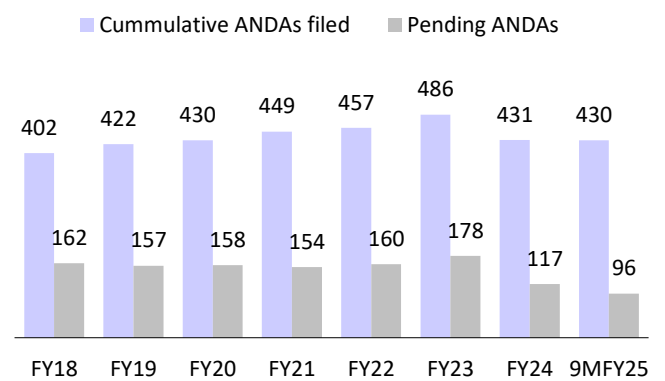
**Exhibit 8: EBITDA margin to dip 140bp over FY25-27**



**Exhibit 9: Expect EPS to register 8.2% CAGR over FY25-27**



**Exhibit 10: 96 ANDAs pending approval**



Source: MOFSL, Company,

## Financials and valuations

Income Statement										(INR m)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	
<b>Net Sales</b>	<b>1,46,646</b>	<b>1,53,748</b>	<b>1,50,930</b>	<b>1,60,321</b>	<b>1,66,417</b>	<b>1,98,054</b>	<b>2,23,502</b>	<b>2,52,134</b>	<b>2,77,861</b>	
Change (%)	-7.2	4.8	-1.8	6.2	3.8	19.0	12.8	12.8	10.2	
<b>EBITDA</b>	<b>25,607</b>	<b>23,548</b>	<b>25,316</b>	<b>19,968</b>	<b>17,582</b>	<b>35,932</b>	<b>52,299</b>	<b>56,225</b>	<b>61,126</b>	
Margin (%)	17.5	15.3	16.8	12.5	10.6	18.1	23.4	22.3	22.0	
Depreciation	8,461	9,702	8,874	8,220	8,807	9,956	10,256	10,797	11,368	
<b>EBIT</b>	<b>17,147</b>	<b>13,846</b>	<b>16,442</b>	<b>11,748</b>	<b>8,775</b>	<b>25,977</b>	<b>42,044</b>	<b>45,427</b>	<b>49,758</b>	
Int. and Finance Charges	3,025	3,630	1,406	1,428	2,743	3,116	2,769	2,344	1,919	
Other Income - Rec.	3,330	3,578	1,479	1,504	757	1,218	2,100	1,450	1,200	
<b>PBT before EO item</b>	<b>17,452</b>	<b>13,794</b>	<b>16,515</b>	<b>11,824</b>	<b>6,790</b>	<b>24,079</b>	<b>41,375</b>	<b>44,533</b>	<b>49,039</b>	
EO Expense/(Income)	3,400	6,261	-236	25,550	-375	-147	1,124	0	0	
<b>PBT after EO item</b>	<b>14,052</b>	<b>7,533</b>	<b>16,751</b>	<b>-13,726</b>	<b>7,165</b>	<b>24,227</b>	<b>40,251</b>	<b>44,533</b>	<b>49,039</b>	
Tax	8,879	11,571	4,485	1,372	2,688	4,867	8,275	8,907	10,544	
Tax Rate (%)	63.2	153.6	26.8	-10.0	37.5	20.1	20.6	20.0	21.5	
Less: Minority Interest	52	-43	-101	-183	-176	-211	-97	-97	-97	
<b>Reported PAT</b>	<b>5,121</b>	<b>-3,995</b>	<b>12,165</b>	<b>-15,280</b>	<b>4,301</b>	<b>19,149</b>	<b>31,879</b>	<b>35,529</b>	<b>38,398</b>	
<b>PAT Adj for EO items</b>	<b>6,066</b>	<b>10,572</b>	<b>11,790</b>	<b>8,699</b>	<b>3,915</b>	<b>18,875</b>	<b>32,764</b>	<b>35,529</b>	<b>38,398</b>	
Change (%)	-58.0	74.3	11.5	-26.2	-55.0	382.1	73.6	8.4	8.1	
Margin (%)	4.1	6.9	7.8	5.4	2.4	9.5	14.7	14.1	13.8	
<b>Adj Net Profit</b>	<b>6,066</b>	<b>10,572</b>	<b>11,790</b>	<b>8,699</b>	<b>3,915</b>	<b>18,875</b>	<b>32,764</b>	<b>35,529</b>	<b>38,398</b>	

Consolidated Balance Sheet										(INR m)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	
Equity Share Capital	905	906	907	909	910	909	909	909	909	
Total Reserves	1,36,517	1,24,461	1,37,124	1,20,624	1,23,695	1,41,992	1,72,541	2,06,742	2,45,143	
<b>Net Worth</b>	<b>1,37,422</b>	<b>1,25,367</b>	<b>1,38,031</b>	<b>1,21,533</b>	<b>1,24,605</b>	<b>1,42,901</b>	<b>1,73,450</b>	<b>2,07,651</b>	<b>2,46,052</b>	
Minority Interest	469	445	550	687	783	831	928	1,025	1,122	
Deferred liabilities	-4,457	252	496	711	738	-567	-567	-567	-567	
Secured Loan	70,546	25,180	6,133	6,147	4,153	3,115	2,865	2,615	2,365	
Unsecured Loan	15,802	24,928	30,494	37,023	42,165	26,699	22,699	18,699	14,699	
Total Loans	86,347	50,108	36,627	43,170	46,318	29,814	25,564	21,314	17,064	
<b>Capital Employed</b>	<b>2,19,781</b>	<b>1,76,172</b>	<b>1,75,704</b>	<b>1,66,101</b>	<b>1,72,444</b>	<b>1,72,979</b>	<b>1,99,375</b>	<b>2,29,423</b>	<b>2,63,671</b>	
Gross Block	72,189	76,431	85,479	95,368	1,05,127	1,17,618	1,23,696	1,30,360	1,37,117	
Less: Accum. Deprn.	23,073	32,776	41,650	49,870	58,677	68,632	78,888	89,685	1,01,053	
<b>Net Fixed Assets</b>	<b>49,115</b>	<b>43,656</b>	<b>43,829</b>	<b>45,498</b>	<b>46,450</b>	<b>48,986</b>	<b>44,808</b>	<b>40,675</b>	<b>36,064</b>	
Capital WIP	10,186	7,582	8,515	8,475	8,948	5,957	6,328	6,514	6,607	
Investments	22,954	23,743	24,549	9,000	5,169	10,747	10,747	10,747	10,747	
Goodwill & Intangibles	67,963	37,540	37,126	31,306	40,534	41,566	41,566	41,566	41,566	
<b>Curr. Assets</b>	<b>1,21,935</b>	<b>1,35,575</b>	<b>1,20,283</b>	<b>1,22,236</b>	<b>1,26,861</b>	<b>1,29,656</b>	<b>1,56,379</b>	<b>1,99,610</b>	<b>2,45,291</b>	
Inventory	38,368	34,569	40,920	46,307	44,918	49,539	50,308	60,081	68,198	
Account Receivables	51,498	54,459	44,743	42,619	44,807	46,920	55,151	63,476	72,177	
Cash and Bank Balance	9,872	24,543	17,425	10,981	12,931	12,025	29,697	54,772	83,634	
Others	22,197	22,004	17,195	22,328	24,205	21,171	21,223	21,281	21,281	
<b>Curr. Liability &amp; Prov.</b>	<b>52,372</b>	<b>71,924</b>	<b>58,598</b>	<b>50,414</b>	<b>55,519</b>	<b>63,931</b>	<b>60,453</b>	<b>69,689</b>	<b>76,603</b>	
Account Payables	41,390	59,884	47,460	42,254	46,937	54,928	51,450	60,686	67,600	
Provisions	10,982	12,040	11,139	8,160	8,581	9,003	9,003	9,003	9,003	
<b>Net Current Assets</b>	<b>69,563</b>	<b>63,651</b>	<b>61,685</b>	<b>71,822</b>	<b>71,342</b>	<b>65,725</b>	<b>95,926</b>	<b>1,29,922</b>	<b>1,68,688</b>	
<b>Appl. of Funds</b>	<b>2,19,781</b>	<b>1,76,172</b>	<b>1,75,704</b>	<b>1,66,101</b>	<b>1,72,444</b>	<b>1,72,979</b>	<b>1,99,375</b>	<b>2,29,423</b>	<b>2,63,671</b>	

E: MOFSL Estimates



## Financials and valuations

### Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>EPS (Fully Diluted)</b>	<b>13.4</b>	<b>23.3</b>	<b>26.0</b>	<b>19.1</b>	<b>8.6</b>	<b>41.5</b>	<b>72.1</b>	<b>78.2</b>	<b>84.5</b>
Cash EPS (Fully Diluted)	32.1	44.8	45.5	37.2	28.0	63.4	94.7	101.9	109.5
BV/Share	303.7	276.7	304.2	267.4	273.9	314.4	381.6	456.9	541.4
DPS	5.0	9.0	7.0	9.0	2.0	2.5	2.5	2.5	0.0
Payout (%)	53.3	-119.0	30.4	-31.3	24.7	6.9	4.2	3.7	0.0
<b>Valuation (x)</b>									
P/E (Fully Diluted)	150.7	86.7	77.7	105.5	234.7	48.6	28.0	25.8	23.9
Cash P/E (Fully Diluted)	62.9	45.1	44.4	54.3	72.2	31.8	21.3	19.8	18.4
P/BV	6.7	7.3	6.6	7.6	7.4	6.4	5.3	4.4	3.7
EV/Sales	6.8	6.1	6.2	5.9	5.7	4.7	4.1	3.5	3.1
EV/EBITDA	38.8	40.1	37.0	47.6	54.1	26.0	17.5	15.7	13.9
<b>Return Ratios (%)</b>									
RoE	4.4	8.0	9.0	6.7	3.2	14.1	20.7	18.6	16.9
RoCE	3.5	4.8	7.5	8.6	3.5	12.6	18.9	17.5	16.3
RoIC	3.6	5.1	9.8	9.8	3.9	14.3	22.5	23.4	24.4
<b>Working Capital Ratios</b>									
Asset Turnover (x)	0.7	0.9	0.9	1.0	1.0	1.1	1.1	1.1	1.1
Fixed Asset Turnover (x)	3.0	3.3	3.5	3.6	3.6	4.2	4.8	5.9	7.2
Debtor (Days)	128	129	108	97	98	86	90	92	95
Creditor (Days)	184	162	137	129	136	163	154	156	159
Inventory (Days)	95	82	99	105	99	91	82	87	90
<b>Leverage Ratio</b>									
Current Ratio	2.3	1.9	2.1	2.4	2.3	2.0	2.6	2.9	3.2
Interest Cover Ratio	5.7	3.8	11.7	8.2	3.2	8.3	15.2	19.4	25.9
Debt/Equity (x)	0.6	0.2	0.1	0.3	0.3	0.1	0.0	-0.2	-0.3

### Cash Flow Statement

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
EBITDA	25,607	23,548	25,316	19,968	17,582	35,932	52,299	56,225	61,126
Interest/Dividends Recd.	3,330	3,578	1,479	1,504	441	835	2,100	1,450	1,200
Direct Taxes Paid	-9,026	-6,862	-4,242	-1,156	-2,432	-3,261	-8,275	-8,907	-10,544
(Inc)/Dec in WC	-1,888	20,583	-5,152	-16,581	3,265	855	-12,530	-8,921	-9,904
<b>CF from Operations</b>	<b>18,023</b>	<b>40,847</b>	<b>17,401</b>	<b>3,735</b>	<b>18,857</b>	<b>34,361</b>	<b>33,595</b>	<b>39,847</b>	<b>41,878</b>
Others	2,036	-19,897	581	25,488	-261	2,269	2	2	2
EO expense	3,400	6,261	-236	25,550	-375	-147	1,124	0	0
<b>CF from Op. incl EO Exp.</b>	<b>16,660</b>	<b>14,688</b>	<b>18,218</b>	<b>3,673</b>	<b>18,972</b>	<b>36,777</b>	<b>32,473</b>	<b>39,849</b>	<b>41,880</b>
(inc)/dec in FA	-6,123	28,785	-9,567	-4,029	-17,521	-10,631	-6,450	-6,850	-6,850
<b>Free Cash Flow</b>	<b>11,900</b>	<b>69,631</b>	<b>7,834</b>	<b>-294</b>	<b>1,336</b>	<b>23,730</b>	<b>27,145</b>	<b>32,997</b>	<b>35,028</b>
(Pur)/Sale of Investments	-8,746	-788	-806	15,549	3,958	-5,374	0	0	0
Others	-17,956	-16,926	-4,166	1,402	696	-1,117	0	0	0
<b>CF from Investments</b>	<b>-32,825</b>	<b>11,070</b>	<b>-14,539</b>	<b>12,922</b>	<b>-12,868</b>	<b>-17,122</b>	<b>-6,450</b>	<b>-6,850</b>	<b>-6,850</b>
Change in Net Worth	-724	-3,286	4,403	3,888	19	145	-3	-2	1
Inc/(Dec) in Debt	14,108	-36,240	-13,480	6,543	1,728	-16,171	-4,250	-4,250	-4,250
Interest Paid	-3,025	-3,630	-1,406	-1,428	-3,295	-3,988	-2,769	-2,344	-1,919
Dividend Paid	-2,728	-4,755	-3,788	-4,786	-1,825	-1,828	-1,329	-1,329	0
Others	-189	39,005	-4,581	-19,941	-781	1,281	1	1	1
<b>CF from Fin. Activity</b>	<b>7,441</b>	<b>-8,906</b>	<b>-18,852</b>	<b>-15,723</b>	<b>-4,154</b>	<b>-20,561</b>	<b>-8,351</b>	<b>-7,925</b>	<b>-6,167</b>
<b>Inc/Dec of Cash</b>	<b>-8,724</b>	<b>16,853</b>	<b>-15,173</b>	<b>872</b>	<b>1,950</b>	<b>-906</b>	<b>17,672</b>	<b>25,074</b>	<b>28,862</b>
Add: Beginning Balance	14,164	5,441	22,293	7,119	7,991	9,942	9,036	26,708	51,781
Cash/Cash Eq. at end of the year	5,441	22,293	7,119	7,991	9,942	9,036	26,708	51,781	80,644
Forex/Bank	4,431	2,250	10,305	2,990	2,990	2,990	2,990	2,990	2,990
<b>Closing Balance</b>	<b>9,872</b>	<b>24,543</b>	<b>17,425</b>	<b>10,981</b>	<b>12,931</b>	<b>12,026</b>	<b>29,698</b>	<b>54,772</b>	<b>83,634</b>

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SELL	< - 10%
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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

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp grievances@motilaloswal.com.