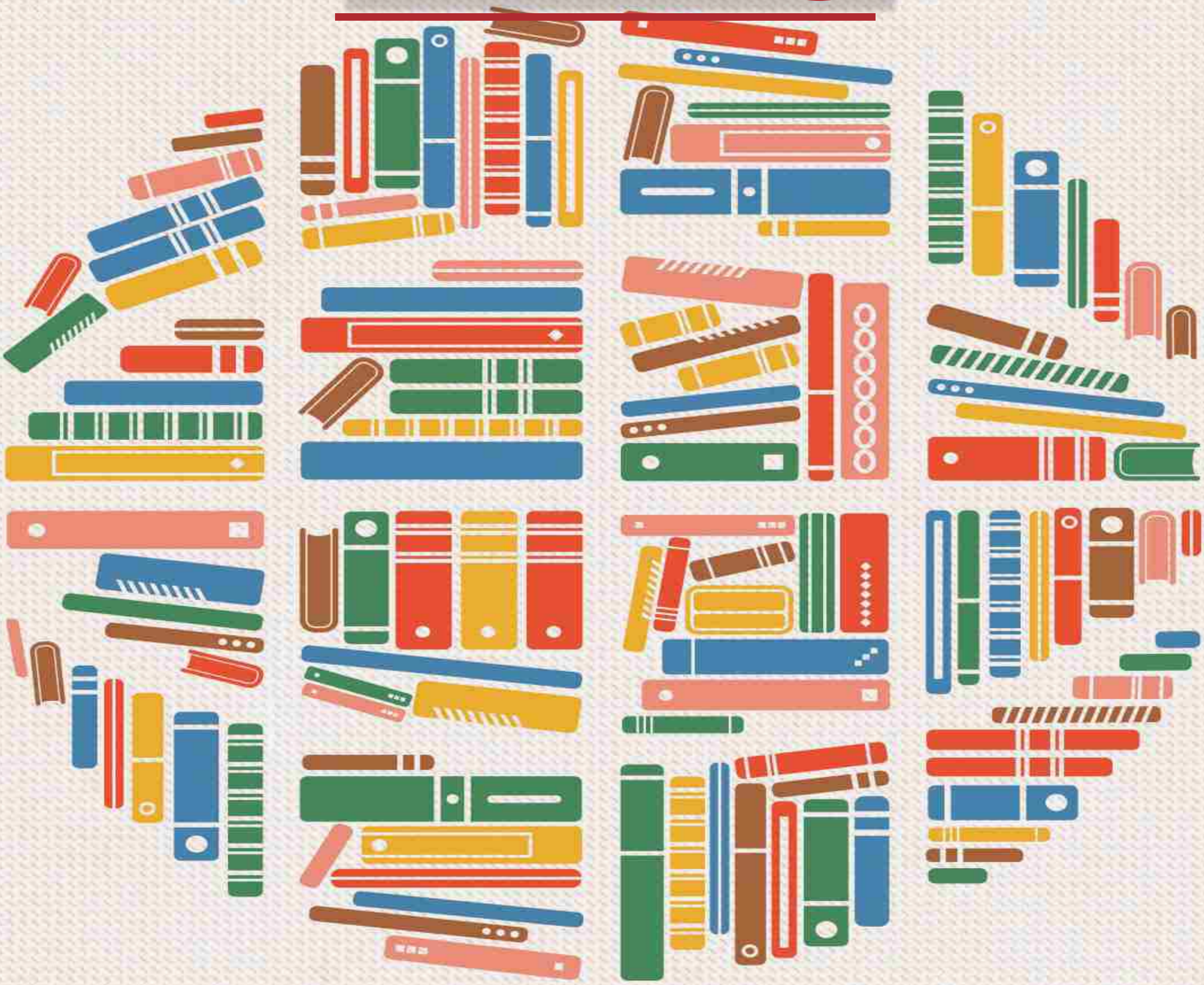
ICICI direct Research

October 1, 2020

Stock TALES



Stock Tales are concise, holistic stock reports across wider spectrum of sectors. Updates will not be periodical but based on significant events or change in price.

Filatex India (FILIND)

ICICI direct Research

CMP: ₹ 25	Target: ₹ 33 (32%)	Target Period: 12 months	BUY

October 1, 2020

Value addition, cost reduction to drive profitability

Filatex India (FIL) is among the top cost efficient manufacturers of manmade yarns in India with a diversified product portfolio. Globally, polyester is becoming a preferred fibre given its unique characteristics (highly durable, wrinkle resilient), inherent limitations of growth of cotton fibre (MMF dominates global textile fibre consumption with 70:30 ratio). FIL is one of the top five manufacturers of manmade yarns that over the years has gradually scaled up its presence in value added segments (FDY, DTY) with its share of revenue rising from mere 10% in FY13 to ~ 65% in FY20. The same has enabled FIL to post EBITDA CAGR of 32% in FY14-20. Given the enhanced focus, capacity addition of value added products, we expect the share to get further augmented to 75% by FY22E giving fillip to margins. Another key lever for margin enhancement is its captive power plant that is expected to be commissioned by April 2021 (leading to annual cost savings of ₹ 45-50 crore). We expect revenues to be flattish (since final product prices that are directly linked to RM prices have trended downwards) but with dual margin accretive initiatives, we expect EBITDA margin to expand 270 bps to 10.7% in FY20-22E.

Expanded capacity to be utilised for value added products

FIL has been able to maintain high capacity utilisation in range of 70-95% in FY13-20 owing to sustained domestic, export demand that has led to strong sales volume CAGR of 15% in the same period. In FY20, FIL's net production capacity rose from 328000 MTPA in FY19 to 383000. Incremental capacity will be mainly used for production of drawn textured yarn (DTY) that is expected to commence from H2FY21. On average, DTY commands ~20%+ premium realisation over partially oriented yarns (POY) and yields higher margins. We expect overall capacity utilisation to be low at 70% in FY21E (amid near washout in Q1FY21) but revert back to 90%+ levels by FY22E (volume CAGR: 10% in FY20-22E).

Large global market provides sustainable export opportunity

Increased value added products have enabled FIL to penetrate global markets. Export revenues have grown at 57% CAGR in FY13-20 with share of exports rising from ~ 1% in FY13 to 14% in FY20. Post resumption after lockdown, FIL has received enquiries from newer export markets as global brands are looking to shift their supply chains to countries other than China.

Valuation & Outlook

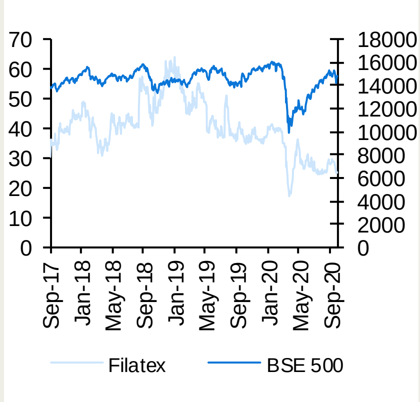
Despite being capital intensive in nature, FIL has maintained a capital efficient business model with stringent working capital policy (NWC days: 15) and high asset T/O (2.0x), generating healthy RoCE of 14%. While revenue growth is expected to be flattish in FY20-22E (owing to lower realisations), FIL's strategy of focusing on high value added products and reduction in power cost will translate into enhancement in EBITDA margins over medium to longer term. Hence, we pencil in EBITDA CAGR of 18% in FY20-22E. Further, with no major capex to be incurred in FY22E, we expect the company to generate strong FCF leading to debt reduction to the tune of ₹ 55 crore by FY22E (D/E: 0.9x). Subsequently, we expect RoCE to be augmented by 400 bps to 18.0% in FY20-22E. We ascribe a **BUY** rating to the stock with a target price of ₹ 33 (5.0x FY22E EPS).

Filatex India Limited

Particulars

Particulars	Amoun
Market Capitalisation (₹crore)	549.2
Total Debt (FY 20) (₹crore)	717.3
Cash (FY 20) (₹crore)	21.8
EV (₹crore)	1,244.7
52 Week H / L	44 /16
Equity Capital (₹crore)	43.9
Face Value (₹	2.0

Price Chart



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Key Financial Summary

₹crore	FY18	FY19	FY20	FY21E	FY22E	CAGR (FY20-22E)
Net Sales	1,933.8	2,874.1	2,782.1	1,949.7	2,887.9	1.9%
EBITDA	157.0	216.5	222.2	154.0	309.0	17.9%
Adjusted PAT	59.7	84.8	121.5	30.0	144.7	
P/E (x)	8.9	6.3	4.4	18.0	3.7	
EV/EBITDA (x)	7.8	5.1	5.6	8.2	3.9	
RoCE (%)	12.5	17.0	14.0	7.8	18.0	
RoE (%)	15.5	18.0	20.4	4.8	19.6	

Source: ICICI Direct Research, Company.

Company Background

Filatex India is among India's leading manufacturers of polyester filament yarn. It manufactures a wide variety of yarns; POY, FDY and DTY in full range of coarse and fine deniers, in all kinds of shades and varieties like bright, semi dull, black and dope dyed colours. The company forayed into manufacturing in 1994 with monofilament yarn and currently manufactures polyester and polypropylene multifilament yarn and polyester chips. It has two production facilities at Dadra & Nagar Haveli and Dahej. The plant at Dahej is an integrated spinning facility with continuous polymerisation that was set up in FY12. In-house production of partially oriented yarns (POY) helps the company in low-cost manufacturing of drawn textured yarn (DTY). The company has a total production capacity of 383000 MTPA (net capacity).

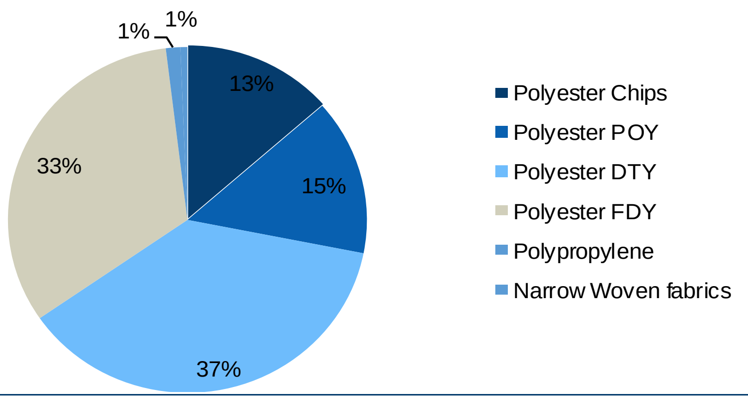
FIL has a strong and loyal customer base that enables it to get repeat orders from existing customers. Also, the company has established a strong dealer network across various strategic locations to capture the demand.

Exhibit 1: Overall production capacity

Particulars	Production (MTPA)	Captive consumption (MTPA)	Net Capacity (MTPA)
Polyester Chips	86400.0	34600.0	51800.0
Polyester POY	199800	144000	55800
Polyester DTY	144000	1200	142800
Polyester FDY	126400.0	1200.0	125200.0
Polypropylene	9000	4000	5000
Narrow Woven fal	2400	0	2400
Total Capacity	**568000.0**	**185000.0**	**383000.0**

Source: Company, ICICI Direct Research

Exhibit 2: Product wise manufacturing capacity



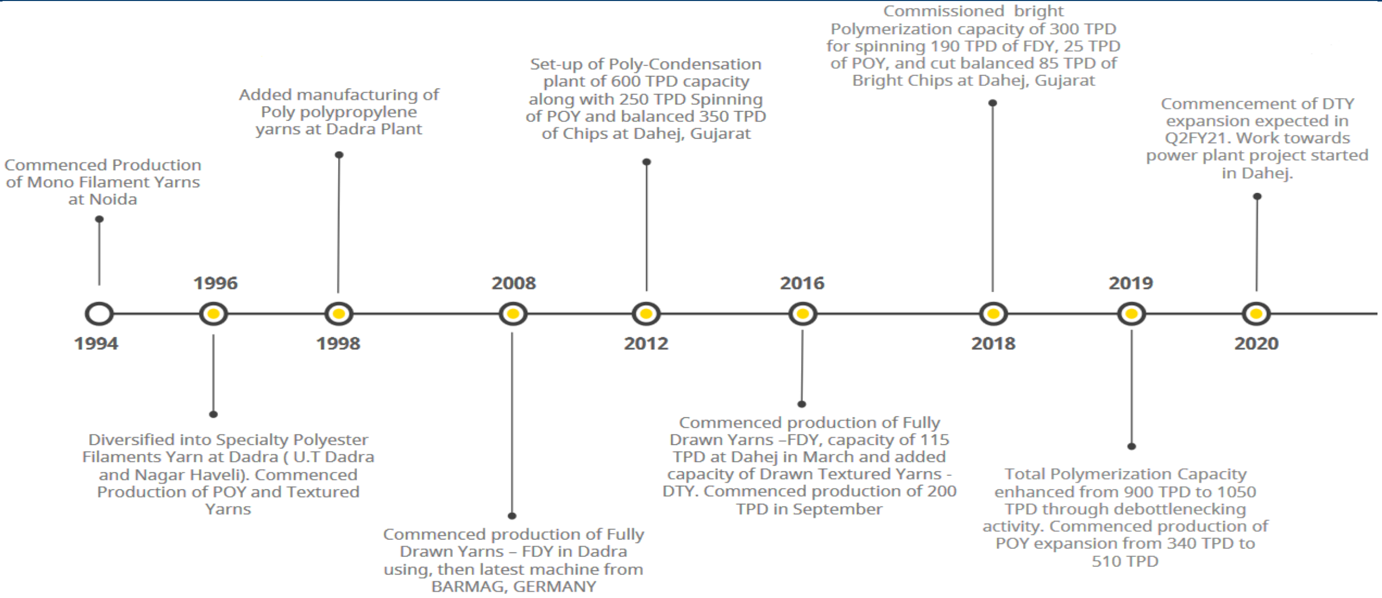
Source: Company, ICICI Direct Research

Exhibit 3: Product specific utilities

Product	Uses	Revenue Share (%) in FY20
Polyester chips	Industrial intermediate product used to manufacture polyester yarns	6.7
Polyester partially oriented Yarn (POY)	Intermediate product, post texturizing used for knitting & weaving different kinds of Fabrics	23.7
Fully Drawn Yarns (FDY)	Fully drawn polyester filament yarn is directly used for producing all kinds of Fabrics specially for children and ladies.	34.4
Drawn Textured Yarns (DTY)	Produced by drawing & heating POY through a texturing process. It is used for manufacturing Fabrics.	29.9
Polypropylene Multifilament Crimp Yarns	Different shades and deniers, the range being used for Socks, Under Garments and Sports Wear.	2.4
Narrow Woven Fabrics	Used in manufacture of Carpets, Rugs, Tapes, Ribbons and Zippers	0.7

Source: Company, ICICI Direct Research

Exhibit 4: Timeline



Source: Wazir Advisors, ICICI Direct Research

Investment Rationale

Demand recovery, reduced industry capacity to aid revenue growth

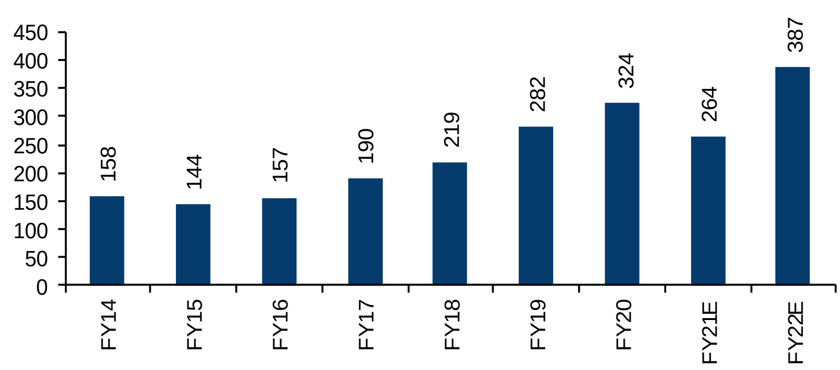
Over the last two years Filatex India (FIL) has expanded the polymerisation capacity from 900 TPD to 1050 TPD and also expanded the POY and DTY capacity by 170 TPD and 160 TPD to 510 TPD and 360 TPD, respectively. For FY20, the utilisation level was at ~93% despite the impact of Covid-19 in March 2020.

FIL has been able to maintain high capacity utilisation level in the range of 70-95% in FY13-20 owing to sustained domestic and export demand, which has led to strong sales volume CAGR of 15% over the same period.

In Q1FY21, demand remained weak owing to lower demand from downstream industries due to restrictions on manufacturing and trade amid the spread of Covid-19 across the globe. However, demand has picked up gradually from mid-July onwards. In August, the company operated at ~90% capacity utilisation. The yarn capacity is operating at ~100% while polyester chips capacity utilisation is a bit lower. Overall domestic market demand is improving owing to lower imports from China, Bangladesh and Sri Lanka. Also, downstream consumers are not travelling abroad to other competing countries. Rather, they are sourcing their requirements from domestic players, which is aiding demand revival.

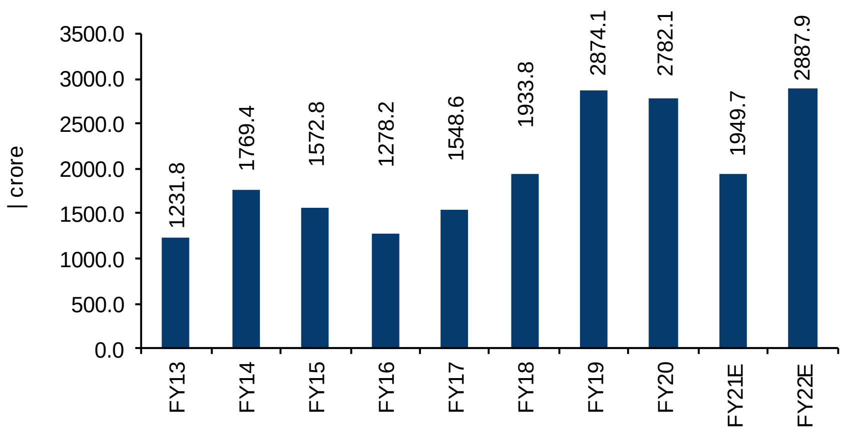
Around 5-7% of domestic capacity has been wiped off due to fire at a major polyester plant. It would take another 1.5 years for this capacity to be reinstated. Even though a large existing player, which is currently operating at ~60% capacity utilisation and expects to ramp up to 100%, adding around 200-250 tonnes per day to the industry capacity, it would still be lower by 2-3% than earlier existing industry capacity. The capacity deficit is likely to benefit existing players in terms of volume growth. Owing to a sharp decline in realisation and volume decline owing to pandemic, we expect revenue in FY21 to decline ~30%. However, we expect demand revival and low base effect to lead to a sharp recovery in topline growth in FY22E.

Exhibit 5: Volume growth trend (in '000 tonnes)



Source: Company, ICICI Direct Research

Exhibit 6: Revenue growth trend



Source: Company, ICICI Direct Research

Focus on enhancing share of value added products aids margin improvement

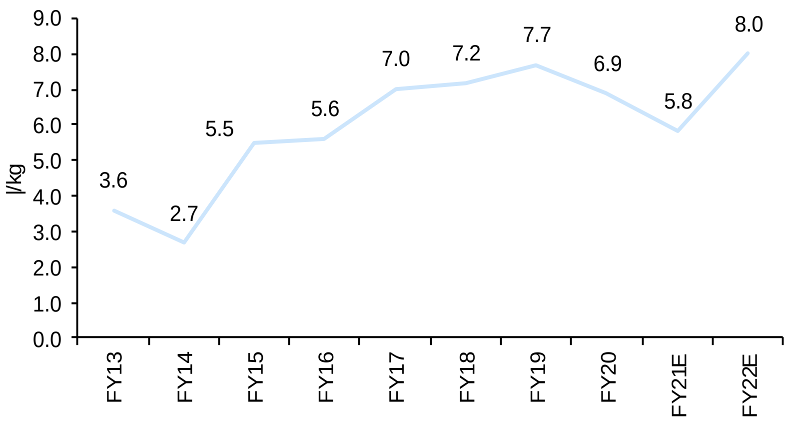
FIL, over the last decade, has transformed its product mix with enhanced focus on value added products. FDY, DTY are major value added products in FIL's product portfolio, which are witnessing strong demand in both domestic and international markets. On an average, FDY, DTY commands ~20%+ premium realisation over partially oriented yarns and yields higher margin. The company has gradually scaled up its presence in value added yarns with value added yarn revenue growing at a CAGR of ~ 44% in FY13-20. Its share of revenue rose from 10% in FY13 to ~ 65% in FY20. We expect the momentum of growth in value added products to sustain and share of value added products in total revenues to increase to 75% by FY22E.

Exhibit 7: Consistent increase in share of value added products….

Product categories	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
Polyester chips	34.6	16.6	10.7	12.2	9.0	11.0	9.2	6.7	8.3	6.2
Polyester POY	39.6	55.8	53.2	51.7	29.6	21.3	18.4	23.7	12.8	14.8
Polyester DTY (value added products)	**1.3**	**1.5**	**3.7**	**7.4**	**24.0**	**33.9**	**28.5**	**29.9**	**39.7**	**43.2**
Polyester FDY (value added products)	**8.5**	**6.9**	**7.2**	**12.0**	**27.6**	**26.3**	**39.2**	**34.4**	**33.8**	**31.9**
Polypropylene	7.0	5.1	5.4	5.7	4.0	3.2	2.3	2.4	2.0	1.7
Narrow fabrics	1.1	1.4	1.6	1.6	1.4	1.2	0.8	0.7	0.9	0.9
Monofilament yarn (discontinued)	1.8	1.0	1.0	1.1	1.1	0.3	0.0	0.0	0.0	0.0
Other	6.0	11.8	17.1	8.2	3.4	3.0	1.6	2.2	2.5	1.4

Source: Company, ICICI Direct Research

Exhibit 8: … has led to significant increase in EBITDA (₹/kg)

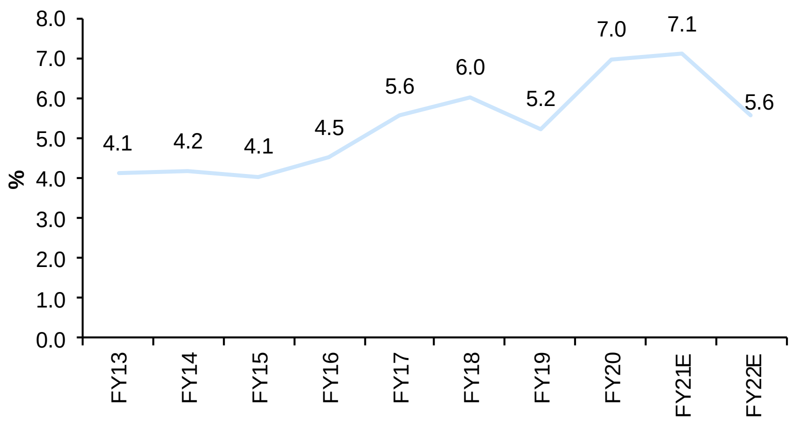


Source: Company, ICICI Direct Research

Captive power plant to lower cost and further aid margins

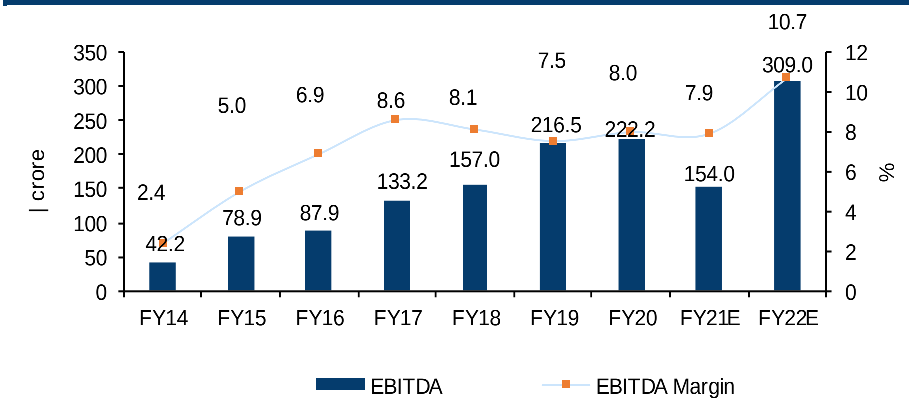
Power cost is among the significant input costs in polyester manufacturing. The company has a plant at Dahej, which has comparative higher power tariff than other regions. This has led to an increase in power cost for the company. To reduce the power cost, the company is setting up a captive thermal power plant with a capacity of 30 MW along with 1.4 MW solar power plants. The company is investing around ₹ 165 crore for setting up the captive power plants. The project has been delayed due to Covid-19. FIL expects it to be operational by March 2021. The company is expecting annual savings in power cost to the tune of ₹ 45-50 crore from FY22E onwards. Reduction in power cost would enable FIL to improve its margins, going ahead. We expect EBITDA margins to improve from 8.0% to 10.7% over FY20-22E.

Exhibit 9: Power cost trend (% to sales)



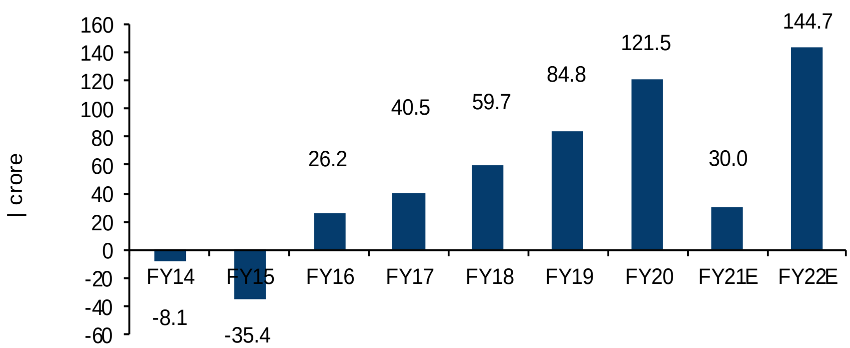
Source: Company, ICICI Direct Research

Exhibit 10: EBITDA trend



Source: Company, ICICI Direct Research

Exhibit 11: Net profit trend

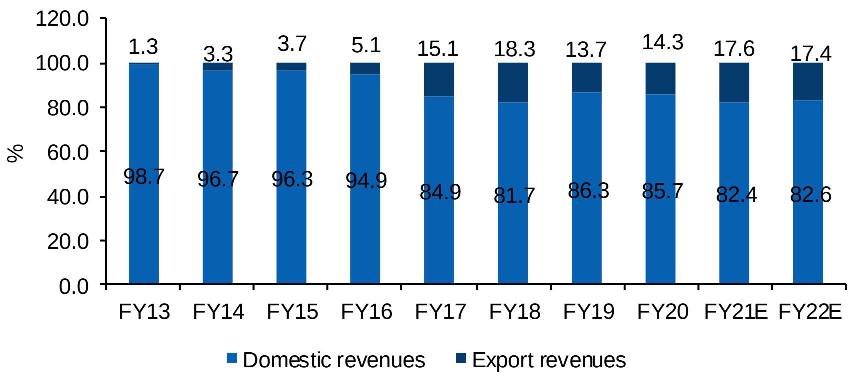


Source: Company, ICICI Direct Research

Growing global polyester demand augurs well for exports

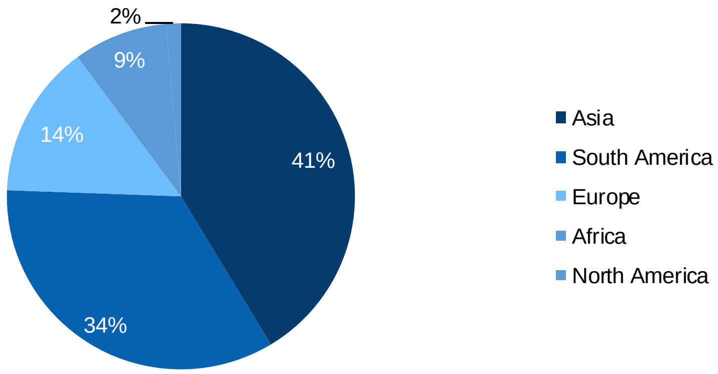
Increased value added products have enabled FIL to penetrate the export market. Export revenues have grown at 57% CAGR in FY13-20 with share of exports increasing from ~ 1% in FY13 to 14% in FY20. We expect the share of exports to increase to 17% by FY22. Asia and South America constitute ~75% of FIL's export revenues, while Europe and Africa contribute ~ 14% and 9%, respectively. Post resumption after the lockdown, FIL has received enquiries from the newer export markets as global brands are looking at shifting their supply chains to countries other than China in a bid to diversify their sourcing partners and reduce dependence on sourcing from China.

Exhibit 12: Break-up of export revenues (%)



Source: Company, ICICI Direct Research

Exhibit 13: Geographical distribution of exports (%)



Source: Company, ICICI Direct Research

Planning to foray into recycled polyester

The company is working on a pilot project of recycled polyester through recycling of polyester waste by developing own in-house technology. It has developed a pilot plant adopting glycolysis process and is carrying out trials for depolymerisation and re-polymerisation of PET waste and yarn waste. The project is expected to be completed by March 2021.

The management indicated that recycled polyester chip commands a higher realisation (premium of ~₹ 25-30) while recycled polyester DTY yarn commands a premium of ₹ 60-70 per kg compared to normal DTY polyester yarn. Demand for recycled polyester is high in international markets and brands usually specify to vendors to use certain percentage of recycled yarn for the final product.

Post completion of the pilot project, the company will initially start production of recycled polyester chips and also set up a recycled polyester DTY capacity. The capex for this project is expected to be ~₹ 100 crore with ₹ 50 crore each expected to be spent in FY21 and FY22. As per the management, the margins in recycled polyester businesses are significantly higher than normal polyester products. We have not factored the revenues from recycled polyester segment as impact on revenues would be visible from FY23E onwards.

Business model in line with profitable peer companies

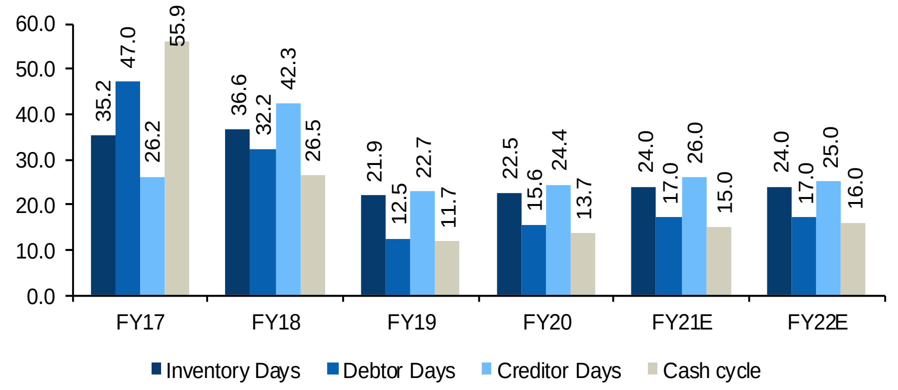
The Indian manmade textile sector has gone through turbulent times over the last two decades due to stiff competition from Chinese players. Some large listed companies in the manmade textile segment have faltered in maintaining a profitable business model. However, companies like Filatex India, Bhilosa Industries, Wellknown Polyester and Sanathan Textiles have sustained a good financial profile by maintaining an optimum balance between balance sheet leverage and profitable growth. Filatex appears to be in line with industry peers on most parameters. It has a very efficient working capital cycle and strong return ratios. However, on the EBITDA margin front, it has the lowest EBITDA margin among peer companies (as shown in Exhibit 14). Bhilosa, Sanathan and Wellknown have margins in the range of 10-13% owing to higher share of value added products in their product mix. Filatex also, over the last few years, has been focusing on increasing the share of high margin value added products, which would augment to its margin profile over next few years.

Exhibit 14: Comparative analysis of profitable peers

Parameter	Bhilosa Industries	Sanathan Textiles	Wellknown Pollyster	Filatex
Product mix	DTY & POY: 84% Revenue	DTY: 100% Revenue	Texturised & Twisted Yarn: 100% Revenue	**DTY & FDY: 65% Revenue POY: 25% revenue**
Capacity (Tonnes)	DTY: 638750 FDY: 328500 POY: 620500	NA	DTY: 153000 FDY: 130000 POY: 150000	**DTY: 144000 FDY: 126400 POY: 199800**
Revenue (₹crore)	7600.0	2340.0	4524.0	**2782.0**
Gross Margin (%)	32.6	24.0	29.0	**20.0**
EBITDA (%)	13.3	10.3	13.0	**8.0**
Cash Conversion Cycle	Inventory days: 40 Receivable days: 43 Payble days: 47 NWC: 37	Inventory days: 28 Receivable days: 24 Payble days: 38 NWC: 13	Inventory days: 49 Receivable days: 25 Payble days: 19 NWC: 56	**Inventory days: 22 Receivable days: 13 Payble days: 23 NWC: 13**
Ratios	RoE: 21% RoCE: 16%	RoE: 14% RoCE: 16%	RoE: 10% RoCE: 12%	**RoE: 20% RoCE: 14%**
D/E (x)	0.9	1.2	0.6	**1.2**
Fixed Asset T/O (x)	2.0	2.8	1.5	**2.5**

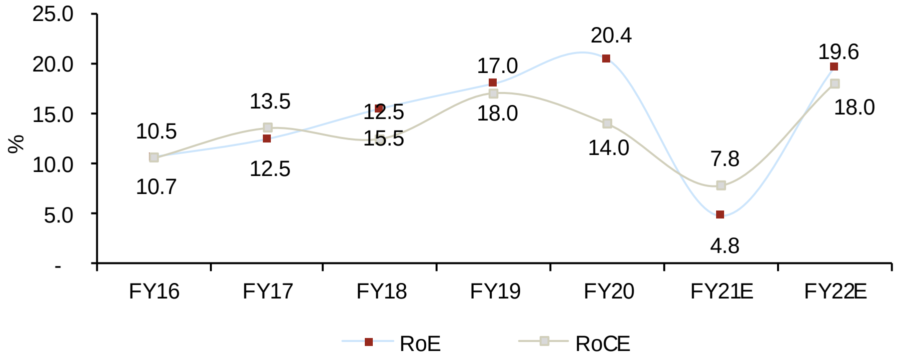
Source: Company, ICICI Direct Research. Financials of Bhilosa, Sanathan & Wellknown are for Fiscal year 2019, whereas financials for Filatex is for FY20.

Exhibit 15: Stringent control on working capital cycle



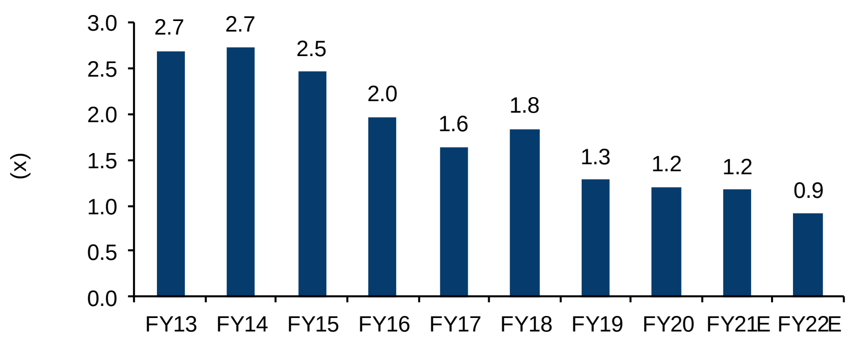
Source: Company, ICICI Direct Research

Exhibit 16: Return ratio trend



Source: Company, ICICI Direct Research

Exhibit 17: Debt/equity ratio trend



Source: Company, ICICI Direct Research

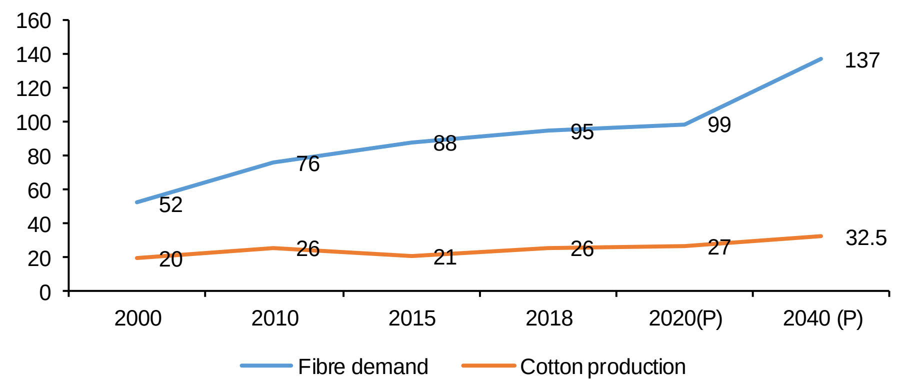
Removal of anti-dumping duty on PTA to create domestic, international growth opportunities

The Indian polyester industry in the last six years has been at a distinct cost disadvantage in global competitiveness on account of anti-dumping duty on key raw material i.e. purified terephthalic acid (PTA). Recently anti-dumping duty on PTA was abolished by the Ministry of Finance in the Budget on February 1, 2020. The abolition would improve the affordability of man-made textiles compared to cotton as with decline import prices of PTA, the price of final products would reduce providing a boost to demand. Also removal of anti-dumping duty on PTA would lead to higher imports and reduce the supplier concentration and improve the bargaining power of the downstream industry.

Synthetic textile becoming preferred fabric globally

The global textile and apparel industry is witnessing a major shift from cotton to synthetic fibre. Lower cost of synthetic fibres, limitation on cotton cultivation acreage and versatility in design and application are some reasons that are aiding increased preference for synthetic fibres compared to cotton. The global cotton supply is not increasing in line with overall fibre demand growth. The global fibre demand has been continuously increasing owing to rising world population and enhanced consumer incomes in developing nations. However, the land under cotton cultivation is declining because of competing land use alternatives for other cash crops, food crops, industrialisation and urbanisation.

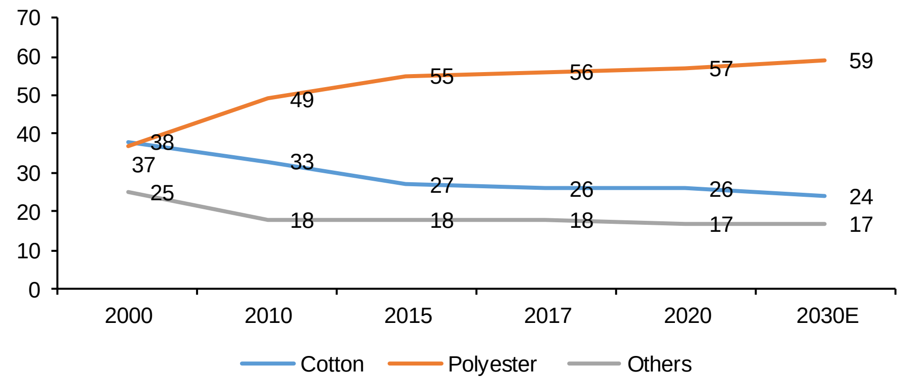
Exhibit 18: Global fibre demand, cotton production (billion kg)



Source: Wazir advisors, ICICI Direct Research

Due to limitation on cotton production, the synthetic fibre industry would continue to gain market share globally. As per industry estimates, consumption of polyester would be ~ 2.5x of cotton fibre consumption by 2030.

Exhibit 19: Global fibre consumption trend (%)

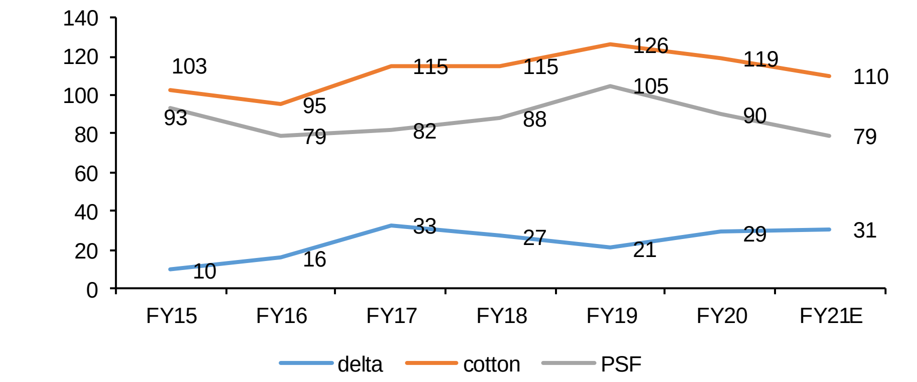


Source: Wazir advisors, ICICI Direct Research

Lower input cost for polyester to enhance its competiveness vs. cotton

Cotton and polyester compete for demand in the downstream apparel segment. Textile manufacturers have the flexibility to change the proportion of cotton and polyester in blended yarn, depending on the price differential between the two. With polyester feedstock prices linked to crude oil prices, an increase/ decrease in crude prices typically results in similar movement in polyester prices. In FY21, given that drop in polyester prices is expected to be steeper than cotton prices, polyester will continue to be competitive vis-à-vis cotton.

Exhibit 20: Cotton fibre vs. PSF price trend (₹ kg)



Source: CRISIL Research, ICICI Direct Research

Key risk and concerns

- **Volatility in raw material prices:** Raw material is the major cost component for the manmade textiles industry. The major raw material for the polyester industry is PTA, MEG, which are crude oil derivatives. Volatility in price of PTA and MEG can significantly impact the final product realisations. Inability to pass on any significant price increase in input cost can negatively impact the margins of the company

- **Foreign exchange fluctuation risk:** FIL's export revenues constitute ~14% of total annual revenues. It is a focus area of future growth for the company. Hence, any significant volatility and strengthening of the Indian currency can negatively impact FIL's competitiveness compared to its international peers

- **Pledging of shares:** Promoter holding is pledged to the extent of ~ 36%. Any further increase in pledging by promoters or invocation of existing pledged shareholding in the open market by lenders can have a negative impact on the stock price. The pledging of promoter holding is on account of secondary collateral to loans taken by the company

Financial Summary

Exhibit 21: Profit & loss statement

(Year-end March)	FY19	FY20	FY21E	FY22E
Net Sales	2,874.1	2,782.1	1,949.7	2,887.9
Growth (%)	48.6	(3.2)	(29.9)	48.1
Total Raw Material Cost	2,364.6	2,214.0	1,544.2	2,261.2
Gross Margins (%)	17.7	20.4	20.8	21.7
Employee Expenses	63.2	74.7	58.5	78.0
Other Expenses	229.8	271.3	193.0	239.7
Total Operating Expenditur	2,657.6	2,559.9	1,795.7	2,578.9
EBITDA	216.5	222.2	154.0	309.0
EBITDA Margin	7.5	8.0	7.9	10.7
Interest	54.7	61.3	65.8	60.9
Depreciation	45.0	51.3	59.4	65.3
Other Income	11.8	12.4	11.2	10.6
Exceptional Expense	2.3	-	-	-
PBT	131.0	122.0	40.0	193.4
Total Tax	46.1	0.5	10.1	48.7
Profit After Tax	84.8	121.5	30.0	144.7

Source: Company, ICICI Direct Research

Exhibit 22: Cash flow statement

(Year-end March)	FY19	FY20	FY21E	FY22E
Profit/(Loss) after taxation	84.8	121.5	30.0	144.7
Add: Depreciation	45.0	51.3	59.4	65.3
Net Increase in Current Assets	83.7	-29.9	66.8	-110.2
Net Increase in Current Liabilities	-25.7	-6.8	-44.7	61.5
CF from operating activities	**187.8**	**136.1**	**111.3**	**161.2**
(Inc)/dec in Investments	-0.1	0.0	0.0	0.0
(Inc)/dec in Fixed Assets	-93.7	-192.3	-134.9	-70.0
Others	6.1	-58.0	0.4	0.2
CF from investing activities	**-87.6**	**-250.3**	**-134.5**	**-69.8**
Inc / (Dec) in Equity Capital	0.0	0.4	0.0	0.0
Inc / (Dec) in Loan	-106.8	113.3	13.9	-54.4
Others	25.2	-21.9	-4.5	-22.4
CF from financing activities	**-81.6**	**91.8**	**9.4**	**-76.8**
Net Cash flow	18.6	-22.3	-13.7	14.6
Opening Cash	25.5	44.1	21.8	8.1
Closing Cash	**44.1**	**21.8**	**8.1**	**22.7**

Source: Company, ICICI Direct Research

Exhibit 23: Balance Sheet

(Year-end March)	FY19	FY20	FY21E	FY22E
Equity Capital	43.5	43.9	43.9	43.9
Reserve and Surplus	428.1	550.9	578.8	694.6
Total Shareholders funds	471.6	594.9	622.8	738.5
Total Debt	604.0	717.3	731.2	676.8
Non Current Liabilities	91.8	68.6	66.2	72.8
Source of Funds	**1,167.5**	**1,380.8**	**1,420.2**	**1,488.1**
Gross block	1,031.3	1,268.4	1,413.4	1,483.4
Less: Accum depreciation	103.4	153.1	212.4	277.7
Net Fixed Assets	927.9	1,115.3	1,200.9	1,205.7
Capital WIP	71.5	25.1	15.0	15.0
Intangible assets	0.7	0.7	0.7	0.7
Investments	0.1	0.0	-	-
Inventory	172.7	171.7	128.2	189.9
Cash	44.2	21.8	8.1	22.7
Debtors	98.7	118.7	90.8	134.5
Loans & Advances & Othe	82.0	92.9	97.5	102.4
Total Current Assets	397.6	405.0	324.6	449.4
Creditors	179.0	186.0	138.9	197.8
Provisions & Other CL	68.5	54.6	57.0	59.6
Total Current Liabilities	247.5	240.7	195.9	257.4
Net Current Assets	150.1	164.4	128.7	192.0
LT L& A, Other Assets	17.3	75.3	74.9	74.7
Other Assets	0.0	0.0	0.0	0.0
Application of Funds	**1,167.5**	**1,380.8**	**1,420.2**	**1,488.1**

Source: Company, ICICI Direct Research

Exhibit 24: Key ratios

(Year-end March)	FY19	FY20	FY21E	FY22E
Per share data (₹)				
EPS	3.9	5.5	1.4	6.6
Cash EPS	6.0	7.9	4.1	9.6
BV	21.7	27.1	28.3	33.6
DPS	0.0	0.0	0.0	1.3
Cash Per Share	2.0	1.0	0.4	1.0
Operating Ratios (%)				
EBITDA margins	7.5	8.0	7.9	10.7
PBT margins	4.6	4.4	2.1	6.7
Net Profit margins	3.0	4.4	1.5	5.0
Inventory days	21.9	22.5	24.0	24.0
Debtor days	12.5	15.6	17.0	17.0
Creditor days	22.7	24.4	26.0	25.0
Return Ratios (%)	.			
RoE	18.0	20.4	4.8	19.6
RoCE	17.0	14.0	7.8	18.0
RoIC	19.1	14.5	8.0	18.5
Valuation Ratios (x)				
P/E	6.3	4.4	18.0	3.7
EV / EBITDA	5.1	5.6	8.2	3.9
EV / Sales	0.4	0.4	0.6	0.4
Market Cap / Revenues	0.2	0.2	0.3	0.2
Price to Book Value	1.1	0.9	0.9	0.7
Solvency Ratios				
Debt / Equity	1.3	1.2	1.2	0.9
Debt/EBITDA	2.8	3.2	4.7	2.2
Current Ratio	1.4	1.6	1.6	1.7
Quick Ratio	0.7	0.9	1.0	0.9

Source: Company, ICICI Direct Research

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