

# APL Apollo Tubes

Estimate change



TP change



Rating change



**CMP: INR1,565**

**TP: INR1,800 (+15%)**

**Buy**

## Muted volume and margin contraction hurt earnings

### Earnings below our estimate

- APL Apollo Tubes (APAT) reported muted sales volume of 679KMT (up 4% YoY and 12% QoQ) in 4QFY24, led by channel de-stocking due to steel price corrections. Further, EBITDA/MT declined ~17% YoY to ~INR4,132, due to higher rebates and discounts offered by APAT to counter the inventory destocking.
- **We cut our FY25E earnings by 8% due to lower EBITDA/MT (reduced by 4%), while largely maintaining our earnings for FY26E. We value the stock at 32x FY26E EPS to arrive at a TP of INR1,800. Reiterate BUY.**

### Higher discounting hurts operating margins

- Consolidated revenue grew 8%/14% YoY/QoQ to INR47.7b (est. INR42.1) in 4QFY24, led by volume growth (up 4% YoY and 12% QoQ to 679KMT) and improved realization (up 3% YoY and 1% QoQ to INR70,230/MT).
- VAP mix stood at 60% in 4QFY24 vs. 54% in 4QFY23 and 59% in 3QFY24, underpinned by a gradual ramp-up of the Raipur and Dubai plants.
- Gross profit/MT declined 7% YoY and 5% QoQ to INR9,330, led by higher rebates and discounts offered by APAT to counter the inventory destocking (due to falling steel prices).
- EBITDA/MT dipped 17% YoY and 11% QoQ to INR4,132 in 4QFY24. EBITDA declined 13% YoY (flat QoQ) to INR2.8b (est. INR3.1b).
- Adj. PAT declined 16% YoY, while it rose 3% QoQ to INR1.7b (est. INR1.95b).
- Net debt as of Mar'24 increased to INR7.8b from INR5.2b as of Mar'23.
- **For FY24, APAT's revenue/EBITDA/Adj. PAT grew 12%/17%/14% YoY to INR181b/INR11.9b/INR7.3b.**

### Highlights from the management commentary

- **Demand scenario:** The company witnessed decent demand in Apr-May'24 despite the election environment. It expects a healthy momentum in FY25 as well, especially post-election, as all the projects will ramp-up.
- **Guidance:** Going forward, the company expects ~20-25% volume CAGR for the next three years. The Raipur/Dubai plants are likely to witness ~70-75%/50% capacity utilization in FY25.
- **Exports:** APAT witnessed an export volume of ~110KMT in FY24. With the Dubai plant likely to generate ~150KTPA of sales volume in FY25, APAT expects an export of ~200-250KTPA during the year.

### Valuation and view

- The incremental capacity from the upcoming plants and debottlenecking, along with the addition of high-margin products from the Raipur and Dubai units, should result in strong volume growth and margin expansion going forward.
- We expect a revenue/EBITDA/PAT CAGR of 26%/37%/45% over FY24-26. **We value the stock at 32x FY26E EPS to arrive at a TP of INR1,800. Reiterate BUY.**

Bloomberg	APAT IN
Equity Shares (m)	278
M.Cap.(INRb)/(USDb)	434.3 / 5.2
52-Week Range (INR)	1806 / 1047
1, 6, 12 Rel. Per (%)	3/-20/12
12M Avg Val (INR M)	1384

### Financials & Valuations (INR b)

Y/E Mar	FY24	FY25E	FY26E
Sales	181.2	229.5	289.5
EBITDA	11.9	16.2	22.2
PAT	7.3	10.5	15.4
EBITDA (%)	6.6	7.1	7.7
EPS (INR)	26.4	37.9	55.7
EPS Gr. (%)	14.1	43.7	46.7
BV/Sh. (INR)	130.0	161.9	211.6

### Ratios

Net D/E	0.2	-0.1	-0.3
RoE (%)	22.2	26.0	29.8
RoCE (%)	19.0	22.8	28.1
Payout (%)	18.9	15.8	10.8

### Valuations

P/E (x)	59.3	41.2	28.1
EV/EBITDA (x)	37.1	26.4	18.7
Div Yield (%)	0.3	0.4	0.4
FCF Yield (%)	1.0	3.4	3.1

### Shareholding pattern (%)

As on	Mar-24	Dec-23	Mar-23
Promoter	29.4	29.6	31.2
DII	14.1	13.8	11.1
FII	30.7	29.3	25.7
Others	25.8	27.4	32.1

Note: FII includes depository receipts

## Consolidated - Quarterly earnings model

(INR m)

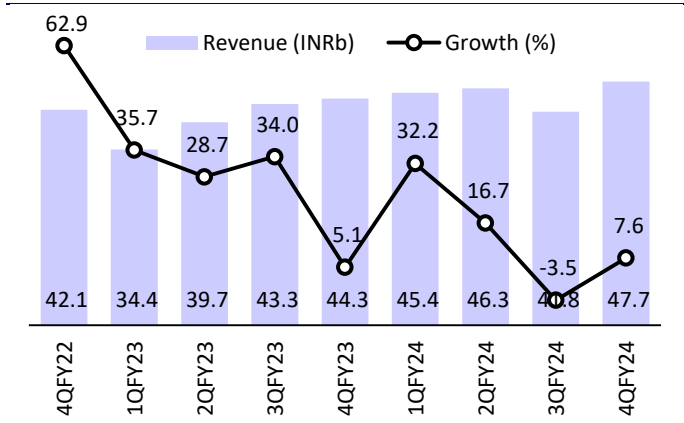
Y/E March	FY23				FY24				FY23	FY24	FY24E	Var %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>Gross Sales</b>	<b>34,386</b>	<b>39,692</b>	<b>43,271</b>	<b>44,311</b>	<b>45,449</b>	<b>46,304</b>	<b>41,778</b>	<b>47,657</b>	<b>1,61,660</b>	<b>1,81,188</b>	<b>42,112</b>	<b>13</b>
YoY Change (%)	35.7	28.7	34.0	5.1	32.2	16.7	-3.5	7.6	23.8	12.1	-2.7	
Total Expenditure	32,446	37,373	40,543	41,082	42,377	43,054	38,982	44,854	1,51,444	1,69,266	38,967	
<b>EBITDA</b>	<b>1,939</b>	<b>2,319</b>	<b>2,729</b>	<b>3,229</b>	<b>3,072</b>	<b>3,250</b>	<b>2,795</b>	<b>2,804</b>	<b>10,216</b>	<b>11,922</b>	<b>3,145</b>	<b>-11</b>
Margins (%)	5.6	5.8	6.3	7.3	6.8	7.0	6.7	5.9	6.3	6.6	7.5	
Depreciation	294	276	345	468	409	413	471	466	1,383	1,759	500	
Interest	100	136	186	249	271	266	285	311	671	1,134	240	
Other Income	83	116	93	180	217	196	150	186	472	749	210	
<b>PBT before EO expense</b>	<b>1,629</b>	<b>2,023</b>	<b>2,290</b>	<b>2,692</b>	<b>2,608</b>	<b>2,767</b>	<b>2,190</b>	<b>2,212</b>	<b>8,633</b>	<b>9,777</b>	<b>2,615</b>	
<b>PBT</b>	<b>1,629</b>	<b>2,023</b>	<b>2,290</b>	<b>2,692</b>	<b>2,608</b>	<b>2,767</b>	<b>2,190</b>	<b>2,212</b>	<b>8,633</b>	<b>9,777</b>	<b>2,615</b>	
Tax	422	521	598	673	672	738	535	508	2,215	2,453	658	
Rate (%)	25.9	25.7	26.1	25.0	25.8	26.7	24.4	23.0	25.7	25.1	25.2	
<b>Reported PAT</b>	<b>1,207</b>	<b>1,502</b>	<b>1,692</b>	<b>2,018</b>	<b>1,936</b>	<b>2,029</b>	<b>1,655</b>	<b>1,704</b>	<b>6,419</b>	<b>7,324</b>	<b>1,957</b>	
<b>Adj PAT</b>	<b>1,207</b>	<b>1,502</b>	<b>1,692</b>	<b>2,018</b>	<b>1,936</b>	<b>2,029</b>	<b>1,655</b>	<b>1,704</b>	<b>6,419</b>	<b>7,324</b>	<b>1,957</b>	<b>-13</b>
YoY Change (%)	-28.4	2.8	32.3	14.3	60.5	35.1	-2.2	-15.5	3.7	14.1	15.7	
Margins (%)	3.5	3.8	3.9	4.6	4.3	4.4	4.0	3.6	4.0	4.0	4.6	

## Key performance indicators

Y/E March	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	YoY	QoQ
<b>Segment Volumes ('000 MT)</b>							
<b>Apollo Structural</b>							
Big Section	39	45	51	62	64	63%	3%
Super Heavy Section	2	4	5	7	8	234%	3%
Light Structures	108	112	113	95	102	-5%	7%
General Structures	299	282	301	249	272	-9%	9%
Apollo Z - Rust-proof structures	163	170	144	124	156	-5%	26%
Apollo Z- Coated Products	10	19	29	36	40	315%	11%
Apollo Galv - Agri/Industrial	27	30	32	30	37	34%	23%
TOTAL	650	662	675	604	679	4%	12%
Value Added Products	350	381	374	355	407	16%	15%
<b>Segment EBITDA/MT (INR/MT)</b>							
<b>Apollo Structural</b>							
Big Section	8,437	7,618	8,481	8,177	7,845	-7%	-4%
Super Heavy Section	9,604	8,777	10,014	9,551	9,210	-4%	-4%
Light Structures	6,256	5,775	6,258	5,771	5,187	-17%	-10%
General Structures	2,579	2,252	2,152	1,771	1,802	-30%	2%
Apollo Z - Rust-proof structures	7,327	6,749	6,721	6,144	4,865	-34%	-21%
Apollo Z- Coated Products	4,424	4,044	7,472	7,516	6,023	36%	-20%
Apollo Galv - Agri/Industrial	6,780	6,196	7,196	6,452	5,725	-16%	-11%
<b>Cost Break-up</b>							
RM Cost (% of sales)	85%	86%	86%	86%	87%	136bp	89bp
Employee Cost (% of sales)	1%	1%	1%	2%	1%	13bp	-7bp
Other Cost (% of sales)	6%	6%	6%	6%	6%	-8bp	-1bp
Gross Margins (%)	15%	14%	14%	14%	13%	-136bp	-89bp
EBITDA Margins (%)	7.3%	6.8%	7.0%	6.7%	5.9%	-140bp	-81bp

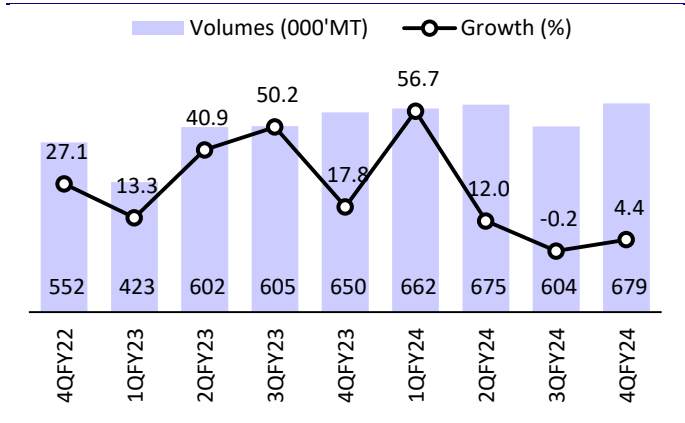
## Key Exhibits

**Exhibit 1: Consolidated revenue trend**



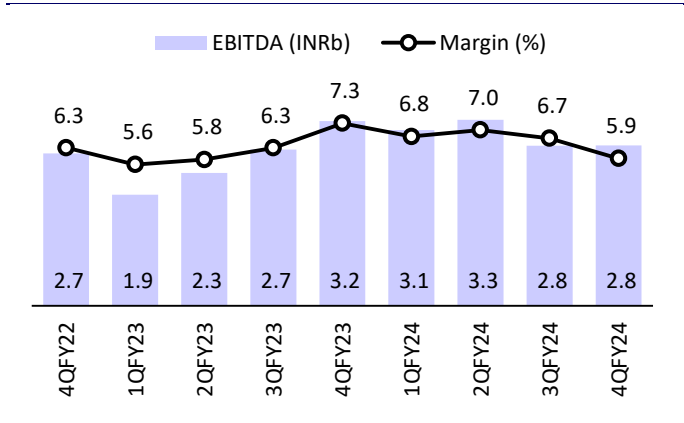
Source: Company, MOFSL

**Exhibit 2: Volume trend**



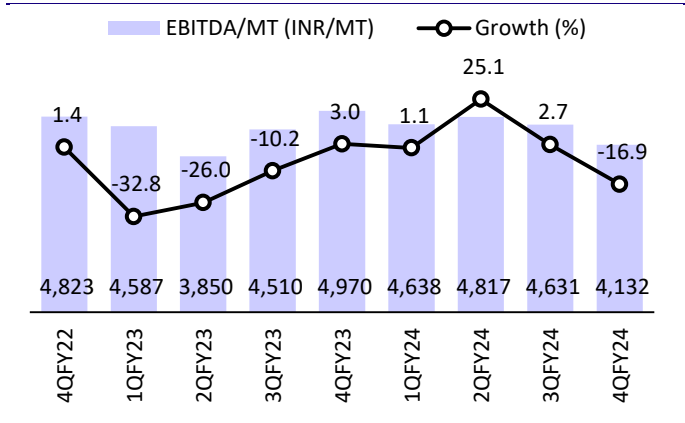
Source: Company, MOFSL

**Exhibit 3: Consolidated EBITDA trend**



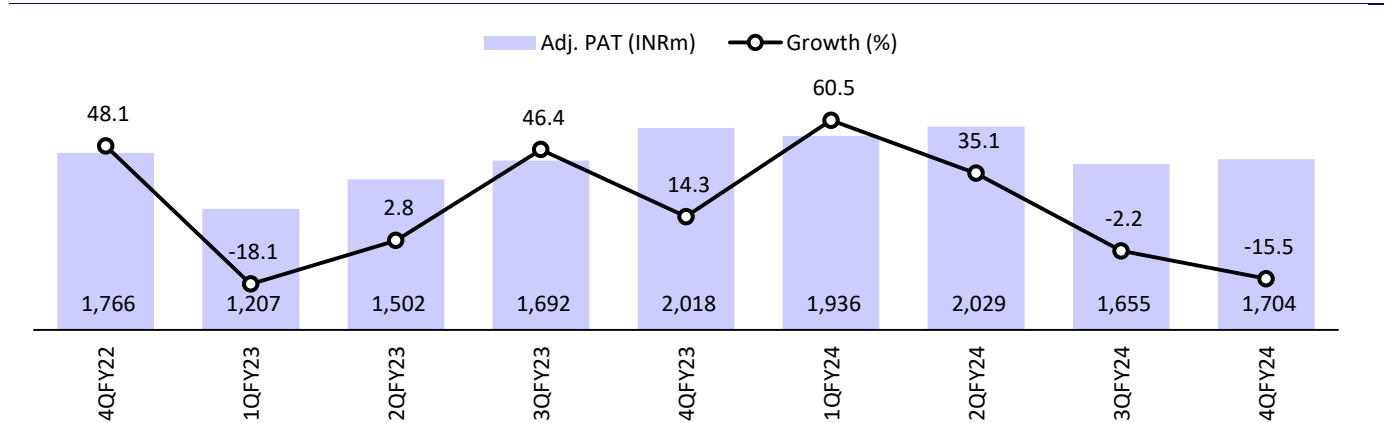
Source: Company, MOFSL

**Exhibit 4: EBITDA/MT trend**



Source: Company, MOFSL

**Exhibit 5: Consolidated Adj. PAT trend**



Source: Company, MOFSL

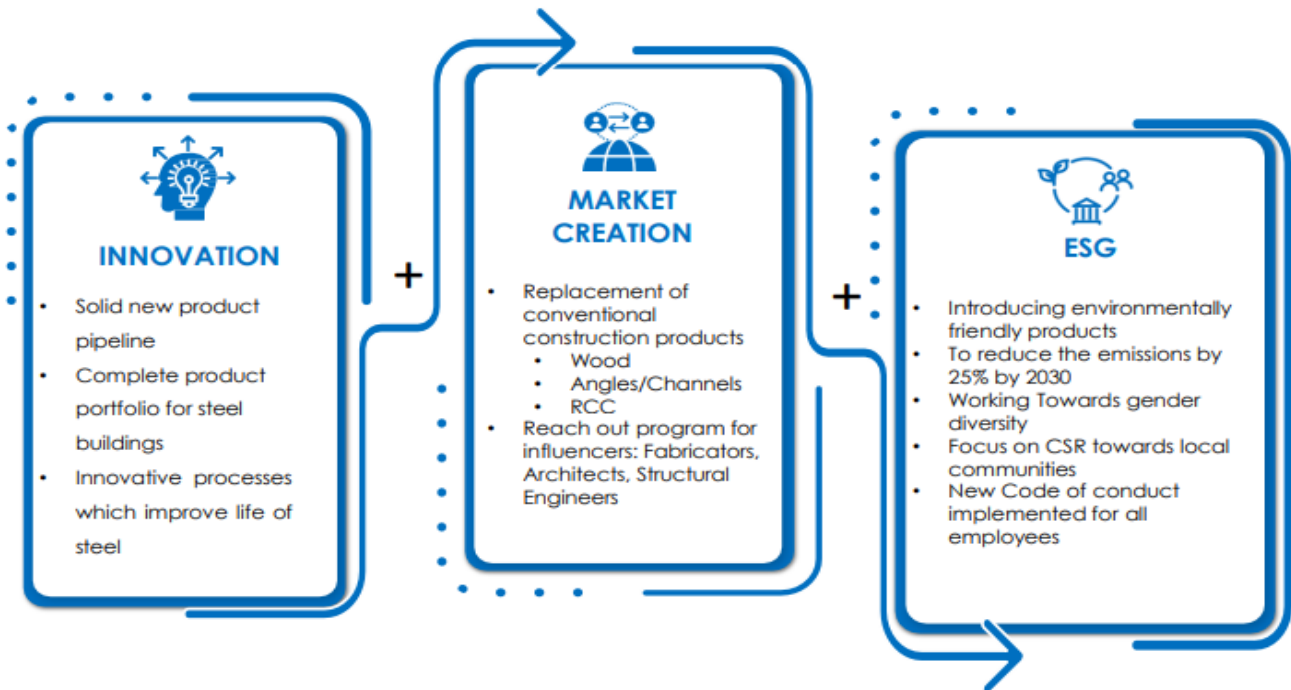
**Exhibit 6: Hospital work at Delhi**

- GTB Nagar
- Shalimar Bagh
- Sultanpuri
- Geeta Colony
- Sarita Vihar
- Raghuvir Nagar



Source: MOFSL, Company

**Exhibit 7: The company's vision**



Source: Company, MOFSL

Exhibit 8: Growth drivers for APAT

# Growth Drivers

**A Capacity expansion**

**Raipur project**

- Capacity: 1.0 MTPA (infrastructure of 1.5 MTPA)
- Capex: Rs13bn (90% already incurred)
- Potential financials:
  - Revenue: Rs70bn+
  - EBITDA: Rs6bn+

**B New products**

**Products**

Project specifically focused at High- value added products 3 key product categories:

**High Diameter High Thickness Tubes**

- 500m x 500m and 1000m x 1000m
- Capacity: 0.3 MTPA
- Suitable for high rise, high load bearing structures
- Reduces project cost by ~20% for the developer



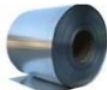
**Coated Tubes**

- Colored and galvanized
- Capacity: 0.3 MTPA
- Suitable for Warehousing, infrastructure & industrial segments

**Coated Products**

- Narrow cold rolled and flat products
- Capacity: 0.4 MTPA
- New age products to replace existing products of wood, PVC etc.

**C Focus on high margin products**

**D Geographic expansion**

**East India**

Capacity: 0.2 MTPA  
Project to help deeper penetration in the Eastern India market  
Land acquisition in process  
COD: FY 25

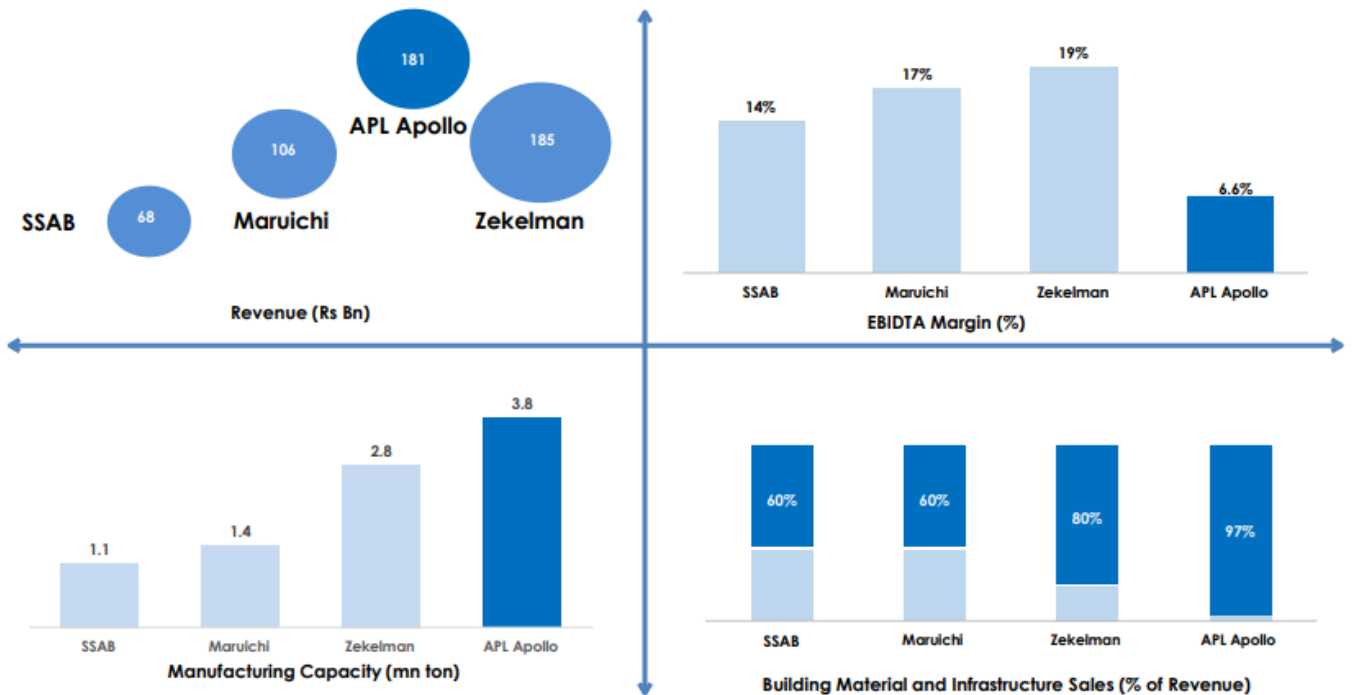
**Dubai**

Capacity: 0.3 MTPA  
First plant outside India for catering to Middle East and European markets  
COD: FY 25

Source: Company, MOFSL

Exhibit 9: Global peer benchmarking

# Global Peer Benchmarking



Source: Company, MOFSL

## Highlights from the management commentary

### Operating Performance

- APAT clocked a sales volume of ~2.6MMT in FY24, i.e., below the guidance given at the start of the year.
- The shortfall in sales volumes was broadly on account of (1) an overall slowdown in construction activity - ~100 KTPA impact; (2) late commissioning of the Raipur and Dubai plants - ~100 KTPA impact; and (3) high interest rate and high inflation during the start of the year.

### New facilities

- APAT had a capacity of ~4 MMT as of Mar'24. It invested ~INR14-15b in the Raipur plant and ~INR3-4b in the Dubai plant.
- Now the company can reach a manufacturing capacity of ~5MMT by just incurring additional capex of ~INR6b
- **The Raipur plant's** manufacturing capacity stood at ~1 MMT as of Mar'24.
  - The plant witnessed ~55% utilization rate in 4QFY24. Management expects the utilization to reach ~70-75% in FY25
- **The Dubai plant** consists of four mills (two have already been set-up and the rest two are work in progress). The operational mills witnessed 45% capacity utilization in 4QFY24.
  - APAT expects to clock a production of ~150KTPA in FY25 (i.e., ~50% utilization of total capacity of ~300KTPA – including all four mills)

### Demand scenario and outlook

- The company witnessed decent demand in Apr-May'24 despite the election environment. It expects a healthy momentum in FY25 as well, especially post-election, as all the projects will ramp-up.
- The company is still aggressive on sales in 1QFY25 and is offering higher discounts (INR5-10/kg) for a few of the categories.
- Going forward, APAT expects ~20-25% volume CAGR over the next three years.

### Margins

- Steel prices were coming down during the quarter and the company had to push their products on discount which impacted the EBITDA/MT in 4QFY24
- Further, the recently commercialized plants in Raipur and Dubai are stabilizing, leading to higher fixed costs.
- Apollo Z also witnessed higher mix of roofing sheets in 4QFY24, leading to lower margins during the quarter

### Other key highlights

- Steel Tube usage in housing/commercial buildings in commercial/infrastructure is ~8-10x of other building material products.
- APAT's price premium vs. peers (the second and third players in the market) has improved to ~5% vs. ~2% earlier
- The spread in primary steel v/s secondary steel is ~INR6,700/MT v/s ~INR15,000/MT in 2QFY24. This narrowed gap will be beneficial for the company.

- Overall mix of steel (as a percentage of total RM cost) for APAT has been going down with increasing mix of Value Added Products (VAP). The VAP products also require other raw materials such as zinc, any other metals, paints, colors etc.
- APAT exported ~110K tons in FY24. The company expects to generate incremental volumes of ~150KTPA from Dubai plant. So overall exports will be ~200-250KTPA in FY25
- Shankara contribution stood at ~7-8% of total sales volume.
- When APAT will reach sales volume of ~5MMT, ~70-75% of sales contribution will come from VAP.
- APAT is looking to enter the solar energy industry. APAT's steel tubes will be used for developing solar structures. It is currently working with some of the solar power developers. 1 MW of solar panels will require ~25 tons tubes.

#### Valuation and View

- We believe APAT would sustain its earnings momentum on the back of: 1) growing demand across segments, 2) increased product penetration with a robust distribution network, 3) rapid capacity expansion, 4) an increase in the share of VAP, thus driving margins, and 5) its market leadership.
- The capacity addition from the upcoming plants, operating leverage, growing share of VAP, and the addition of high-margin products from the Raipur and Dubai units should lead to margin improvements and higher cash generation.
- We expect a revenue/EBITDA/PAT CAGR of 26%/37%/45% over FY24-26. **We value the stock at 32x FY26E EPS to arrive at a TP of INR1,800. Reiterate BUY.**

#### Exhibit 10: Revisions to our estimates

Earnings change (INR m)	Old		New		Change	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Revenue	2,26,511	2,85,375	2,29,496	2,89,490	1%	1%
EBITDA	17,298	22,753	16,235	22,243	-6%	-2%
Adj. PAT	11,483	15,805	10,525	15,444	-8%	-2%

## Financials and valuations

Consolidated - Income Statement									(INRm)
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
<b>Total Income from Operations</b>	<b>53,348</b>	<b>71,523</b>	<b>77,232</b>	<b>84,998</b>	<b>1,30,633</b>	<b>1,61,660</b>	<b>1,81,188</b>	<b>2,29,496</b>	<b>2,89,490</b>
Change (%)	36.0	34.1	8.0	10.1	53.7	23.8	12.1	26.7	26.1
RM Cost	45,483	63,077	65,786	71,648	1,12,231	1,40,178	1,56,172	1,95,301	2,46,356
Employees Cost	862	1,079	1,422	1,296	1,530	2,062	2,576	2,869	3,619
Other Expenses	3,292	3,439	5,252	5,266	7,419	9,204	10,518	15,091	17,272
<b>Total Expenditure</b>	<b>49,637</b>	<b>67,595</b>	<b>72,459</b>	<b>78,210</b>	<b>1,21,181</b>	<b>1,51,444</b>	<b>1,69,266</b>	<b>2,13,261</b>	<b>2,67,247</b>
% of Sales	93.0	94.5	93.8	92.0	92.8	93.7	93.4	92.9	92.3
<b>EBITDA</b>	<b>3,710</b>	<b>3,928</b>	<b>4,773</b>	<b>6,787</b>	<b>9,453</b>	<b>10,216</b>	<b>11,922</b>	<b>16,235</b>	<b>22,243</b>
Margin (%)	7.0	5.5	6.2	8.0	7.2	6.3	6.6	7.1	7.7
Depreciation	534	643	959	1,028	1,090	1,383	1,759	2,188	2,363
<b>EBIT</b>	<b>3,176</b>	<b>3,286</b>	<b>3,814</b>	<b>5,759</b>	<b>8,363</b>	<b>8,832</b>	<b>10,162</b>	<b>14,047</b>	<b>19,880</b>
Int. and Finance Charges	813	1,134	1,073	661	445	671	1,134	900	400
Other Income	80	117	222	359	405	472	749	918	1,158
<b>PBT bef. EO Exp.</b>	<b>2,443</b>	<b>2,269</b>	<b>2,963</b>	<b>5,458</b>	<b>8,323</b>	<b>8,633</b>	<b>9,777</b>	<b>14,065</b>	<b>20,638</b>
EO Items	0	0	0	0	0	0	0	0	0
<b>PBT after EO Exp.</b>	<b>2,443</b>	<b>2,269</b>	<b>2,963</b>	<b>5,458</b>	<b>8,323</b>	<b>8,633</b>	<b>9,777</b>	<b>14,065</b>	<b>20,638</b>
Total Tax	862	787	403	1,381	2,133	2,215	2,453	3,540	5,195
Tax Rate (%)	35.3	34.7	13.6	25.3	25.6	25.7	25.1	25.2	25.2
Minority Interest	0	0	180	475	617	0	0	0	0
<b>Reported PAT</b>	<b>1,581</b>	<b>1,482</b>	<b>2,380</b>	<b>3,602</b>	<b>5,573</b>	<b>6,419</b>	<b>7,324</b>	<b>10,525</b>	<b>15,444</b>
<b>Adjusted PAT</b>	<b>1,581</b>	<b>1,482</b>	<b>2,380</b>	<b>3,602</b>	<b>5,573</b>	<b>6,419</b>	<b>7,324</b>	<b>10,525</b>	<b>15,444</b>
Change (%)	4.0	-6.2	60.5	51.3	54.7	15.2	14.1	43.7	46.7
Margin (%)	3.0	2.1	3.1	4.2	4.3	4.0	4.0	4.6	5.3

Consolidated - Balance Sheet									(INR m)
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Equity Share Capital	237	239	249	250	501	555	555	555	555
Total Reserves	8,141	9,402	13,313	16,697	22,139	29,501	35,491	44,352	58,131
<b>Net Worth</b>	<b>8,379</b>	<b>9,641</b>	<b>13,562</b>	<b>16,947</b>	<b>22,640</b>	<b>30,056</b>	<b>36,046</b>	<b>44,907</b>	<b>58,687</b>
Minority Interest	0	0	954	1,383	2,000	0	0	0	0
Total Loans	7,751	8,581	8,338	5,203	5,806	8,729	11,246	6,246	2,246
Deferred Tax Liabilities	994	1,200	1,012	1,112	1,187	1,171	1,258	1,258	1,258
<b>Capital Employed</b>	<b>17,124</b>	<b>19,422</b>	<b>23,865</b>	<b>24,644</b>	<b>31,633</b>	<b>39,957</b>	<b>48,550</b>	<b>52,410</b>	<b>62,190</b>
Gross Block	9,617	11,626	17,246	18,568	20,677	29,513	38,099	41,472	44,447
Less: Accum. Deprn.	988	1,548	2,507	3,535	4,625	6,008	7,767	9,956	12,318
<b>Net Fixed Assets</b>	<b>8,628</b>	<b>10,078</b>	<b>14,738</b>	<b>15,033</b>	<b>16,053</b>	<b>23,505</b>	<b>30,331</b>	<b>31,517</b>	<b>32,129</b>
Goodwill on Consolidation	230	230	1,375	1,375	1,375	1,375	1,375	1,375	1,375
Capital WIP	460	275	101	1,077	5,037	3,740	2,030	2,156	1,681
<b>Total Investments</b>	<b>11</b>	<b>494</b>	<b>15</b>	<b>15</b>	<b>913</b>	<b>960</b>	<b>1,027</b>	<b>4,527</b>	<b>8,027</b>
Current Investments	0	0	0	0	50	0	0	3,500	7,000
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>12,483</b>	<b>16,663</b>	<b>16,431</b>	<b>16,491</b>	<b>21,147</b>	<b>28,936</b>	<b>37,105</b>	<b>38,305</b>	<b>50,932</b>
Inventory	5,915	7,835	7,842	7,599	8,472	14,799	16,379	19,281	24,162
Account Receivables	4,321	5,433	4,764	1,306	3,417	1,374	1,391	1,886	2,379
Cash and Bank Balance	68	478	456	3,579	3,764	3,525	3,476	7,958	12,811
Loans and Advances	2,179	2,917	3,370	4,006	5,494	9,239	15,859	9,180	11,580
<b>Curr. Liability &amp; Prov.</b>	<b>4,688</b>	<b>8,317</b>	<b>8,796</b>	<b>9,345</b>	<b>12,891</b>	<b>18,560</b>	<b>23,318</b>	<b>25,470</b>	<b>31,954</b>
Account Payables	3,793	6,989	7,644	7,859	10,595	15,970	19,816	21,034	26,359
Other Current Liabilities	814	1,220	979	1,310	2,113	2,357	3,229	4,090	5,159
Provisions	81	108	173	177	184	233	273	346	436
<b>Net Current Assets</b>	<b>7,795</b>	<b>8,346</b>	<b>7,636</b>	<b>7,145</b>	<b>8,256</b>	<b>10,377</b>	<b>13,787</b>	<b>12,836</b>	<b>18,978</b>
<b>Appl. of Funds</b>	<b>17,124</b>	<b>19,422</b>	<b>23,865</b>	<b>24,644</b>	<b>31,633</b>	<b>39,957</b>	<b>48,550</b>	<b>52,410</b>	<b>62,190</b>



## Financials and valuations

### Ratios

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
<b>Basic (INR)</b>									
<b>EPS</b>	<b>5.7</b>	<b>5.3</b>	<b>8.6</b>	<b>13.0</b>	<b>20.1</b>	<b>23.1</b>	<b>26.4</b>	<b>37.9</b>	<b>55.7</b>
Cash EPS	7.6	7.7	12.0	16.7	24.0	28.1	32.8	45.8	64.2
BV/Share	30.2	34.8	48.9	61.1	81.6	108.4	130.0	161.9	211.6
DPS	1.2	1.2	0.0	0.0	3.5	3.5	5.0	6.0	6.0
Payout (%)	25.3	27.7	0.0	0.0	17.4	15.1	18.9	15.8	10.8
<b>Valuation (x)</b>									
P/E	274.5	292.8	182.4	120.5	77.9	67.6	59.3	41.2	28.1
Cash P/E	205.2	204.3	130.0	93.8	65.2	55.6	47.8	34.1	24.4
P/BV	51.8	45.0	32.0	25.6	19.2	14.4	12.0	9.7	7.4
EV/Sales	8.3	6.2	5.7	5.1	3.4	2.7	2.4	1.9	1.4
EV/EBITDA	119.1	112.6	92.8	64.4	46.3	43.0	37.1	26.4	18.7
Dividend Yield (%)	0.1	0.1	0.0	0.0	0.2	0.2	0.3	0.4	0.4
FCF per share	3.5	4.7	-5.4	24.1	1.6	-2.3	15.3	52.7	47.8
<b>Return Ratios (%)</b>									
RoE	20.5	16.5	20.5	23.6	28.2	24.4	22.2	26.0	29.8
RoCE	14.5	12.9	17.4	20.8	25.8	20.6	19.0	22.8	28.1
RoIC	14.1	12.4	15.9	19.9	29.7	24.5	20.6	26.3	38.4
<b>Working Capital Ratios</b>									
Fixed Asset Turnover (x)	5.5	6.2	4.5	4.6	6.3	5.5	4.8	5.5	6.5
Asset Turnover (x)	3.1	3.7	3.2	3.4	4.1	4.0	3.7	4.4	4.7
Inventory (Days)	40	40	37	33	24	33	33	31	30
Debtor (Days)	30	28	23	6	10	3	3	3	3
Creditor (Days)	26	36	36	34	30	36	40	33	33
<b>Leverage Ratio (x)</b>									
Current Ratio	2.7	2.0	1.9	1.8	1.6	1.6	1.6	1.5	1.6
Interest Cover Ratio	3.9	2.9	3.6	8.7	18.8	13.2	9.0	15.6	49.7
Net Debt/Equity	0.9	0.8	0.6	0.1	0.1	0.2	0.2	-0.1	-0.3

### Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
OP/(Loss) before Tax	2,443	2,269	2,963	5,458	8,323	8,633	9,777	14,065	20,638
Depreciation	534	0	959	1,028	1,090	1,383	1,759	2,188	2,363
Interest & Finance Charges	789	0	851	302	40	199	385	-18	-758
Direct Taxes Paid	-602	-673	-403	-1,381	-1,993	-2,161	-2,453	-3,540	-5,195
(Inc)/Dec in WC	-2,342	287	725	3,577	-1,154	-1,475	1,646	5,433	-1,290
<b>CF from Operations</b>	<b>823</b>	<b>1,884</b>	<b>5,096</b>	<b>8,983</b>	<b>6,306</b>	<b>6,580</b>	<b>11,115</b>	<b>18,128</b>	<b>15,759</b>
Others	91	1,693	0	0	211	321	0	0	0
<b>CF from Operating incl EO</b>	<b>914</b>	<b>3,576</b>	<b>5,096</b>	<b>8,983</b>	<b>6,517</b>	<b>6,901</b>	<b>11,115</b>	<b>18,128</b>	<b>15,759</b>
(Inc)/Dec in FA	48	-2,261	-6,591	-2,298	-6,070	-7,539	-6,876	-3,500	-2,500
<b>Free Cash Flow</b>	<b>961</b>	<b>1,316</b>	<b>-1,495</b>	<b>6,685</b>	<b>447</b>	<b>-638</b>	<b>4,239</b>	<b>14,628</b>	<b>13,259</b>
(Pur)/Sale of Investments	2	-390	479	0	-898	-48	-67	-3,500	-3,500
Others	-1,703	13	1,763	-4,171	1,666	-1,171	-2,214	918	1,158
<b>CF from Investments</b>	<b>-1,654</b>	<b>-2,639</b>	<b>-4,349</b>	<b>-6,468</b>	<b>-5,301</b>	<b>-8,757</b>	<b>-9,157</b>	<b>-6,082</b>	<b>-4,842</b>
Issue of Shares	100	56	10	1	251	1,284	0	0	0
Inc/(Dec) in Debt	1,807	830	-244	-3,135	603	2,924	2,516	-5,000	-4,000
Interest Paid	-772	-1,014	-1,073	-661	-445	-671	-1,134	-900	-400
Dividend Paid	-283	-400	0	0	-971	-971	-1,387	-1,664	-1,664
Others	-59	0	538	4,403	-469	-949	-2,004	0	0
<b>CF from Fin. Activity</b>	<b>792</b>	<b>-528</b>	<b>-768</b>	<b>609</b>	<b>-1,031</b>	<b>1,617</b>	<b>-2,008</b>	<b>-7,564</b>	<b>-6,064</b>
<b>Inc/Dec of Cash</b>	<b>52</b>	<b>410</b>	<b>-22</b>	<b>3,123</b>	<b>185</b>	<b>-240</b>	<b>-49</b>	<b>4,482</b>	<b>4,853</b>
Opening Balance	16	68	478	456	3,579	3,765	3,525	3,476	7,958
<b>Closing Balance</b>	<b>68</b>	<b>478</b>	<b>456</b>	<b>3,579</b>	<b>3,765</b>	<b>3,525</b>	<b>3,476</b>	<b>7,958</b>	<b>12,811</b>

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SELL	< - 10%
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UNDER REVIEW	Rating may undergo a change
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