


Estimate change	
TP change	
Rating change	

**CMP: INR1,421      TP: INR1,530 (+8%)      Neutral**

**3Q results beat estimates; yet to scale up Lanreotide supply**

**USFDA clarity on niche products is key monitorable over medium term**

Bloomberg	CIPLA IN
Equity Shares (m)	808
M.Cap.(INRb)/(USD\$b)	1147.3 / 13.3
52-Week Range (INR)	1702 / 1312
1, 6, 12 Rel. Per (%)	-2/-2/-4
12M Avg Val (INR M)	2855

- CIPLA delivered better-than-expected 3QFY25 earnings. While revenue was in line, EBITDA/adj. PAT beat our estimates, aided by a better product mix and lower R&D spending. Among the segments, CIPLA continued to improve chronic share in prescription (Rx) business and scale up trade generics (Gx) business. US sales were flat YoY/QoQ due to certain product-specific issues.
- We raise our FY25 EPS estimate by 14% to factor in healthy traction in the domestic formulation (DF) business and controlled opex. We largely maintain our estimates for FY26/FY27. We value CIPLA at 23x 12M forward earnings to arrive at a TP of INR1,530.
- We expect CIPLA to deliver 18% YoY earnings growth in FY25 after posting strong 39% YoY growth in FY24. However, considering the delay in niche approvals/launches, we expect earnings growth to moderate to 5% over FY25-27. We maintain Neutral, given limited upside from current levels.

**Financials & Valuations (INR b)**

Y/E MARCH	FY25E	FY26E	FY27E
Sales	277.3	294.2	323.0
EBITDA	72.9	73.6	81.4
Adj. PAT	49.8	49.4	55.0
EBIT Margin (%)	22.4	21.0	21.4
Cons. Adj. EPS (INR)	61.7	61.2	68.2
EPS Gr. (%)	17.5	-0.8	11.4
BV/Sh. (INR)	387.5	442.7	504.9

**Ratios**

Net D:E	-0.2	-0.2	-0.3
RoE (%)	15.9	13.8	13.5
RoCE (%)	17.9	14.7	14.4
Payout (%)	9.3	9.8	8.8

**Valuations**

P/E (x)	23.0	23.2	20.8
EV/EBITDA (x)	15.6	15.1	13.2
Div. Yield (%)	0.4	0.4	0.4
FCF Yield (%)	4.2	3.1	3.0
EV/Sales (x)	4.1	3.8	3.3

**Shareholding pattern (%)**

As On	Dec-24	Sep-24	Dec-23
Promoter	29.1	30.9	33.4
DII	27.7	24.1	24.3
FII	26.8	29.0	25.9
Others	16.4	16.1	16.4

FII Includes depository receipts

**Segmental mix/lower R&D spend boost profitability**

- 3QFY25 revenue increased by 7.1% YoY to INR70.7b (est. INR69.7b). DF sales (44% of sales) grew 10% YoY to INR31.5b. EM sales (12% of sales) rose 22% YoY to INR8.2b. SAGA sales (14% of sales) grew 19.6% YoY to INR9.8b. API sales (2% of sales) were up 16.7% YoY at INR1.3b. US sales (27% of sales) declined by 1% YoY to INR19b (USD226m, down 1.7% in CC terms).
- Gross margin expanded 160bp YoY to 68% (est. 66.6%), aided by lower raw material costs.
- EBITDA margins expanded 170bp YoY to 28.1% (est. 25.5%) thanks to a better gross profit. R&D expenses decreased by 100bp YoY as a percentage of sales, while employee costs/other expenses increased by 80bp/20bp YoY.
- EBITDA increased by 13.8% YoY to INR19.9b (est. INR17.8b).
- Adjusting for one-off gains of INR670m and tax write-backs of INR1.6b, PAT grew 14% to INR13.6b (est. INR11.9b).
- In 9MFY25, revenue/EBITDA/PAT grew 6.2%/12.4%/14.2% YoY to INR208b/INR55.9b/INR38.4b.

**Highlights from the management commentary**

- CIPLA aims to end FY25 with higher-than-guided EBITDA margin of 24.5%-25.5%.
- It has filed g-Advair from its US facility and expects a launch in 1HFY26, subject to USFDA inspection and approval. The company expects to launch g-Abraxane in 2HFY26, indicating some delay.
- Despite facing competition in g-Revlimid, CIPLA expects growth in FY26.

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**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	Est. 3QE	% Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
<b>Net Revenues</b>	<b>63.3</b>	<b>66.8</b>	<b>66.0</b>	<b>61.6</b>	<b>66.9</b>	<b>70.5</b>	<b>70.7</b>	<b>69.1</b>	<b>257.7</b>	<b>277.3</b>	<b>69.7</b>	<b>1.5</b>
YoY Change (%)	17.7	14.6	13.7	7.4	5.8	5.6	7.1	12.1	13.3	7.6	5.5	
Total Expenditure	48.3	49.4	48.6	48.5	49.8	51.7	50.8	52.1	194.8	204.3	51.9	
<b>EBITDA</b>	<b>14.9</b>	<b>17.3</b>	<b>17.5</b>	<b>13.2</b>	<b>17.2</b>	<b>18.9</b>	<b>19.9</b>	<b>17.0</b>	<b>62.9</b>	<b>72.9</b>	<b>17.8</b>	<b>11.9</b>
YoY Change (%)	30.7	24.8	24.2	12.1	14.9	8.8	13.8	29.3	23.0	15.9	1.7	
Margins (%)	23.6	26.0	26.5	21.4	25.6	26.7	28.1	24.6	24.4	26.3	25.5	
Depreciation	2.4	2.5	2.3	2.9	2.5	2.7	2.8	2.8	10.1	10.8	2.7	
<b>EBIT</b>	<b>12.5</b>	<b>14.9</b>	<b>15.1</b>	<b>10.3</b>	<b>14.7</b>	<b>16.1</b>	<b>17.1</b>	<b>14.2</b>	<b>52.8</b>	<b>62.1</b>	<b>15.1</b>	
YoY Change (%)	41.1	36.4	33.3	24.2	17.1	8.5	12.9	38.1	34.0	17.6	-0.5	
Margins (%)	19.8	22.3	22.9	16.7	21.9	22.9	24.2	20.5	20.5	22.4	21.6	
Interest	0.2	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.9	0.6	0.1	
Other Income	1.4	1.8	1.3	1.8	1.6	1.9	1.5	1.4	6.2	6.5	1.7	
<b>Profit before Tax</b>	<b>13.7</b>	<b>16.4</b>	<b>16.1</b>	<b>11.9</b>	<b>16.1</b>	<b>17.9</b>	<b>18.5</b>	<b>15.5</b>	<b>58.2</b>	<b>68.0</b>	<b>16.6</b>	
One-time (expense)/income	0.0	-0.4	-1.4	0.7	0.0	0.0	0.7	0.0	-1.1	0.7	0.0	
<b>PBT after EO expense</b>	<b>13.7</b>	<b>15.9</b>	<b>14.7</b>	<b>12.6</b>	<b>16.1</b>	<b>17.9</b>	<b>19.2</b>	<b>15.5</b>	<b>57.0</b>	<b>68.6</b>	<b>16.6</b>	<b>15.1</b>
Tax	3.8	4.4	4.1	3.2	4.4	4.8	3.3	4.1	15.5	16.7	4.7	
Rate (%)	27.5	26.8	25.1	27.3	27.0	27.0	18.0	26.8	26.6	24.5	28.5	
Minority Interest	0.0	0.2	0.1	0.0	0.0	0.0	0.1	0.0	0.3	0.1	0.0	
<b>Reported PAT</b>	<b>10.0</b>	<b>11.3</b>	<b>10.6</b>	<b>9.4</b>	<b>11.8</b>	<b>13.0</b>	<b>15.7</b>	<b>11.3</b>	<b>41.2</b>	<b>51.8</b>	<b>11.9</b>	<b>32.4</b>
<b>Adj PAT</b>	<b>10.0</b>	<b>11.7</b>	<b>12.0</b>	<b>8.7</b>	<b>11.8</b>	<b>13.0</b>	<b>13.6</b>	<b>11.3</b>	<b>42.4</b>	<b>49.8</b>	<b>11.9</b>	<b>15.0</b>
YoY Change (%)	45.1	37.7	49.4	22.7	18.3	10.9	14.0	30.5	39.0	17.5	-0.9	

E: MOFSL Estimates

## Key performance indicators

Y/E March	FY24				FY25E				FY24	FY25E	Est. 3QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			
<b>INR b</b>											
Domestic formulation	27.7	28.2	28.6	24.2	29.0	29.5	31.5	26.3	108.7	116.3	30.6
YoY Change (%)	11.6	9.8	11.5	7.0	4.5	4.7	10.0	9.0	10.1	7.0	7.0
North America	18.2	18.9	19.2	18.8	20.9	19.9	19.1	18.4	75.0	78.2	18.3
YoY Change (%)	52.0	29.5	19.8	11.8	14.5	5.2	-0.5	-1.8	26.9	4.3	-4.7
South Africa	7.5	9.9	8.2	7.6	7.0	10.7	9.8	9.3	30.6	36.7	9.6
YoY Change (%)	-5.1	13.6	19.9	-8.5	-7.1	7.6	18.0	22.4	-3.4	20.0	18.0
Emerging market	7.8	7.3	7.5	8.3	8.5	8.1	8.2	8.6	30.9	33.4	8.3
YoY Change (%)	8.2	-3.1	-2.1	5.5	9.0	9.8	10.5	3.9	1.9	8.1	11.8
API	1.4	1.5	1.1	1.9	1.0	1.6	1.3	1.4	5.8	5.2	1.3
YoY Change (%)	0.7	-15.9	-26.5	41.0	-27.9	8.8	18.0	-26.5	2.3	-10.0	18.0
<b>Cost Break-up</b>											
RM Cost (% of Sales)	35.3	34.6	33.6	33.3	32.8	32.4	32.0	33.3	39.6	38.4	33.4
Staff Cost (% of Sales)	16.9	16.3	16.2	17.6	17.8	17.1	16.9	17.3	17.7	17.0	16.8
R&D Expenses(% of Sales)	5.5	5.7	6.1	7.2	5.3	5.5	5.1	5.4	6.0	4.5	5.8
Other Cost (% of Sales)	18.7	17.4	17.7	20.6	18.5	18.3	17.8	19.4	19.5	17.6	18.5
Gross Margin (%)	64.7	65.4	66.4	66.7	67.2	67.6	68.0	66.7	60.4	61.6	66.6
EBITDA Margin (%)	23.6	26.0	26.5	21.4	25.6	26.7	28.1	24.6	24.4	26.3	25.5
EBIT Margin (%)	19.8	22.3	22.9	16.7	21.9	22.9	24.2	20.5	20.5	22.4	21.6

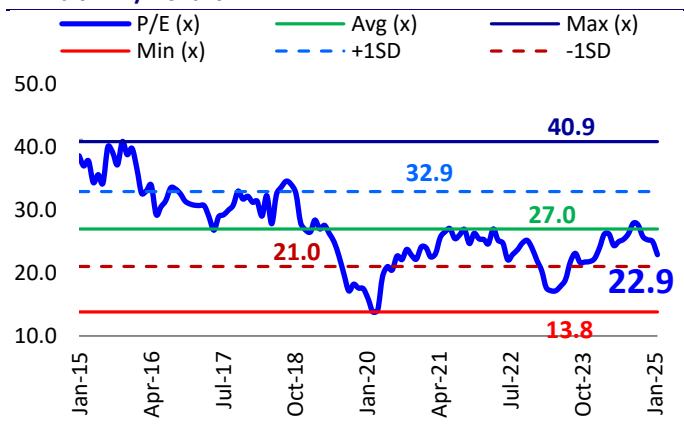
Source: MOFSL, Company



### Highlights from the management commentary

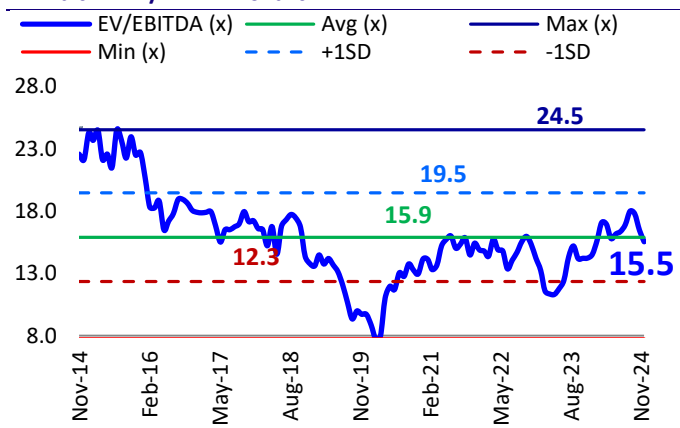
- Production of Lanreotide is down 60% and CIPLA is trying to scale it up notably by Mar'25. The new capacity addition is expected to further improve the supply by 25% in FY26.
- It added ~500 field force in the trade generics segment.
- CIPLA expects Symbicort approval in 18 months.
- It expects g-Revlimid sales to be stable in 4QFY25 as well.
- The company's efforts in DF segment have led to chronic share increasing to 61.5% as of 3QFY25 end.
- CIPLA's share increased to 21% in albuterol for the US market in 3QFY25.
- The company launched 13 products in multiple therapies in 9MFY25 for the South Africa market.

Exhibit 1: P/E chart



Source: MOFSL, Company, Bloomberg

Exhibit 2: EV/EBITDA chart



Source: MOFSL, Company, Bloomberg

### Gradual progress on improving visibility for niche approvals

#### NA: Work-in-progress to offset revlimid impact and sustain growth

- In 9MFY25, US sales grew 6.3% YoY (USD713m; up 4.7% in CC terms) to INR59.8b, supported by market share gains in Albuterol and base business and traction in key products, offset by supply chain issue in Lanreotide.
- CIPLA anticipates solving the supply chain issue for Lanreotide product and normalization from Mar'25 onward.
- While CIPLA has received regulatory clearance for the Goa facility, the launch of g-abraxane has been delayed to 2HFY26 considering the chance of re-inspection and subsequent approval.
- The genericisation of revlimid will affect revenue in FY26-27. CIPLA is gearing up to offset the impact with the launch of g-abraxane, g-advair, partnered inhalation assets and few peptides over the next 12-15 months.
- To enhance its capabilities in the US market, the company is looking for in-licensing of niche products and acquiring a sterile/injectable facility.
- Based on the above factors, we expect the company to deliver a 4.9% CAGR in US sales to USD1b over FY25-27.

### **India: Recovery in trade generic/in-licensing of innovative brands to drive growth**

- During 9MFY25, CIPLA posted 6.4% sales growth, led by growth in key brands in Rx business, recovery in trade generics and sustained momentum in consumer business, offset by seasonality in acute therapies.
- During 3QFY25, CIPLA outperformed IPM in respiratory/anti-infective/urology by 550bp/190bp/210bp.
- In the branded specialty in-licensing business, the top brands Dytor/Budecort delivered strong growth of 13.8%/24.4% YoY in 3QFY25. Further, the company is focusing on launching innovative brands in India through in-licensing.
- CIPLA's consumer health business grew 9.5% YoY due to strong growth in anchor brands like Nicotex, Omnigel and Cipladine and the contribution from Astaberry acquisition.
- Accordingly, we expect CIPLA to deliver a 10% sales CAGR in DF to reach INR140b over FY25-27.

### **One Africa: Brand building to drive growth/margin expansion**

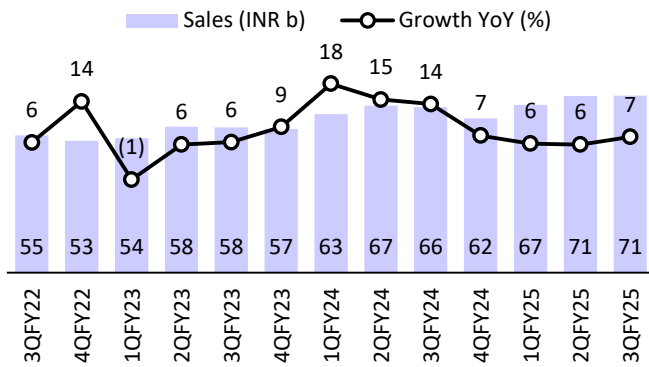
- In 9MFY25, CIPLA's One Africa business grew 7.1% YoY to INR27.4b. The growth was propelled by an uptick in key therapies, new launches and significant growth in OTC portfolio.
- In 3QFY25, SA private market/ SA tender market grew 14%/85% YoY in CC terms to USD67m/ USD24m.
- CIPLA is focusing on margin expansion in Africa business, which is currently below 25%.
- It is building a strong brand franchise in private as well as OTC markets, along with new launches.
- We expect sales growth of 6% in One Africa business to INR41b over FY25-27.

### **Valuation and view**

- We raise our FY25 EPS estimate by 14% to factor in healthy traction in DF business and controlled opex. We largely maintain our estimates for FY26/FY27. We value Cipla at 23x 12M forward earnings to arrive at a TP of INR1,530.
- We expect Cipla to deliver 18% YoY earnings growth in FY25 after posting strong 39% YoY growth in FY24. However, considering the delay in niche approvals/launches, we expect earnings growth to moderate to 5% over FY25-27. We maintain Neutral, given limited upside from current levels.

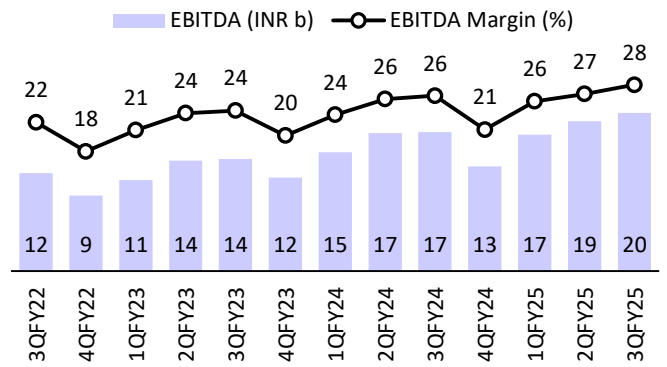
Story in charts

Exhibit 3: Revenue up 7% YoY in 3QFY25



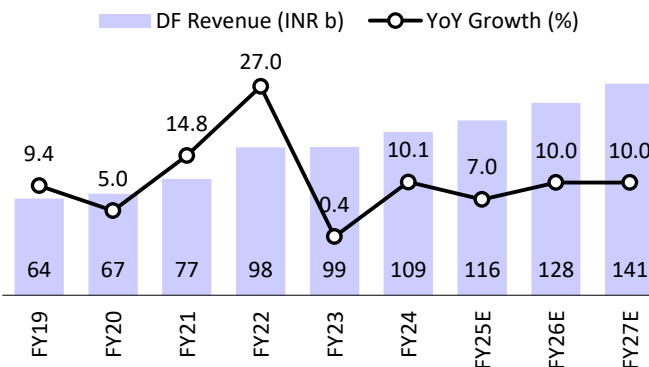
Source: MOFSL, Company

Exhibit 4: EBITDA margin expanded ~170bp YoY in 3QFY25



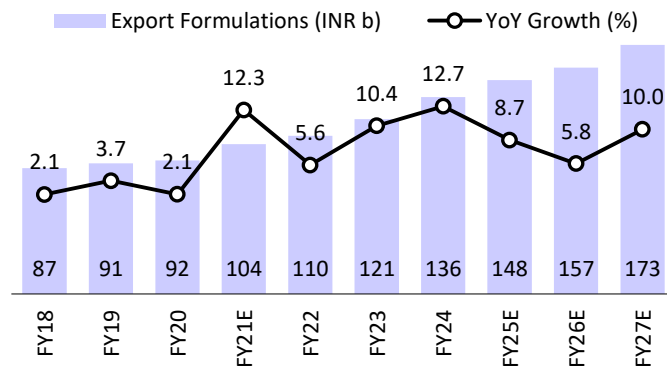
Source: MOFSL, Company

Exhibit 5: Expect 10% DF sales CAGR...



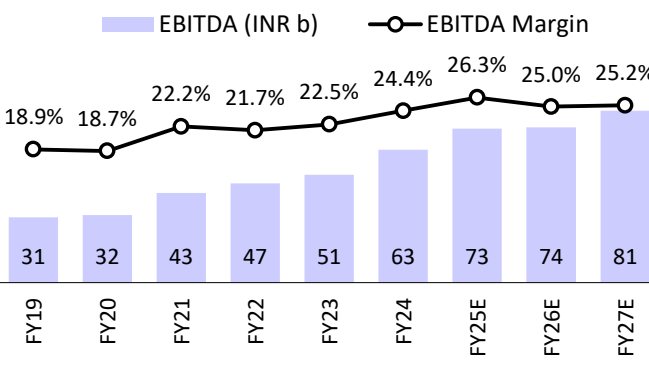
Source: MOFSL, Company

Exhibit 6: ...and 8% export sales CAGR over FY25–27



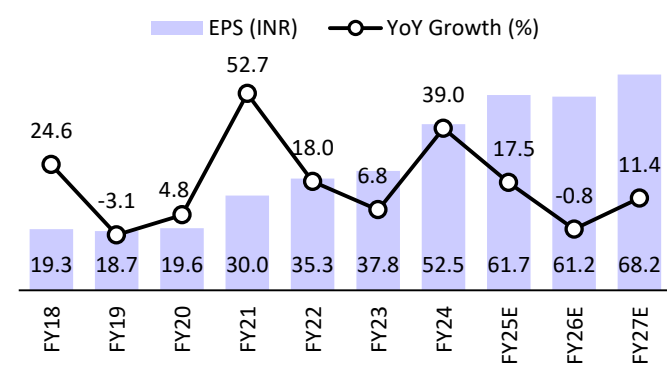
Source: MOFSL, Company

Exhibit 7: EBITDA margin to be at 25.2% by FY27E



Source: MOFSL, Company

Exhibit 8: Expect 5% earnings CAGR over FY25–27



Source: MOFSL, Company

## Financials and valuations

Income Statement							(INRb)		
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Net Income</b>	<b>163.6</b>	<b>171.3</b>	<b>191.6</b>	<b>217.1</b>	<b>227.5</b>	<b>257.7</b>	<b>277.3</b>	<b>294.2</b>	<b>323.0</b>
Change (%)	7.5	4.7	11.8	13.3	4.8	13.3	7.6	6.1	9.8
<b>EBITDA</b>	<b>31.0</b>	<b>32.1</b>	<b>42.5</b>	<b>47.0</b>	<b>51.1</b>	<b>62.9</b>	<b>72.9</b>	<b>73.6</b>	<b>81.4</b>
Margin (%)	18.9	18.7	22.2	21.7	22.5	24.4	26.3	25.0	25.2
Depreciation	11.2	11.4	10.7	10.5	11.7	10.1	10.8	11.7	12.4
<b>EBIT</b>	<b>19.8</b>	<b>20.6</b>	<b>31.8</b>	<b>36.5</b>	<b>39.4</b>	<b>52.8</b>	<b>62.1</b>	<b>61.8</b>	<b>69.0</b>
Int. and Finance Charges	1.7	2.0	1.6	1.1	1.1	0.9	0.6	0.4	0.4
Other Income - Rec.	2.8	3.4	2.7	2.8	4.5	6.2	6.5	5.6	5.9
<b>PBT before EO Items</b>	<b>20.9</b>	<b>22.1</b>	<b>32.9</b>	<b>38.2</b>	<b>42.8</b>	<b>58.2</b>	<b>68.0</b>	<b>67.0</b>	<b>74.5</b>
One-time (Expense)/Income	-0.1	0.3	0.0	3.3	2.5	1.1	-0.7	0.0	0.0
<b>PBT</b>	<b>20.8</b>	<b>21.8</b>	<b>32.9</b>	<b>34.9</b>	<b>40.4</b>	<b>57.0</b>	<b>68.6</b>	<b>67.0</b>	<b>74.5</b>
Tax	5.7	6.3	8.9	9.3	12.0	15.5	16.7	18.0	19.8
Tax Rate (%)	27.4	29.0	27.0	26.7	29.8	27.1	24.3	26.8	26.6
Minority Interest	-0.4	-0.5	-0.2	0.3	0.3	0.3	0.1	-0.3	-0.3
Income from associates	-0.2	-0.5	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0
<b>Profit after Tax</b>	<b>15.3</b>	<b>15.5</b>	<b>24.1</b>	<b>25.2</b>	<b>28.0</b>	<b>41.2</b>	<b>51.8</b>	<b>49.4</b>	<b>55.0</b>
Change (%)	8.3	1.2	55.5	4.6	11.3	47.1	25.8	-4.8	11.4
Margin (%)	9.2	8.8	12.4	11.4	12.1	15.6	18.3	16.5	16.7
<b>Adj PAT</b>	<b>15.0</b>	<b>15.8</b>	<b>24.1</b>	<b>28.4</b>	<b>30.5</b>	<b>42.4</b>	<b>49.8</b>	<b>49.4</b>	<b>55.0</b>

Balance Sheet							(INRb)		
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Reserves	152.3	157.6	179.3	201.5	232.5	265.5	311.2	355.7	405.9
<b>Net Worth</b>	<b>150.1</b>	<b>157.6</b>	<b>183.3</b>	<b>208.4</b>	<b>234.1</b>	<b>267.1</b>	<b>312.8</b>	<b>357.3</b>	<b>407.5</b>
Loans	43.2	28.2	15.4	9.0	5.9	3.3	3.3	3.3	3.3
Deferred Liabilities	2.2	1.3	-0.2	-2.0	-2.9	-4.0	-4.0	-4.0	-4.0
Minority Interst	3.3	2.9	2.6	2.8	3.1	1.0	1.0	1.0	1.0
<b>Capital Employed</b>	<b>198.8</b>	<b>190.0</b>	<b>201.0</b>	<b>218.1</b>	<b>240.1</b>	<b>267.3</b>	<b>313.1</b>	<b>357.6</b>	<b>407.8</b>
Gross Block	126.4	138.5	147.5	160.1	166.8	179.7	189.8	198.0	206.2
Less: Accum. Deprn.	27.4	38.9	49.5	60.1	71.8	81.9	92.7	104.4	116.8
<b>Net Fixed Assets</b>	<b>98.9</b>	<b>99.6</b>	<b>97.9</b>	<b>100.1</b>	<b>95.0</b>	<b>97.8</b>	<b>97.1</b>	<b>93.6</b>	<b>89.4</b>
Capital WIP	3.3	4.2	5.7	3.8	6.9	8.6	5.1	5.1	5.1
Investments	3.0	3.6	3.5	4.2	6.3	7.6	7.6	7.6	7.6
<b>Curr. Assets</b>	<b>132.4</b>	<b>126.8</b>	<b>141.2</b>	<b>158.3</b>	<b>177.1</b>	<b>207.3</b>	<b>268.3</b>	<b>321.0</b>	<b>381.0</b>
Inventory	39.6	43.8	46.7	53.5	51.6	52.4	55.1	63.0	73.6
Account Receivables	41.5	38.9	34.5	34.2	40.6	47.7	52.4	54.1	59.4
Cash and Bank Balance	6.2	10.0	14.0	19.3	15.6	8.7	52.1	83.8	115.1
Others	45.1	34.1	46.1	51.3	69.3	98.4	108.7	120.1	132.9
<b>Curr. Liability &amp; Prov.</b>	<b>38.8</b>	<b>44.2</b>	<b>47.3</b>	<b>48.4</b>	<b>49.9</b>	<b>54.0</b>	<b>65.0</b>	<b>69.7</b>	<b>75.2</b>
Account Payables	31.4	34.8	36.5	36.2	37.1	37.8	48.9	53.6	59.1
Provisions	7.4	9.5	10.8	12.2	12.9	16.1	16.1	16.1	16.1
<b>Net Current Assets</b>	<b>93.7</b>	<b>82.6</b>	<b>93.9</b>	<b>109.9</b>	<b>127.2</b>	<b>153.3</b>	<b>203.3</b>	<b>251.4</b>	<b>305.7</b>
<b>Appl. of Funds</b>	<b>198.8</b>	<b>190.0</b>	<b>201.0</b>	<b>218.1</b>	<b>240.1</b>	<b>267.3</b>	<b>313.1</b>	<b>357.6</b>	<b>407.8</b>

## Financials and valuations

### Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Adjusted EPS</b>	<b>18.7</b>	<b>19.6</b>	<b>30.0</b>	<b>35.3</b>	<b>37.8</b>	<b>52.5</b>	<b>61.7</b>	<b>61.2</b>	<b>68.2</b>
Cash EPS	32.5	33.7	43.1	48.2	52.3	65.0	75.1	75.7	83.5
BV/Share	186.3	195.5	227.2	258.1	284.2	330.9	387.5	442.7	504.9
DPS	3.0	2.5	2.5	3.0	3.0	4.0	5.0	5.0	5.0
Payout (%)	18.6	15.6	10.0	11.5	10.3	9.4	9.3	9.8	8.8
<b>Valuation (x)</b>									
P/E	75.9	72.4	47.4	40.2	37.6	27.1	23.0	23.2	20.8
Cash P/E	43.7	42.2	33.0	29.5	27.2	21.9	18.9	18.8	17.0
P/BV	7.6	7.3	6.3	5.5	5.0	4.3	3.7	3.2	2.8
EV/Sales	7.5	7.0	6.2	5.4	5.2	4.6	4.1	3.8	3.3
EV/EBITDA	39.6	37.6	28.0	25.1	23.0	18.8	15.6	15.1	13.2
Dividend Yield (%)	0.2	0.2	0.2	0.2	0.2	0.3	0.4	0.4	0.4
FCF per Share	15.9	23.9	33.5	27.9	11.9	4.7	62.2	45.4	44.8
<b>Return Ratios (%)</b>									
RoE	10.3	10.2	14.1	14.5	13.3	15.9	15.9	13.8	13.5
RoCE	8.4	8.8	12.9	13.7	13.5	17.0	17.9	14.7	14.4
RoIC	8.0	8.2	13.3	14.5	13.8	17.0	19.2	17.8	18.7
<b>Working Capital Ratios</b>									
Fixed Asset Turnover (x)	1.3	1.3	1.3	1.4	1.4	1.5	2.8	3.1	3.5
Debtor (Days)	93	83	66	58	65	68	69	67	67
Inventory (Days)	88	93	89	90	83	74	73	78	83
Creditors (Days)	43	49	39	42	39	35	36	37	38
Working Capital (Days)	138	128	115	105	108	107	106	108	112
<b>Leverage Ratio (x)</b>									
Current Ratio	3.4	2.9	3.0	3.3	3.5	3.8	4.1	4.6	5.1
Debt/Equity	0.2	0.1	0.0	0.0	0.0	0.0	-0.2	-0.2	-0.3

### Cash Flow Statement

(INRb)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
EBITDA	31.0	32.1	42.5	47.0	51.1	62.9	72.9	73.6	81.4
Interest/Dividends Recd.	2.8	3.4	2.7	2.8	4.5	6.2	6.5	5.6	5.9
Direct Taxes Paid	-6.6	-7.3	-10.3	-11.2	-12.9	-16.6	-16.7	-18.0	-19.8
(Inc)/Dec in WC	-16.6	14.9	-7.4	-10.7	-20.9	-33.0	-6.6	-16.4	-23.1
<b>CF from Operations</b>	<b>10.6</b>	<b>43.1</b>	<b>27.5</b>	<b>27.9</b>	<b>21.8</b>	<b>19.5</b>	<b>56.1</b>	<b>44.8</b>	<b>44.4</b>
others	6.2	-10.5	10.1	8.6	0.0	0.0	0.0	0.0	0.0
<b>CF from Oper. incl EO Expense</b>	<b>16.9</b>	<b>32.3</b>	<b>37.6</b>	<b>33.3</b>	<b>19.3</b>	<b>18.4</b>	<b>56.8</b>	<b>44.8</b>	<b>44.4</b>
(inc)/dec in FA	-4.1	-13.0	-10.5	-10.8	-9.8	-14.6	-6.6	-8.2	-8.2
<b>Free Cash Flow</b>	<b>12.8</b>	<b>19.3</b>	<b>27.1</b>	<b>22.5</b>	<b>9.6</b>	<b>3.8</b>	<b>50.2</b>	<b>36.6</b>	<b>36.2</b>
(Pur)/Sale of Investments	-2.9	-0.6	0.1	-0.7	-2.2	-1.2	0.0	0.0	0.0
others	-9.7	14.7	-13.5	-7.3	0.0	0.0	0.0	0.0	0.0
<b>CF from Investments</b>	<b>-16.7</b>	<b>1.0</b>	<b>-23.9</b>	<b>-18.7</b>	<b>-11.9</b>	<b>-15.8</b>	<b>-6.6</b>	<b>-8.2</b>	<b>-8.2</b>
Inc/(Dec) in Debt	2.2	-15.0	-12.8	-6.4	-3.0	-2.6	0.0	0.0	0.0
Interest Paid	-1.7	-2.0	-1.6	-1.1	-1.1	-0.9	-0.6	-0.4	-0.4
Dividend Paid	-2.8	-2.4	-2.4	-2.9	-2.9	-3.9	-4.8	-4.8	-4.8
Others	-1.1	-11.7	3.5	-0.4	-5.5	-2.1	-1.2	0.3	0.3
<b>CF from Fin. Activity</b>	<b>-3.5</b>	<b>-31.1</b>	<b>-13.3</b>	<b>-10.7</b>	<b>-12.5</b>	<b>-9.5</b>	<b>-6.7</b>	<b>-4.9</b>	<b>-4.9</b>
<b>Inc/Dec of Cash</b>	<b>-3.3</b>	<b>2.2</b>	<b>0.4</b>	<b>3.8</b>	<b>-5.1</b>	<b>-6.9</b>	<b>43.5</b>	<b>31.7</b>	<b>31.3</b>
Add: Beginning Balance	9.7	6.2	10.0	14.0	19.3	15.6	8.7	52.1	83.8
Bank balances	0.0	-1.1	3.6	1.5	1.5	0.0	-0.2	0.0	0.0
Bank balances and FX impact	-0.2	1.6	3.6	1.5	1.5	0.0	0.0	0.0	0.0
<b>Closing balance</b>	<b>6.2</b>	<b>10.0</b>	<b>14.0</b>	<b>19.3</b>	<b>15.6</b>	<b>8.7</b>	<b>52.3</b>	<b>83.8</b>	<b>115.1</b>

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NOTES



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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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