

IPO Report

“Subscribe with Caution” to

Aether Industries Ltd.

Fundamentals positive but highly stretched valuations



IPO Report

Salient features of the IPO:

- Specialty chemical manufacturer, **Aether Industries Ltd.** (Aether), is coming up with an IPO to raise around Rs. 800cr, which opens on 24th May and closes on 26th May 2022. The price band is Rs. 610 - 642 per share.
- The company has executed a pre-IPO placement on 5th May 2022, and allotted 0.202cr share at Rs. 642 per share. Total amount collected from the pre-IPO placement was Rs. 130cr. Consequently, it has reduced the fresh issue size from Rs. 757cr (as mentioned in DRHP) to current Rs. 627cr.
- The IPO is a combination of fresh issue and OFS portion. The company will not receive any proceeds from the OFS portion. Of the fresh issue net proceeds, Rs. 163cr will be used to fund the proposed greenfield expansion; Rs. 137.9cr will be utilized for repayment/prepayment of the borrowings and rest Rs. 165cr will be used to fund the working capital requirement of the company.

Key competitive strengths:

- Differentiated portfolio of market-leading products
- Focus on R&D to leverage the core competencies of chemistry and technology
- Long standing relationships with a diversified customer base
- Synergistic business models focused on large scale manufacturing, CRAMS and contract manufacturing
- Focus on quality, environment, health and safety
- Strong and consistent financial performance
- Experienced promoters and senior management with extensive domain knowledge

Risk and concerns:

- Unfavorable government policies and regulations
- Revenue concentration risk
- Unfavorable sales-mix
- Unfavorable forex movements
- Unfavorable movements in the prices of key raw materials and of international crude
- Delay in expanding the capacity
- Competition

Below are the key highlights of the company:

- Over 2020-25, the global and Indian specialty chemical market is expected to grow by 5.2% and 11.2% CAGR, respectively. Indian specialty chemicals market expansion is likely to be led by both domestic consumption and exports. Demand of the specialty chemicals from the Agrochemicals & fertilizers and Pharmaceuticals sector (which together consumed for over half of the produce) are likely to expand by 10.1% and 11.4% CAGR.
- Aether, which generated around 85-90% of business from the Pharmaceuticals and Agrochemicals sector is one of the fastest growing specialty chemical companies in India, growing at 49.5% CAGR between FY19-21. It is a specialty chemical manufacturer, focusing on producing advanced intermediates and specialty chemicals involving complex & differentiated chemistry and technology core competencies.
- The company's business was started in 2013, while revenue generation operations commenced from FY17. Aether has three operating business models i.e. large scale manufacturing of its own intermediates & specialty chemicals; CRAMS and contract/exclusive manufacturing. In FY21, these business verticals contributed 72.2%, 19.4% and 8%, respectively, to the consolidated revenue.
- Aether's CRAMS business clientele includes Adama Group, Altana AG, Aramco Performance Materials LLC, Austin Chemical Company, Inc., Avient Corporation, BYK Chemie GmbH, Connect Chemicals, Milliken & Co., Polaroid Film BV, and Tosoh FineChem Corporation. Contract/exclusive manufacturing clientele includes Adama Group, Altana AG, BYK Chemie GmbH, Divis Laboratories Ltd., Dr. Reddy's Laboratories Ltd., Moehs Iberica SL and UPL Ltd.

Recommendation	Subscribe with Caution
Price band	Rs. 610 - 642 per share
Face value	Rs. 10
Shares for fresh issue	0.977 - 1.028cr shares
Shares for OFS	0.282cr shares
Fresh issue size	Rs. 627cr
OFS issue size	Rs. 172 - 181cr
Total issue size	1.259 - 1.310cr shares (Rs. 799 - 808cr)
Reserved for employees	0.011 - 0.012cr shares (Rs. 7.15cr)
Net issue size	1.247 - 1.298cr shares (Rs. 791.9 - 800.9cr)
Bidding date	24 th May - 26 th May 2022
MCAP at higher price band	Rs. 7,992cr
Enterprise value	Rs. 7,320cr
Book running lead manager	HDFC Bank Ltd and Kotak Mahindra Capital Company Ltd.
Registrar	Link Intime India Pvt. Ltd.
Sector	Chemicals
Promoters	Mr. Ashwin Jayantilal Desai, Mrs. Purnima Ashwin Desai, Mr. Rohan Ashwin Desai, Dr. Aman Ashwin Desai, AJD Family Trust, PAD Family Trust, RAD Family Trust, AAD Family Trust and AAD Business Trust

Issue break-up		
Category	Percent of issue (%)	Number of shares
QIB portion	50%	0.624 - 0.649cr shares
Non institutional portion	15%	0.187 - 0.195cr shares
Retail portion	35%	0.437 - 0.454cr shares

Indicative IPO process time line	
Finalization of basis of allotment	31 st May 2022
Unblocking of ASBA account	1 st Jun. 2022
Credit to demat accounts	2 nd Jun. 2022
Commencement of trading	3 rd Jun. 2022

Pre and post - issue shareholding pattern		
	Pre-issue	Post-issue
Promoter & promoter group	96.97%	87.09%
Public	3.03%	12.91%
Total	100.00%	100.00%

Retail application money at higher cut-off price per lot	
Number of shares per lot	23
Application money	Rs. 14,766 per lot

Analyst	
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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 (%)				FY21 total operating revenue (Rs. cr)	FY21 EBITDA (Rs. cr)	FY21 PAT (Rs. cr)	FY21 gross margin	FY21 EBITDA margin	FY21 PAT margin
					1 M	3 M	6 M	1 Y						
Aether Industries Ltd.	10	642	7,992	7,320					558	162	106	52.0%	28.9%	18.9%
Clean Science And Technology Ltd.	1	1,710	18,162	17,915	-10.1%	-15.1%	-20.0%		512	259	198	64.1%	50.6%	38.7%
Fine Organic Industries Ltd.	5	4,420	13,551	13,344	-0.9%	10.7%	23.6%	26.0%	1,582	253	170	33.1%	16.0%	10.7%
Navin Fluorine International Ltd.	2	3,785	18,756	18,130	-2.9%	-1.9%	6.6%	18.6%	1,453	355	263	54.2%	24.4%	18.1%
PI Industries Ltd.	1	2,617	39,706	37,636	-8.9%	1.2%	-8.7%	1.1%	5,300	1,142	844	44.8%	21.6%	15.9%
Vinati Organics Ltd.	1	2,105	21,635	21,449	-3.4%	11.8%	7.4%	16.8%	1,616	434	347	46.7%	26.9%	21.5%
Average												48.6%	27.9%	21.0%

Company name	3Y top-line growth (CAGR)	3Y EBITDA growth (CAGR)	3Y PAT growth (CAGR)	3Y average EBITDA margin	3Y average PAT margin	3Y capital employed growth (CAGR)	3Y CFO growth (CAGR)	3Y average working capital cycle (Days)	3Y average fixed asset turnover (x)	3Y average total asset turnover (x)	3Y average RoE	3Y average RoIC
Aether Industries Ltd.	49.5%	53.7%	74.6%	24.1%	13.5%	50.8%	1.0%	131.9	2.0	0.8	39.5%	19.9%
Clean Science And Technology Ltd.	14.1%	37.7%	42.5%	43.2%	32.3%	24.0%	50.9%	(9.9)	2.5	1.0	37.8%	34.4%
Fine Organic Industries Ltd.	3.4%	-7.6%	-6.0%	20.9%	13.1%	3.4%	16.4%	48.2	5.2	1.3	23.4%	22.5%
Navin Fluorine International Ltd.	8.8%	19.0%	31.4%	24.3%	25.1%	11.0%	62.2%	54.3	2.2	0.5	19.5%	19.7%
PI Industries Ltd.	26.9%	33.7%	34.2%	21.2%	14.7%	26.7%	36.2%	33.2	1.8	0.7	16.4%	14.0%
Vinati Organics Ltd.	-8.0%	-8.8%	-2.4%	38.3%	28.6%	17.7%	4.6%	71.6	1.4	0.7	23.5%	21.5%
Average	9.1%	14.8%	19.9%	29.6%	22.8%	16.6%	34.1%	39.5	2.6	0.8	24.1%	22.4%

Company name	EPS (Rs.)	BVPS (Rs.)	DPS (Rs.)	Debt equity ratio (x)	Fixed asset turnover ratio (x)	Total asset turnover ratio (x)	RoE	RoCE	P / E (x)	P / B (x)	EV / Sales (x)	EV / EBITDA (x)	MCAP / Sales (x)	Earning yield
Aether Industries Ltd.	8.5	83.1	0.0	0.2	2.6	0.4	10.2%	52.0%	75.6	7.7	13.1	45.3	14.3	1.3%
Clean Science And Technology Ltd.	18.7	50.8	0.3	0.0	2.1	0.8	36.8%	78.0%	91.6	33.7	35.0	69.1	35.4	1.1%
Fine Organic Industries Ltd.	55.3	238.5	3.0	0.1	7.1	1.7	23.2%	40.6%	79.9	18.5	8.4	52.7	8.6	1.3%
Navin Fluorine International Ltd.	53.1	329.7	8.0	0.0	2.5	0.7	16.1%	22.7%	71.3	11.5	12.5	51.1	12.9	1.4%
PI Industries Ltd.	55.6	352.1	4.0	0.0	2.2	0.7	15.8%	27.5%	47.1	7.4	7.1	32.9	7.5	2.1%
Vinati Organics Ltd.	33.7	150.2	0.5	0.0	2.0	0.9	22.5%	27.0%	62.4	14.0	13.3	49.4	13.4	1.6%
Average			3.2	0.0	3.2	0.9	22.9%	39.2%	70.4	17.0	15.2	51.1	15.6	1.5%

Note: Financial data as of FY21 with IPO adjustments; Source: Choice Broking Research

- As of 31st Mar. 2022, its product portfolio comprised of over 25 products, which were marketed to 34 global customers in 18 countries and to 154 domestic customers. These products finds application in a number of therapeutic areas like hypertension, anti-platelet, anti-psychotic, anti-histamine and non-steroidal anti-inflammatory drugs. Aether's products also find application in various other sectors like agrochemicals, material science, coatings, high performance photography, additives and oil & gas. Most of the company's products are developed for the first time in India and thus are 100% import substitution.
- According to the RHP, Aether was the sole manufacturer of 4MEP, MMBC, T2E, OTBN, NODG, DVL and Bifenthrin Alcohol in India. Together, these products contributed around 3/4th of the revenue in FY21. Additionally, in terms of production volume in 2020 the company was the biggest manufacturer of 4MEP globally and the only manufacturer in India; the largest manufacturer of HEEP in India and globally; the largest manufacturer of NODG globally and the only domestic manufacturer and the biggest manufacturer of T2E globally and also the only manufacturer in India.
- Aether's products occupy a position between commodity chemicals and final actives. With focus on developing high value products, average selling price of its products has increased by to grow by 6.8% CAGR between FY16-21. Further, majority of its products are exported to countries like Italy, Spain, Germany, the United States and other parts of the world. Over FY19-21, its export revenue increased by 58.6% CAGR, while it contributed around 56% to the total revenue in FY21.
- The company has two manufacturing units (in the state of Gujarat) in close proximity to the Hazira Port and JNPT Port. In Aug. 2021, Aether has commenced construction of a new manufacturing facility and is planning for the fourth facility. From the IPO net proceeds, it will be utilizing Rs. 163cr to fund the proposed greenfield expansion.
- In a short period of five years since the commencement of commercial manufacturing, Aether has reached annual revenue of around Rs. 560cr. The company has demonstrated a strong and consistent financial performance over FY19-21, which is characterized by profitable growth in the business. On the back of higher demand of its products, the company reported a 49.5% CAGR rise in consolidated top-line to Rs. 449.8cr in FY21. Total operating expenditure increased by 48.2% CAGR (lower than top-line growth), thereby leading to a 132bps expansion in EBITDA margin, which stood at 24.9% in FY21. Consolidated EBITDA improved 53.7% CAGR to Rs. 112.2cr in FY21. Reported PAT increased by 74.6% CAGR to Rs. 71.1cr in FY21. PAT margin expanded from 11.6% in FY19 to 15.8% in FY21.
- Aether reported a positive cash flow from operations over FY19-21. Average operating cash flow during the period stood at Rs. 21.2cr. Financial liabilities increased by 29.7% CAGR, however, debt-to-equity ratio improved from 3.3x in FY19 to 1.2x in FY21. Pre-issue average RoIC and RoE stood at 26.2% and 50.8%, respectively.

Peer comparison and valuation: At higher price band of Rs. 642, Aether is demanding an EV/Sales multiple of 13.1x, which is in-line to peer average of 15.2x. Considering its dominant position in the select specialty chemicals and growth prospects from the end use applications, we feel the company has buoyant outlook. However, a stretched valuation is a concern. Thus we assign a **"Subscribe with Caution"** rating for the issue.

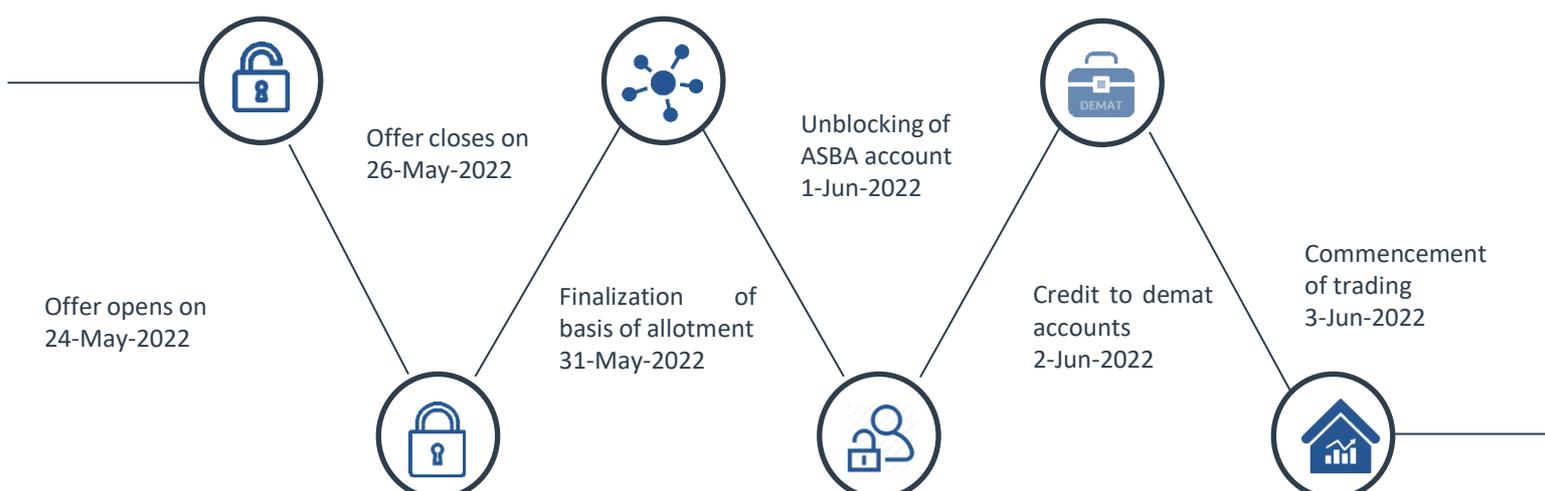
About the issue:

- Aether is coming up with an IPO with 1.259 - 1.310cr shares (fresh issue: 0.977 - 1.028cr shares; OFS shares: 0.282cr shares) in offering. This offer represents around 10.1% of its post issue paid-up equity shares of the company. Total IPO size is Rs. 799 - 808cr.
- The issue will open on 24th May 2022 and close on 26th May 2022.
- The issue is through book building process with a price band of Rs. 610 - 642 per share.
- The company has executed a pre-IPO placement on 5th May 2022, and allotted 0.202cr share at Rs. 642 per share. Total amount collected from the pre-IPO placement was Rs. 130cr. Consequently, it has reduced the fresh issue size from Rs. 757cr (as mentioned in DRHP).
- The IPO is a combination of fresh issue and OFS portion. The company will not receive any proceeds from the OFS portion. Of the fresh issue net proceeds, Rs. 163cr will be used to fund the proposed greenfield expansion; Rs. 137.9cr will be utilized for repayment/prepayment of the borrowings and rest Rs. 165cr will be used to fund the working capital requirement of the company.
- 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 96.97% stake in the company and post-IPO this will come down to 87.09%. Public holding will increase from current 3.03% to 12.91%.

Pre and post-issue shareholding pattern (%)		
	Pre-issue	Post-issue (at higher price band)
Promoter & promoter group	96.97%	87.09%
Public	3.03%	12.91%

Source: Choice Equity Broking

Indicative IPO process time line:



Financial performance:

Performance over FY19-21: In a short period of five years since the commencement of commercial manufacturing, Aether has reached an annual revenue of around Rs. 560cr. The company has demonstrated a strong and consistent financial performance over FY19-21.

On the back of higher demand of its products, the company reported a 49.5% CAGR rise in consolidated top-line to Rs. 449.8cr in FY21. Business from the Large scale manufacturing segment (which contributed over 70% to the total revenue) increased by 48.5% CAGR, while business from the Contract manufacturing and the CRAMS segment increased by 64.1% and 33.4% CAGR, respectively.

Total operating expenditure increased by 48.2% CAGR (lower than top-line growth), thereby leading to a 132bps expansion in EBITDA margin, which stood at 24.9% in FY21. Consolidated EBITDA improved 53.7% CAGR to Rs. 112.2cr in FY21.

With expansion in the manufacturing capacity, depreciation charge and finance costs increased by 31.1% and 3.3% CAGR, respectively. Effective tax rate was stable during the period, which led to a 74.6% CAGR rise in reported PAT to Rs. 71.1cr in FY21. PAT margin expanded from 11.6% in FY19 to 15.8% in FY21.

Aether reported a positive cash flow from operations over FY19-21. Average operating cash flow during the period stood at Rs. 21.2cr. Financial liabilities increased by 29.7% CAGR, however, debt-to-equity ratio improved from 3.3x in FY19 to 1.2x in FY21. Pre-issue average RoIC and RoE stood at 26.2% and 50.8%, respectively.

On TTM basis, top-line stood at Rs. 558.3cr with EBITDA and PAT margin of 28.9% and 18.9%, respectively.

Consolidated financial snapshot (Rs. cr)	FY19	FY20	FY21	TTM	CAGR over FY19-21	Y-o-Y (Annual)
Large scale manufacturing	147.3	248.9	324.9	396.5	48.5%	30.5%
Contract manufacturing	32.4	22.3	87.2	112.8	64.1%	290.9%
CRAMS	20.2	27.5	35.9	44.0	33.4%	30.8%
Others	1.4	3.1	1.8	4.9	15.9%	-41.6%
Revenue from operations	201.2	301.8	449.8	558.3	49.5%	49.0%
Gross profit	91.6	145.7	219.1	290.3	54.7%	50.4%
EBITDA	47.5	71.8	112.2	161.6	53.7%	56.3%
Reported PAT	23.3	40.0	71.1	105.8	74.6%	78.0%
Restated reported EPS	1.9	3.2	5.7	8.5	74.6%	78.0%
Cash flow from operating activities	22.7	17.7	23.2	(6.3)	1.0%	31.1%
NOPLAT	32.2	50.1	79.5	113.2	57.0%	58.6%
FCF		3.5	(57.7)			
RoIC (%)	26.2%	26.7%	25.7%	23.4%	(41) bps	(97) bps
Revenue growth rate (%)		50.0%	49.0%			
Gross profit growth rate (%)		59.0%	50.4%			
Gross profit margin (%)	45.5%	48.3%	48.7%	52.0%	318 bps	46 bps
EBITDA growth rate (%)		51.0%	56.3%			
EBITDA margin (%)	23.6%	23.8%	24.9%	28.9%	132 bps	116 bps
EBIT growth rate (%)		55.5%	58.3%			
EBIT margin (%)	20.4%	21.2%	22.5%	26.4%	206 bps	131 bps
Restated reported PAT growth rate (%)		71.2%	78.0%			
Restated reported PAT margin (%)	11.6%	13.2%	15.8%	18.9%	421 bps	257 bps
Inventory days	132.7	130.6	123.9	204.0	-3.4%	-5.1%
Debtor days	87.4	67.2	69.5	110.6	-10.9%	3.3%
Payable days	(76.0)	(71.5)	(68.1)	(117.1)	-5.3%	-4.7%
Cash conversion cycle	144.2	126.4	125.3	197.5	-6.8%	-0.9%
Fixed asset turnover ratio (x)	1.9	2.1	2.1	2.1	5.4%	0.9%
Total asset turnover ratio (x)	1.0	1.0	1.0	0.8	1.0%	-1.1%
Current ratio (x)	1.2	1.4	1.7	2.1	17.6%	19.4%
Quick ratio (x)	0.7	0.7	1.1	1.3	22.7%	48.3%
Total debt (Rs.)	128.3	173.9	215.7	245.4	29.7%	24.0%
Net debt (Rs.)	127.0	170.3	188.1	177.8	21.7%	10.4%
Debt to equity (x)	3.3	2.2	1.2	0.7	-39.0%	-44.3%
Net debt to EBITDA (x)	2.7	2.4	1.7	1.1	-20.8%	-29.4%
RoE (%)	60.5%	51.0%	40.8%	29.4%	(1,974) bps	(1,025) bps
RoA (%)	11.3%	13.3%	15.7%	14.9%	441 bps	240 bps
RoCE (%)	32.9%	33.6%	35.6%	33.5%	271 bps	199 bps

Source: Choice Equity Broking

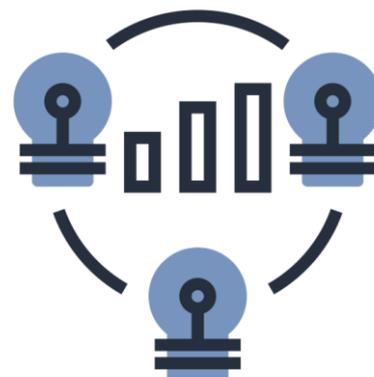


Competitive strengths:

- Differentiated portfolio of market-leading products
- Focus on R&D to leverage the core competencies of chemistry and technology
- Long standing relationships with a diversified customer base
- Synergistic business models focused on large scale manufacturing, CRAMS and contract manufacturing
- Focus on quality, environment, health and safety
- Strong and consistent financial performance
- Experienced promoters and senior management with extensive domain knowledge

Business strategy:

- Leverage the strong position in the specialty chemicals industry to capitalize on industry opportunities
- Expand product portfolio and diversify into additional business segments
- Expand manufacturing, R&D and pilot plant capacities
- Continue to strengthen the presence in India and expand the sales & distribution network in international markets
- Continue to focus on contract manufacturing/exclusive manufacturing by developing innovative processes and value engineering
- Growth through strategic acquisitions and alliances



Risk and concerns:

- Unfavorable government policies and regulations
- Revenue concentration risk
- Unfavorable sales-mix
- Unfavorable forex movements
- Unfavorable movements in the prices of key raw materials and of international crude
- Delay in expanding the capacity
- Competition

Financial statements:

Consolidated profit and loss statement (Rs. cr)

	FY19	FY20	FY21	TTM	CAGR over FY19 - 21	Annual growth over FY20
Revenue from operations	201.2	301.8	449.8	558.3	49.5%	49.0%
Cost of materials consumed operation and incidental cost	(114.3)	(173.0)	(224.9)	(325.7)	40.3%	30.0%
Changes in inventories of finished goods and work-in-progress	4.7	16.8	(5.8)	57.8		
Gross profit	91.6	145.7	219.1	290.3	54.7%	50.4%
Employee benefits expense	(10.9)	(13.4)	(22.1)	(27.3)	42.1%	65.3%
Other expenses	(33.2)	(60.5)	(84.9)	(101.4)	60.0%	40.2%
EBITDA	47.5	71.8	112.2	161.6	53.7%	56.3%
Depreciation and amortisation expense	(6.4)	(7.8)	(11.0)	(14.1)	31.1%	40.3%
EBIT	41.1	63.9	101.1	147.5	56.9%	58.3%
Finance costs	(10.6)	(9.4)	(11.3)	(13.4)	3.3%	20.7%
Other income	2.1	2.0	4.0	7.5	37.6%	101.2%
PBT	32.6	56.5	93.8	141.7	69.6%	66.0%
Tax expenses	(9.3)	(16.6)	(22.7)	(35.9)	56.5%	37.1%
Reported PAT	23.3	40.0	71.1	105.8	74.6%	78.0%

Consolidated balance sheet statement (Rs. cr)

	FY19	FY20	FY21	TTM	CAGR over FY19 - 21	Annual growth over FY20
Equity share capital	8.6	8.6	10.1	112.7	8.6%	18.0%
Other equity	30.0	69.7	164.2	247.6	134.0%	135.6%
Non current borrowings	84.0	106.2	124.4	130.1	21.7%	17.2%
Non current lease liabilities	0.3	1.6	2.7	5.3	218.6%	70.1%
Net deferred tax liabilities	3.4	7.6	10.2	12.8	73.9%	33.6%
Current borrowings	42.1	64.3	83.8	104.6	41.1%	30.3%
Current lease liabilities	0.1	0.3	0.4	0.9	94.6%	40.2%
Other current financial liabilities	1.8	1.6	4.4	4.5	56.3%	182.1%
Trade payables	22.8	38.4	47.8	86.0	44.7%	24.5%
Current provisions		0.0		0.4		
Current net tax liabilities	1.7	0.7	0.8	0.3	-33.1%	14.4%
Other current liabilities	11.9	1.6	4.2	4.5	-41.0%	159.3%
Total liabilities	206.7	300.5	452.9	709.6	48.0%	50.7%
Property, plant and equipment	98.8	120.6	206.5	239.3	44.6%	71.2%
Intangible assets	0.7	0.6	0.6	0.5	-10.2%	-2.4%
Capital work-in-progress	1.2	17.2	0.2	5.7	-60.1%	-98.9%
Right-of-use assets	6.8	8.2	9.2	21.4	16.0%	12.5%
Non current investment	0.2	0.2	0.2	0.2	0.0%	0.0%
Other non current financial assets	2.0	2.0	1.5	1.8	-12.8%	-24.2%
Other non current assets	0.8	3.9	1.2	23.1	25.1%	-68.1%
Inventories	39.8	71.9	84.7	149.7	45.8%	17.8%
Trade receivables	48.2	63.0	108.2	169.2	49.9%	71.9%
Current investments	0.0	0.0	22.1	19.1	4190.5%	169823.1%
Cash and cash equivalents	1.3	3.6	5.6	48.5	106.8%	54.5%
Current loans	0.5	0.7	0.8	1.0	24.4%	12.5%
Other current financial assets	0.2	0.1	0.6	0.2	84.4%	851.7%
Other current assets	6.1	8.5	11.5	29.8	37.7%	35.8%
Total assets	206.7	300.5	452.9	709.6	48.0%	50.7%

Source: Choice Equity Broking

Financial statements (Contd...):

Consolidated cash flow statement (Rs. cr)						
	FY19	FY20	FY21	TTM	CAGR over FY19 - 21	Annual growth over FY20
Cash flow before working capital changes	49.0	74.0	116.1	167.7	54.0%	56.9%
Working capital changes	(20.4)	(43.1)	(72.9)	(141.2)	88.9%	69.2%
Cash flow from operating activities	22.7	17.7	23.2	(6.3)	1.0%	31.1%
Purchase and construction of property, plant and equipment	(12.3)	(29.1)	(97.0)	(72.0)	180.3%	233.1%
Cash flow from investing activities	(12.6)	(48.0)	(76.6)	(94.8)	146.6%	59.5%
Cash flow from financing activities	(9.9)	32.6	55.4	146.2		69.7%
Net cash flow	0.2	2.3	2.0	45.0	214.1%	-14.6%
Opening balance of cash	1.1	1.3	3.6	3.4	80.7%	176.7%
Closing balance of cash	1.3	3.6	5.6	48.5	106.8%	54.5%

Consolidated financial ratios				
Particulars (Rs. mn)	FY19	FY20	FY21	TTM
Revenue growth rate (%)		50.0%	49.0%	
Gross profit growth rate (%)		59.0%	50.4%	
Gross profit margin (%)	45.5%	48.3%	48.7%	52.0%
EBITDA growth rate (%)		51.0%	56.3%	
EBITDA margin (%)	23.6%	23.8%	24.9%	28.9%
EBIT growth rate (%)		55.5%	58.3%	
EBIT margin (%)	20.4%	21.2%	22.5%	26.4%
Restated reported PAT growth rate (%)		71.2%	78.0%	
Restated reported PAT margin (%)	11.6%	13.2%	15.8%	18.9%
Turnover ratios				
Inventories turnover ratio (x)	5.1	5.4	5.7	3.7
Trade receivable turnover ratio (x)	4.2	5.4	5.3	3.3
Accounts payable turnover ratio (x)	8.8	9.9	10.4	6.5
Fixed asset turnover ratio (x)	1.9	2.1	2.1	2.1
Total asset turnover ratio (x)	1.0	1.0	1.0	0.8
Return ratios				
RoE (%)	60.5%	51.0%	40.8%	29.4%
RoA (%)	11.3%	13.3%	15.7%	14.9%
RoCE (%)	32.9%	33.6%	35.6%	33.5%
Per share data				
Restated adjusted EPS (Rs.)	1.9	3.2	5.7	8.5
DPS (Rs.)	0.0	0.0	0.0	0.0
BVPS (Rs.)	3.1	6.3	14.0	28.9
Operating cash flow per share (Rs.)	1.8	1.4	1.9	(0.5)
Free cash flow per share (Rs.)		0.3	(4.6)	
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%

Note: Pre-IPO financial ratios; Source: Choice Equity Broking

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