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IPO REPORT

**“Subscribe for Long Term” to
Nuvoco Vistas Corporation Ltd.**

Valuation stretched but sector macro tailwinds persists

Salient features of the IPO:

- Nirma Group's cement company **Nuvoco Vistas Corporation Ltd.** (NVCL), is coming up with an IPO to raise Rs. 5,000cr, which opens on 9th Aug. and closes on 11th Aug. 2021. The price band is Rs. 560 - 570 per share.
- The issue is a combination of fresh and OFS. The company will not receive any proceeds from the OFS portion. Of the net proceeds from the fresh issue, Rs. 1,350cr will be utilized for the repayment/pre-payment of certain borrowings. Rest proceeds will be used for general corporate purposes.

Key competitive strengths:

- Largest cement manufacturing company in East India in terms of total capacity
- Market-leading brands that establish and enhance its leadership as a building materials company with strong brand recognition
- Strategically located cement production facilities that are in close proximity to raw materials and key markets
- Extensive sales, marketing and distribution network with diversified product portfolio
- Growth in the business and operations from acquisitions and, in particular, the recently concluded acquisition of NU Vista
- Strong research & development and technological capabilities
- Experienced individual promoter and professional management team

Risk and concerns:

- Subdued economic activities during pandemic times
- Unexpected pricing pressure
- Unfavorable movements in the raw material prices
- Delay or difficulty in asset integration and expansion
- Rise in interest rates
- Competition

Below are the key highlights of the company:

- After two years of above normal growth, there was a contraction in cement demand in FY20 and FY21, respectively, which was mainly due to subdued economic activities and stress in key consuming real estate sector. During this period higher, investments in road and other infrastructure projects were the key volume contributor. With improving affordability real estate sector is likely to revive, while with continued focus of the government on infrastructure creation, cement demand is expected to grow by 6-7% CAGR over FY21-26.
- Anticipating a healthy growth outlook, cement manufactures have planned to add around 80mn tonnes by FY24, which will be the highest addition in a block of three years in a decade. This will take the sector's installed capacity to around 618mn tonnes from an installed base of 540-542mn tonnes in FY21. Major capacity additions are expected in Eastern and Central India, which is characterized by lower per capita consumption, strong demand growth and higher capacity utilization of cement plants.
- NVCL is the fifth largest cement manufacturer in India with a consolidated capacity of 22.32mn tonnes per year (4.2% of all-India installed capacity). In terms of capacity, it is the largest cement company in East India with an installed capacity market share of 17%. The company also has a market share of 4.7% in North India market. Its product portfolio has a range of over 50 products across cement, RMX and modern building materials. NVCL is also one of the leading manufacturers of ready-mix concrete (RMX) in India.

Recommendation	Subscribe for Long Term
Price band	Rs. 560 - 570 per share
Face value	Rs. 10
Shares for fresh issue	2.632 - 2.679cr shares
Shares for OFS	6.140 - 6.250cr shares
Fresh issue size	Rs. 1,500cr
OFS issue size	Rs. 3,500cr
Total issue size	8.772 - 8.929cr shares (Rs. 5,000cr)
Bidding date	9 th Aug. - 11 th Aug. 2021
MCAP at higher price band	Rs. 20,358cr
Enterprise value at higher price band	Rs. 26,653cr
Book running lead manager	ICICI Securities Ltd., Axis Capital Ltd., HSBC Securities and Capital Markets (India) Pvt. Ltd., J.P. Morgan India Pvt. Ltd. and SBI Capital Markets Ltd.
Registrar	Link Intime India Pvt. Ltd.
Sector	Cement & cement products
Promoters	Niyogi Enterprise Pvt. Ltd. and Dr. Karsanbhai K. Patel

Issue breakup		
Category	Percent of issue (%)	Number of shares
QIB portion	50%	4.386 - 4.464cr shares
Non institutional portion	15%	1.316 - 1.339cr shares
Retail portion	35%	3.070 - 3.125cr shares

Indicative IPO process time line	
Finalization of basis of allotment	17 th Aug. 2021
Unblocking of ASBA account	18 th Aug. 2021
Credit to demat accounts	20 th Aug. 2021
Commencement of trading	23 rd Aug. 2021

Pre and post - issue shareholding pattern		
	Pre-issue	Post-issue
Promoter & promoter group	95.24%	71.03%
Public	4.76%	28.97%
Total	100.00%	100.00%

Retail application money at higher cut-off price per lot	
Number of shares per lot	26
Application money	Rs. 14,820 per Lot

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Key highlights of the company (Contd...):

Company name	Face value (Rs.)	CMP (Rs.)	MCAP (Rs. cr)	EV (Rs. cr)	Stock return (%)				Installed capacity (mn tonnes)	FY21 operating revenue (Rs. cr)	FY21 EBITDA (Rs. cr)	FY21 PAT (Rs. cr)	FY21 EBITDA margin (%)	FY21 PAT margin (%)
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Nuvoco Vistas Corporation Ltd.	10	570	20,358	26,653					22.3	7,489	1,461	(26)	19.5%	-0.3%
ACC Ltd.	10	2,398	45,024	39,018	20.7%	28.2%	37.0%	71.1%	34.5	14,267	2,629	1,670	18.4%	11.7%
Ambuja Cements Ltd.	2	419	83,199	74,307	23.5%	36.6%	53.7%	88.9%	29.7	25,981	5,653	2,758	21.8%	10.6%
Birla Corporation Ltd.	10	1,363	10,492	13,486	11.2%	48.5%	66.0%	115.0%	15.4	6,786	1,338	630	19.7%	9.3%
Dalmia Bharat Ltd.	2	2,035	38,082	37,405	5.1%	31.2%	60.9%	159.5%	30.8	10,522	2,782	1,231	26.4%	11.7%
JK Cement Ltd.	10	3,341	25,818	27,638	16.7%	19.9%	46.8%	122.4%	14.7	6,606	1,539	710	23.3%	10.7%
JK Lakshmi Cement Ltd.	5	664	7,809	8,245	13.6%	59.7%	85.6%	122.1%	14.0	4,727	939	405	19.9%	8.6%
Shree Cement Ltd.	10	29,131	105,106	102,437	7.8%	5.0%	7.2%	34.9%	43.4	13,476	4,051	2,286	30.1%	17.0%
The India Cements Ltd.	10	194	6,024	8,454	0.9%	16.6%	12.6%	70.3%	15.6	4,511	787	207	17.4%	4.6%
The Ramco Cements Ltd.	1	1,073	25,309	27,650	6.3%	12.0%	23.7%	56.2%	19.4	5,291	1,558	784	29.4%	14.8%
Ultratech Cement Ltd.	10	7,751	223,733	228,615	15.3%	23.2%	25.4%	93.6%	116.8	44,726	11,542	5,463	25.8%	12.2%
Average													23.2%	11.1%

Company name	4Y Top-line growth (CAGR)	4Y EBITDA growth (CAGR)	4Y PAT growth (CAGR)	4Y average EBITDA margin	4Y Average PAT margin	4Y Capital employed growth (CAGR)	4Y CFO growth (CAGR)	4Y average working capital cycle (days)	4Y average fixed asset turnover (x)	4Y average total asset turnover (x)	4Y average RoE	4Y average RoIC
Nuvoco Vistas Corporation Ltd.	3.0%	11.1%	-166.6%	16.8%	1.1%	17.3%	19.0%	(24.1)	0.6	0.5	1.4%	-0.3%
ACC Ltd.	1.0%	9.8%	20.1%	15.9%	9.7%	10.0%	12.6%	(5.0)	1.9	0.9	12.6%	13.4%
Ambuja Cements Ltd.	1.0%	11.8%	19.5%	17.8%	8.4%	4.6%	12.3%	(2.2)	1.2	0.7	9.8%	10.6%
Birla Corporation Ltd.	4.5%	18.3%	60.0%	16.8%	5.8%	1.8%	18.2%	20.2	0.8	0.6	7.8%	6.7%
Dalmia Bharat Ltd.	6.0%	11.2%	61.5%	22.8%	5.1%	-4.3%	30.8%	10.2	0.7	0.5	4.4%	4.7%
JK Cement Ltd.	10.8%	25.0%	34.8%	19.1%	7.6%	15.4%	21.7%	15.7	1.0	0.7	15.0%	8.8%
JK Lakshmi Cement Ltd.	8.0%	29.5%	94.4%	15.0%	4.2%	2.5%	27.9%	(0.9)	1.1	0.8	10.3%	10.6%
Shree Cement Ltd.	11.1%	17.9%	18.2%	26.7%	12.7%	13.4%	31.3%	48.7	1.8	0.7	13.1%	14.9%
The India Cements Ltd.	-6.0%	3.5%	46.0%	13.2%	1.8%	-4.1%	23.5%	16.8	0.7	0.5	1.5%	5.9%
The Ramco Cements Ltd.	6.1%	11.8%	11.6%	24.0%	12.2%	19.1%	19.0%	26.6	0.7	0.6	12.7%	10.2%
Ultratech Cement Ltd.	13.0%	23.4%	35.0%	21.2%	9.7%	12.9%	47.6%	21.2	0.7	0.5	10.7%	8.9%
Average	5.6%	16.2%	40.1%	19.2%	7.7%	7.1%	24.5%	15.1	1.1	0.6	9.8%	9.5%

Company Name	EPS (Rs.)	BVPS (Rs.)	DPS (Rs.)	Debt equity ratio	Total asset turnover ratio	RoE (%)	RoCE (%)	P / E (x)	P / B (x)	EV / Sales (x)	EV / EBITDA (x)	EV / Tonne (Rs. cr)	MCAP / Sales (x)	Earning yield (%)
Nuvoco Vistas Corporation Ltd.	(0.7)	247.5	0.0	1.0	0.3	-0.3%	3.6%	(785.4)	2.3	3.6	18.2	1,194.1	2.7	-0.1%
ACC Ltd.	88.9	676.2	14.0	0.0	0.8	13.1%	15.0%	27.0	3.5	2.7	14.8	1,132.6	3.2	3.7%
Ambuja Cements Ltd.	13.9	114.6	19.1	0.0	0.7	12.1%	14.8%	30.2	3.7	2.9	13.1	2,506.1	3.2	3.3%
Birla Corporation Ltd.	81.8	712.4	15.0	0.7	0.6	11.5%	9.7%	16.7	1.9	2.0	10.1	875.7	1.5	6.0%
Dalmia Bharat Ltd.	65.8	674.8	1.3	0.2	0.5	9.7%	10.0%	30.9	3.0	3.6	13.4	1,216.4	3.6	3.2%
JK Cement Ltd.	91.8	483.6	0.0	0.8	0.7	19.0%	15.6%	36.4	6.9	4.2	18.0	1,884.0	3.9	2.7%
JK Lakshmi Cement Ltd.	34.5	178.0	0.0	0.6	0.9	19.4%	18.8%	19.3	3.7	1.7	8.8	589.0	1.7	5.2%
Shree Cement Ltd.	633.6	4,267.5	3.1	0.1	0.7	14.8%	16.4%	46.0	6.8	7.6	25.3	2,360.3	7.8	2.2%
The India Cements Ltd.	6.7	184.1	1.0	0.4	0.4	3.6%	6.8%	29.1	1.1	1.9	10.7	543.7	1.3	3.4%
The Ramco Cements Ltd.	33.2	243.0	3.0	0.4	0.5	13.7%	13.3%	32.3	4.4	5.2	17.7	1,425.2	4.8	3.1%
Ultratech Cement Ltd.	189.3	1,530.4	13.0	0.4	0.5	12.4%	13.5%	41.0	5.1	5.1	19.8	1,958.2	5.0	2.4%
Average			7.0	0.4	0.6	12.9%	13.4%	30.9	4.0	3.7	15.2	1,449.1	3.6	3.5%

Source: Choice Broking Research

- Nirma Group - starting its cement business in 2014 with a capacity of 2.3mn tonnes was the fastest growing cement company in the last five years, largely due to various inorganic acquisitions. In the past, the group has successfully acquired and integrated the assets of LafargeHolcim and Emami Cement.
- Currently, NVCL has 11 cement plants with a total capacity of 22.32mn tonnes, comprising of five integrated units, five grinding units and one blending unit. These plants are strategically located with road and rail connectivity to key markets of East India and North India. Also the plants are in close proximity to the company's limestone reserves and other raw materials, such as slag and fly ash. The company also has captive railway sidings at six of these plants, thereby giving it a significant competitive advantage in transporting raw materials and finished products. Over FY20-21, these plants operated at a capacity utilization of over 90%. The company has proposed to expand the cement capacity by 2.7mn tonnes over the period of FY22-23. Of these 1.5mn tonnes is recently commissioned and is in trial production. Post expansion, NVCL will have a total installed capacity to 25mn tonnes. The company also operates 49 RMX plants across India.

Key highlights of the company (Contd...):

- It has 44.7MW of waste heat recovery systems, 1.5MW of solar power plants and captive power plants with generation capacity of 105MW. As of 31st Mar. 2021, these power generation units met 50.4% (on a proforma basis) of its total power requirements.
- NVCL largely focuses on trade segment and mainly caters to individual home buyers. It generates 73% of the cement sales from the trade segment, as compared to sector average of 65-68%. Under non-trade segment, cement sales is directly to institutional and bulk buyers. In trade segment, the company's distribution channel comprised of 244 clearing & forwarding agents and 16,076 dealers.
- Over FY18-21, NVCL has reported a 3% CAGR rise in consolidated revenue to Rs. 7,488.8cr in FY21. Despite hindrances like relatively poor economic activities and the emergence of Covid-19pandemic, the company has reported a gain in market share in the last two years. Cement segment increased by 7.6% CAGR, while the Concrete segment reported a de-growth of 30.5% CAGR over FY18-21. Total operating expenditure increased by 1.4% CAGR (lower than the top-line growth), thereby leading to a consolidated EBITDA of Rs. 1,460.5cr in FY21. EBITDA margin expanded by around 4ppts over the period to 19.5% in FY21. With an increase in capacity, depreciation charge and finance costs increased by 17.9% and 11.8%, respectively. As a result pre-tax profit declined by 39.1% CAGR. The company reported a net loss in two of the four fiscals over FY18-21. NVCL reported a positive operating cash flow during the period with an average cash flow of Rs. 1,155.1cr. Financial liabilities increased by 15.6% CAGR over FY18-21 with an average debt-to-equity ratio of 1.1x.

Peer comparison and valuation: At higher price band of Rs. 570, NVCL is demanding an EV/EBITDA multiple of 18.2x, which is at premium to peer average of 15.2x. With favorable macros like reviving real estate sector, continued government's focus on infrastructure creation and lower per capita consumption on national level, the sector will continue to have a secular growth trend going forward. NVCL with its presence in high growth East & Central India and key focus on the trade segment, is likely to benefit from the growth in the sector. Thus considering the above observations, we assign a **"Subscribe for Long Term"** rating for the issue.

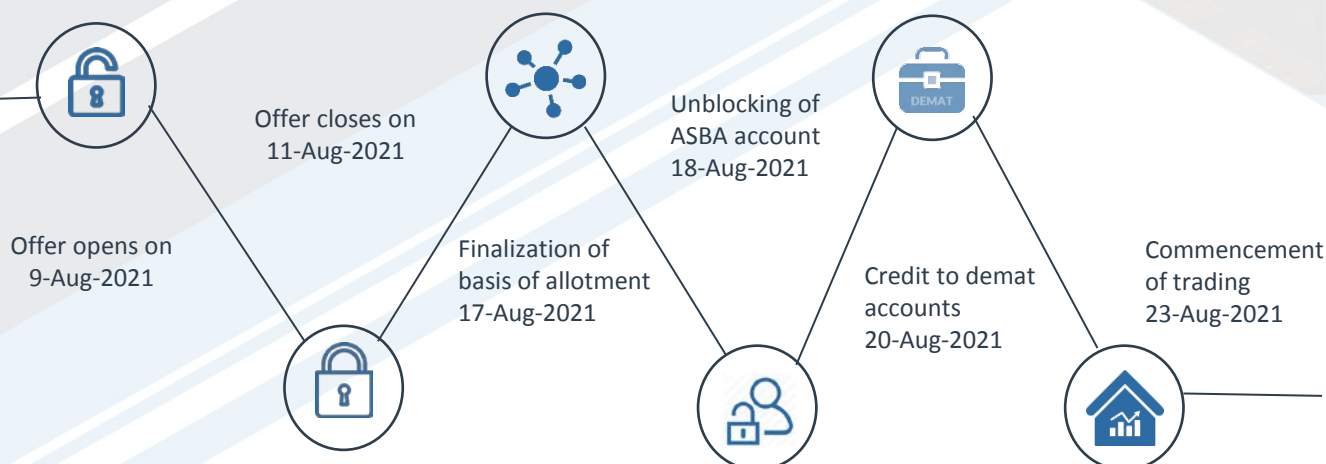
About the issue:

- NVCL is coming up with an initial public offering (IPO) with 8.772 - 8.929cr shares (fresh issue: 2.632 - 2.679cr shares; OFS shares: 6.140 - 6.250cr shares) in offering. The offer represents around 24.56% of its post issue paid-up equity shares of the company. Total IPO size is Rs. 5,000cr.
- The issue will open on 9th Aug. 2021 and close on 11th Aug. 2021.
- The issue is through book building process with a price band of Rs. 560 - 570 per share.
- The issue is a combination of fresh and OFS. The company will not receive any proceeds from the OFS portion. Of the net proceeds from the fresh issue, Rs. 1,350cr will be utilized for the repayment/pre-payment of certain borrowings. Rest proceeds will be used for general corporate purposes.
- 50% of the net issue are reserved for qualified institutional buyers, while 15% and 35% of the net issue is reserved for non-institutional bidders and retail investors, respectively.
- Promoter currently holds 95.24% stake in the company and post-IPO this will come down to 71.03%. Public holding will increase from current 4.76% to 28.97%.

Pre and post-issue shareholding pattern (%)		
	Pre-issue	Post-issue (at higher price band)
Promoter & promoter group (%)	95.24%	71.03%
Public (%)	4.76%	28.97%

Source: Choice Equity Broking

Indicative IPO process time line:



Financial performance:

Performance over FY18-21: Over FY18-21, NVCL has reported a 3% CAGR rise in consolidated revenue to Rs. 7,488.8cr in FY21. Despite hindrances like relatively poor economic activities and the emergence of Covid-19 pandemic, the company has reported a gain in market share in the last two years. Cement segment increased by 7.6% CAGR, while the Concrete segment reported a de-growth of 30.5% CAGR over FY18-21.

Total operating expenditure increased by 1.4% CAGR (lower than the top-line growth), thereby leading to a consolidated EBITDA of Rs. 1,460.5cr in FY21. EBITDA margin expanded by around 4ppts over the period to 19.5% in FY21.

With an increase in capacity, depreciation charge and finance costs increased by 17.9% and 11.8%, respectively. As a result pre-tax profit declined by 39.1% CAGR. The company reported a net loss in two of the four fiscals over FY18-21.

NVCL reported a positive operating cash flow during the period with an average cash flow of Rs. 1,155.1cr. Financial liabilities increased by 15.6% CAGR over FY18-21 with an average debt-to-equity ratio of 1.1x.

Consolidated financial snapshot (Rs. cr)	FY18	FY19	FY20	FY21	CAGR over FY18-21 (%)	Y-o-Y (% Annual)
Revenue from operations	6,855.5	7,052.1	6,793.2	7,488.8	3.0%	10.2%
EBITDA	1,066.3	917.7	1,297.1	1,460.5	11.1%	12.6%
Reported PAT	87.5	(26.5)	249.3	(25.9)		
Restated reported EPS	2.5	(0.7)	7.0	(0.7)		-110.4%
Cash flow from operating activities	1,018.1	860.1	1,024.8	1,717.4	19.0%	67.6%
NOPLAT	304.9	(1,203.8)	591.0	(181.3)		
FCF		(899.1)	1,214.8	(185.5)		
RoIC (%)	2.9%	-11.6%	6.0%	-1.1%	(403) bps	(714) bps
Revenue growth rate (%)		2.9%	-3.7%	10.2%		
EBITDA growth rate (%)		-13.9%	41.4%	12.6%		
EBITDA margin (%)	15.6%	13.0%	19.1%	19.5%	395 bps	41 bps
EBIT growth rate (%)		-27.8%	83.3%	-13.3%		
EBIT margin (%)	8.5%	6.0%	11.3%	8.9%	42 bps	(242) bps
Restated reported PAT growth rate (%)						
Restated reported PAT margin (%)	1.3%	-0.4%	3.7%	-0.3%	(162) bps	(402) Bps
Inventory days	160.8	144.1	176.2	198.9	7.4%	12.9%
Debtor days	22.4	23.8	27.2	23.5	1.6%	-13.4%
Payable days	(202.0)	(184.8)	(230.3)	(256.3)	8.3%	11.3%
Cash conversion cycle	(18.8)	(16.9)	(26.9)	(33.9)	21.7%	25.9%
Fixed asset turnover ratio (x)	0.7	0.7	0.6	0.5	-11.6%	-28.1%
Total asset turnover ratio (x)	0.5	0.5	0.5	0.4	-10.0%	-25.6%
Current ratio (x)	1.2	1.0	0.7	0.8	-10.4%	14.5%
Total debt (Rs.)	5,628.8	5,312.3	5,211.5	8,706.6	15.6%	67.1%
Net debt (Rs.)	4,725.6	4,732.0	4,700.7	7,794.7	18.2%	65.8%
Debt to equity (x)	1.2	1.1	1.0	1.2	0.6%	20.4%
Net debt to EBITDA (x)	4.4	5.2	3.6	5.3	6.4%	47.3%
RoE (%)	1.8%	-0.5%	4.7%	-0.4%	(217) bps	(508) bps
RoA (%)	0.7%	-0.2%	1.9%	-0.1%	(79) bps	(198) bps
RoCE (%)	5.1%	3.8%	7.2%	3.9%	(116) bps	(325) bps

Source: Choice Equity Broking



Competitive strengths:

- Largest cement manufacturing company in East India in terms of total capacity
- Market-leading brands that establish and enhance its leadership as a building materials company with strong brand recognition
- Strategically located cement production facilities that are in close proximity to raw materials and key markets
- Extensive sales, marketing and distribution network with diversified product portfolio
- Growth in the business and operations from acquisitions and, in particular, the recently concluded acquisition of NU Vista
- Strong research and development and technological capabilities
- Experienced individual promoter and professional management team

Business strategy:

- Consolidate and grow our market share in East, North and Central India
- Increase portfolio of premium products and profit margins
- Focus on operational efficiencies and synergies to improve returns, whilst expanding manufacturing capabilities
- Strengthen the brand and expand the distribution network
- Growth through expanding operations and through acquisitions
- Complete the integration of the NU Vista cement business with the company



Risk and concerns:

- Subdued economic activities during pandemic times
- Unexpected pricing pressure
- Unfavorable movements in the raw material prices
- Delay or difficulty in asset integration and expansion
- Rise in interest rates
- Competition

Financial statements:

Consolidated profit and loss statement (Rs. cr)

	FY18	FY19	FY20	FY21	CAGR over FY18 - 21 (%)	Annual growth over FY20 (%)
Revenue from operations	6,855.5	7,052.1	6,793.2	7,488.8	3.0%	10.2%
Cost of materials consumed	(1,284.8)	(1,397.4)	(1,273.8)	(1,032.3)	-7.0%	-19.0%
Purchase of stock in trade	(15.5)	(12.6)	(17.6)	(47.6)	45.2%	171.1%
Changes in inventories of finished goods, work-in-progress and stock-in-trade	38.4	(34.7)	61.4	(126.9)	-249.0%	-306.8%
Excise duty on sale of goods	(203.1)	0.0	0.0	0.0		
Gross profit	5,390.5	5,607.5	5,563.2	6,282.1	5.2%	12.9%
Power and fuel	(1,222.3)	(1,374.1)	(1,225.6)	(1,356.3)	3.5%	10.7%
Freight and forwarding charges	(1,829.8)	(1,983.2)	(1,776.1)	(2,029.4)	3.5%	14.3%
Employee benefits expense	(355.9)	(381.1)	(404.6)	(482.0)	10.6%	19.1%
Other expenses	(916.1)	(951.3)	(859.7)	(953.8)	1.4%	10.9%
EBITDA	1,066.3	917.7	1,297.1	1,460.5	11.1%	12.6%
Depreciation and amortization expense	(484.9)	(497.9)	(527.9)	(793.8)	17.9%	50.4%
EBIT	581.4	419.8	769.3	666.7	4.7%	-13.3%
Finance costs	(475.5)	(456.9)	(419.2)	(664.0)	11.8%	58.4%
Other income	56.2	53.8	36.7	33.9	-15.5%	-7.8%
PBT	162.1	16.6	386.8	36.5	-39.1%	-90.6%
Tax expenses	(74.5)	(43.1)	(137.5)	(62.5)	-5.7%	-54.6%
Reported PAT	87.5	(26.5)	249.3	(25.9)		

Consolidated balance sheet statement (Rs. cr)

	FY18	FY19	FY20	FY21	CAGR over FY18 - 21 (%)	Annual growth over FY20 (%)
Equity share capital	150.0	200.0	242.4	315.1	28.1%	30.0%
Other equity	4,673.5	4,788.3	5,036.9	7,008.6	14.5%	39.1%
Non current borrowings	5,005.2	4,625.9	3,802.0	7,444.2	14.1%	95.8%
Other non current financial liabilities	51.0	52.8	52.8	62.5	7.1%	18.5%
Non current lease liabilities	43.7	43.8	33.6	89.1	26.8%	164.8%
Non current provisions	61.7	61.0	70.3	81.4	9.6%	15.8%
Non current net deferred tax liabilities	1,401.6	1,393.0	1,441.9	1,881.0	10.3%	30.5%
Other non current liabilities				2.1		
Current borrowings			661.3	197.8		-70.1%
Other current financial liabilities	520.5	576.6	646.0	852.4	17.9%	32.0%
Current lease liabilities	8.4	13.3	15.9	60.6	93.0%	281.5%
Trade payables	698.3	764.7	787.3	907.6	9.1%	15.3%
Current provisions	297.2	315.8	320.3	431.2	13.2%	34.6%
Other current liabilities	392.7	426.5	333.8	574.0	13.5%	71.9%
Total liabilities	13,303.8	13,261.7	13,444.3	19,907.6	14.4%	48.1%
Property, plant and equipment	6,257.5	6,064.5	6,220.8	9,324.2	14.2%	49.9%
Intangible assets	1,348.7	1,276.2	1,202.6	2,109.0	16.1%	75.4%
Capital work-in-progress	141.5	604.9	647.0	1,235.9	106.0%	91.0%
Intangible assets under development	3.2			4.4	11.5%	
Investment property	1.4	1.3	1.2	0.5	-25.9%	-53.9%
Right of use assets	108.9	109.1	101.7	329.3	44.6%	223.9%
Goodwill	2,443.9	2,443.9	2,443.9	3,278.5	10.3%	34.2%
Non current investments	0.1	0.1	0.1	0.1	0.0%	0.0%
Other non current financial assets	519.0	580.6	579.1	787.5	14.9%	36.0%
Non current loans	0.2	0.2	0.2	1.5	93.1%	764.9%
Non current net income tax assets	159.8	113.0	133.9	133.2	-5.9%	-0.5%
Other non current assets	107.3	63.4	107.1	191.3	21.3%	78.7%
Inventories	555.8	584.7	603.0	712.4	8.6%	18.1%
Trade receivables	421.0	499.9	511.0	453.9	2.5%	-11.2%
Current investments	844.4	455.6		384.2	-23.1%	
Cash and cash equivalents	58.9	124.7	510.9	527.8	107.7%	3.3%
Other current financial assets	173.9	183.8	257.8	210.1	6.5%	-18.5%
Current loans	0.9	1.5	2.3	2.7	41.6%	17.8%
Current net income tax assets	8.0	12.5	1.4	1.6	-42.0%	12.1%
Other current assets	149.5	142.0	120.5	219.7	13.7%	82.4%
Total assets	13,303.8	13,261.7	13,444.3	19,907.6	14.4%	48.1%

Source: Choice Equity Broking

Financial statements:

Consolidated cash flow statement (Rs. cr)

Particulars (Rs. mn)	FY18	FY19	FY20	FY21	CAGR over FY18 - 21 (%)	Annual growth over FY20 (%)
Cash flow before working capital changes	1,049.2	900.7	1,325.9	1,452.2	11.4%	9.5%
Working capital changes	59.8	(24.2)	(200.9)	304.5	72.1%	
Cash flow from operating activities	1,018.1	860.1	1,024.8	1,717.4	19.0%	67.6%
Purchase and construction of property, plant and equipment	(268.7)	(580.8)	(569.5)	(551.7)	27.1%	-3.1%
Cash flow from investing activities	(652.2)	(148.6)	(310.1)	(2,924.1)	64.9%	842.8%
Cash flow from financing activities	(404.8)	(646.8)	(559.1)	1,419.7		
Net cash flow	(38.9)	64.7	155.6	213.0		36.9%
Opening balance of cash	72.5	33.6	98.3	280.2	56.9%	185.1%
Closing balance of cash	33.6	98.3	253.9	493.1	144.8%	94.2%

Consolidated financial ratios

Particulars (Rs. mn)	FY18	FY19	FY20	FY21
Revenue growth rate (%)		2.9%	-3.7%	10.2%
EBITDA growth rate (%)		-13.9%	41.4%	12.6%
EBITDA margin (%)	15.6%	13.0%	19.1%	19.5%
EBIT growth rate (%)		-27.8%	83.3%	-13.3%
EBIT margin (%)	8.5%	6.0%	11.3%	8.9%
Restated reported PAT growth rate (%)				
Restated reported PAT margin (%)	1.3%	-0.4%	3.7%	-0.3%
Turnover ratios				
Inventories turnover ratio (x)	12.3	12.4	11.4	11.4
Trade receivable turnover ratio (x)	16.3	15.3	13.4	15.5
Accounts payable turnover ratio (x)	9.8	9.6	8.8	8.8
Fixed asset turnover ratio (x)	0.7	0.7	0.6	0.5
Total asset turnover ratio (x)	0.5	0.5	0.5	0.4
Return ratios				
RoE (%)	1.8%	-0.5%	4.7%	-0.4%
RoA (%)	0.7%	-0.2%	1.9%	-0.1%
RoCE (%)	5.1%	3.8%	7.2%	3.9%
Per share data				
Restated adjusted EPS (Rs.)	2.5	(0.7)	7.0	(0.7)
DPS (Rs.)	0.0	0.0	0.0	0.0
BVPS (Rs.)	135.1	139.7	147.8	205.1
Operating cash flow per share (Rs.)	28.5	24.1	28.7	48.1
Free cash flow per share (Rs.)		(25.2)	34.0	(5.2)
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%

Note: Ratios calculated on pre-issue data; Source: Choice Equity Broking

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