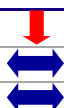


**Estimate change**

**TP change**

**Rating change**



Bloomberg	SRF IN
Equity Shares (m)	297
M.Cap.(INRb)/(USDb)	735.9 / 8.9
52-Week Range (INR)	2864 / 1975
1, 6, 12 Rel. Per (%)	-7/-6/17
12M Avg Val (INR M)	2107

**Financials & Valuations (INR b)**

Y/E Mar	2022	2023E	2024E
Sales	124.3	156.5	172.7
EBITDA	31.0	36.1	40.6
PAT	18.2	22.5	24.8
EBITDA (%)	25.0	23.1	23.5
EPS (INR)	61.1	75.6	83.5
EPS Gr. (%)	53.1	23.8	10.5
BV/Sh. (INR)	288	345	411

**Ratios**

Net D/E	0.3	0.3	0.2
RoE (%)	23.6	23.9	22.1
RoCE (%)	17.2	18.0	17.5
Payout (%)	26.4	23.1	20.4

**Valuations**

P/E (x)	43.0	34.7	31.4
EV/EBITDA (x)	26.1	22.6	20.0
Div Yield (%)	0.6	0.6	0.6
FCF Yield (%)	0.4	(0.0)	1.4

**Shareholding pattern (%)**

As On	Sep-22	Jun-22	Sep-21
Promoter	50.5	50.7	50.8
DII	14.0	9.4	10.4
FII	19.2	19.2	19.2
Others	16.2	20.7	19.6

Note: FII includes depository receipts

**CMP: INR2,483**

**TP: INR2,500 (+1%)**

**Neutral**

**Chemical business drives overall performance**

**Earnings below estimates**

- SRF reported healthy operating performance with 23% YoY growth, driven by Chemical business (3.2x of total incremental EBIT YoY). However, it missed our estimates due to lower-than-expected margins in Packaging and Technical textile business (EBIT decline of 43%/53% YoY, respectively) in 2QFY23.
- Factoring in the 2QFY23 performance with lower-than-estimated EBIT, we decrease our FY23E/FY24E earnings by 5%/1%, respectively. We reiterate our **Neutral** rating, owing to its rich valuation, which has been priced into the near-term upside.

**Packaging Film and Technical Textile segment under pressure**

- SRF reported overall revenue of INR37.3b (est. of INR35.6b) in 2QFY23, up 31% YoY. EBITDA margin contracted 140bp to 21.6% (est. of 25%), primarily led by higher input cost. EBITDA was at INR8b (est. of INR8.9b), up 22% YoY. Adjusted PAT rose 43% YoY to INR5.2b (est. of INR5.5b) in 2QFY23.
- **Chemicals** revenue (49% of total sales in 2QFY23) grew 62% YoY to INR18.3b in 2QFY23, with EBIT growth of 2.1x YoY to INR5.2b. EBIT margin expanded 600bp YoY to 28.3%. The Chemical business performed exceedingly well on account of higher sales volume, especially driven by international business and better realizations.
- **Packaging Film** revenue (36% of total sales in 2QFY23) grew 24% YoY to INR13.3b in 2QFY23 and EBIT was down 43% YoY to INR1b. Margin contracted 910bp YoY to 7.6%. Margins of BOPET films were under pressure, owing to excessive supply. However, this trend was partially offset with a sustained demand for BOPP films.
- **Technical Textiles** revenue (13% of total sales in 2QFY23) declined 16% YoY to INR4.6b in 2QFY23; EBIT margin contracted 1030bp YoY to 13.5%. EBIT declined 53% YoY to INR629m. Subdued demand for Nylon Tyre Cord Fabrics negatively impacted the business. However, it was offset by healthy growth from Belting Fabrics and Polyester Industrial Yarn segments.

**Highlights from the management commentary**

- Healthy demand outlook and price stability in the HFC segment is expected to be maintained going ahead. In Technical Textile, demand for NTCF is likely to witness revival in 2HFY23.
- In Packaging business, increasing pace of R&D efforts, sustainability initiatives, efficient cost structures, and enhanced capabilities are to remain key focus areas.
- **Capex:** The board has approved projects for setting up four new plants in agrochemical space with a total capex of INR6b, thereby, adding ~4,000MT of capacity.

## Valuation and view

- Specialty chemicals will maintain its growth momentum with robust demand for the flagship product as well as new product additions. Fluorochemicals would continue on its positive trend with demand in the refrigerants segment expected to remain healthy in the near to medium term.
- Factoring in the 2QFY23 performance with lower-than-estimated EBIT, we decrease our FY23E/FY24E earnings by 5%/1%, respectively. We reiterate our **Neutral** rating owing to its rich valuation, which has been priced into the near-term upside.

## Consolidated - Quarterly Earning Model

(INR m)

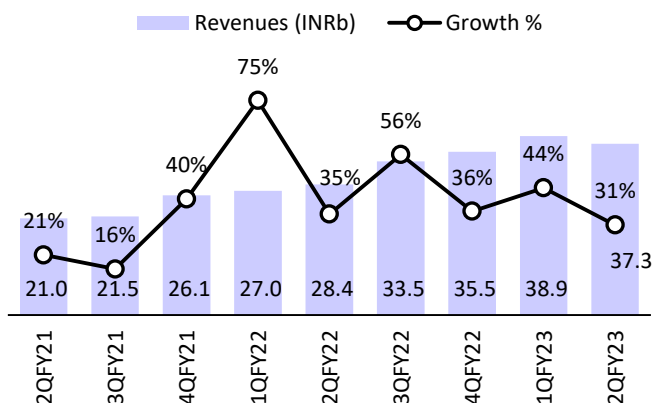
Y/E March	FY22				FY23				FY22	FY23E	FY23E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2Q	%
Net Sales	26,994	28,390	33,459	35,494	38,947	37,278	39,301	41,015	1,24,337	1,56,541	35,555	5
YoY Change (%)	74.7	35.1	55.9	36.1	44.3	31.3	17.5	15.6	48.0	25.9	25.2	
Total Expenditure	20,350	21,846	24,980	26,128	28,749	29,226	30,887	31,578	93,305	1,20,440	26,652	
EBITDA	6,644	6,544	8,479	9,366	10,198	8,052	8,414	9,437	31,032	36,102	8,902	-10
Margins (%)	24.6	23.0	25.3	26.4	26.2	21.6	21.4	23.0	25.0	23.1	25.0	
Depreciation	1,230	1,303	1,324	1,316	1,307	1,393	1,450	1,500	5,172	5,650	1,420	
Interest	275	234	294	357	325	445	440	440	1,159	1,650	320	
Other Income	138	111	107	72	99	327	115	117	428	658	120	
PBT before EO expense	5,277	5,118	6,968	7,765	8,665	6,542	6,639	7,614	25,128	29,460	7,282	
Extra-Ord expense & DO	-72	-206	-335	-114	249	361	0	0	-727	610	0	
PBT	5,349	5,324	7,303	7,879	8,416	6,181	6,639	7,614	25,856	28,850	7,282	
Tax	1,396	1,500	2,247	1,823	2,336	1,371	1,593	1,675	6,966	6,975	1,748	
Rate (%)	26.5	29.3	32.3	23.5	27.0	21.0	24.0	22.0	27.7	23.7	24.0	
Reported PAT	3,953	3,825	5,055	6,057	6,080	4,810	5,046	5,939	18,889	21,875	5,535	
Adj PAT	3,881	3,619	4,720	5,943	6,329	5,171	5,046	5,939	18,162	22,484	5,535	-7
YoY Change (%)	108.7	11.2	55.9	59.6	63.1	42.9	6.9	-0.1	53.1	23.8	53.0	
Margins (%)	14.4	12.7	14.1	16.7	16.2	13.9	12.8	14.5	14.6	14.4	15.6	

## Key Performance Indicators

Y/E March	FY22				FY23				FY22	FY23E	FY23E
Consolidated	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			1Q
Segment Revenue Growth (%)											
Technical Textile	251.0	67.8	46.5	24.0	15.8	-16.4	-5.0	5.0	68.1	-0.7	15.8
Chemicals	57.9	27.8	57.7	36.4	54.7	62.5	27.0	22.0	43.8	39.0	54.7
Packaging Film	53.7	28.7	59.1	41.9	43.7	24.2	17.0	12.0	45.2	23.0	43.7
Segment EBIT Margins (%)											
Technical Textile	27.1	23.8	21.1	18.4	20.4	13.5	15.0	17.0	22.6	16.6	20.4
Chemicals	20.0	22.3	29.4	32.1	30.2	28.3	27.0	26.5	26.7	27.9	30.2
Packaging Film	22.7	16.7	19.9	19.8	19.7	7.6	12.0	16.0	19.8	14.0	19.7
Cost Break-up											
RM Cost (% of sales)	49.3	50.4	49.1	46.9	47.7	52.4	52.0	51.0	48.8	50.8	47.7
Staff Cost (% of sales)	6.7	6.3	6.2	6.0	5.0	5.2	5.3	5.6	6.3	5.3	5.0
Power and Fuel Cost (% of sales)	8.6	9.3	9.0	9.6	10.5	10.0	10.2	10.2	9.1	10.2	10.5
Other Cost (% of sales)	10.7	11.0	10.4	11.2	10.6	10.7	11.0	10.2	10.8	10.6	10.6
Gross Margins (%)	50.7	49.6	50.9	53.1	52.3	47.6	48.0	49.0	51.2	49.2	52.3
EBITDA Margins (%)	24.6	23.0	25.3	26.4	26.2	21.6	21.4	23.0	25.0	23.1	26.2
EBIT Margins (%)	20.1	18.5	21.4	22.7	22.8	17.9	17.7	19.4	20.8	19.5	22.8

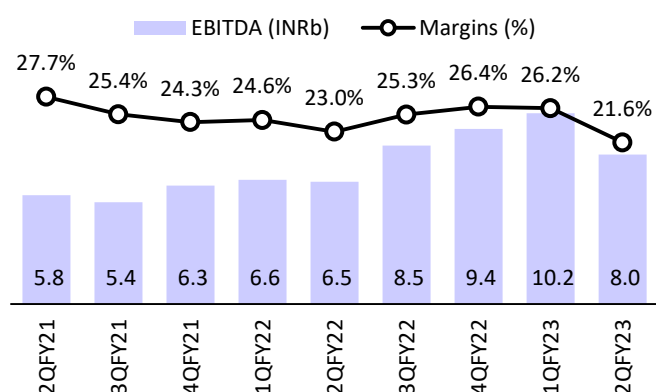
## Key exhibits

Exhibit 1: Consolidated revenue trend



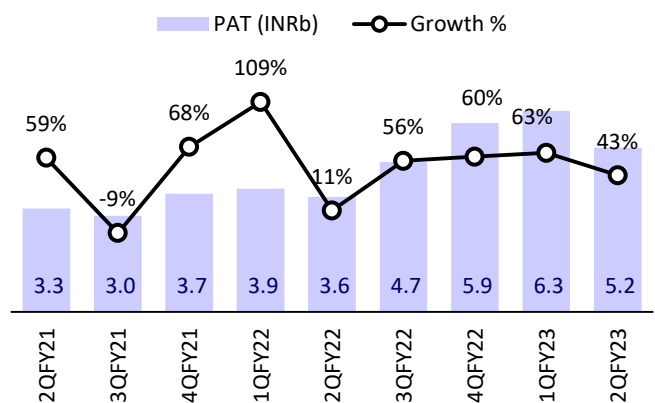
Source: Company, MOFSL

Exhibit 2: Consolidated EBITDA trend



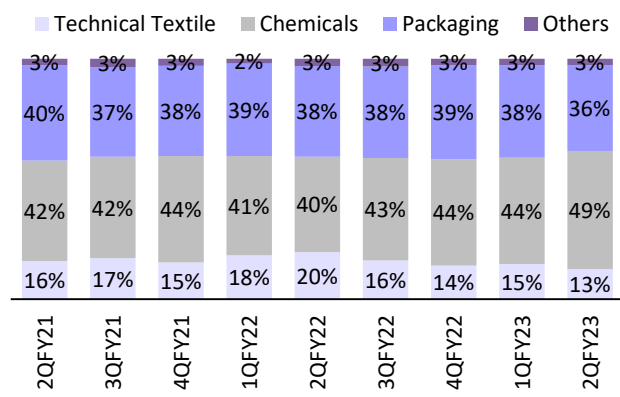
Source: Company, MOFSL

Exhibit 3: Consolidated adjusted PAT trend



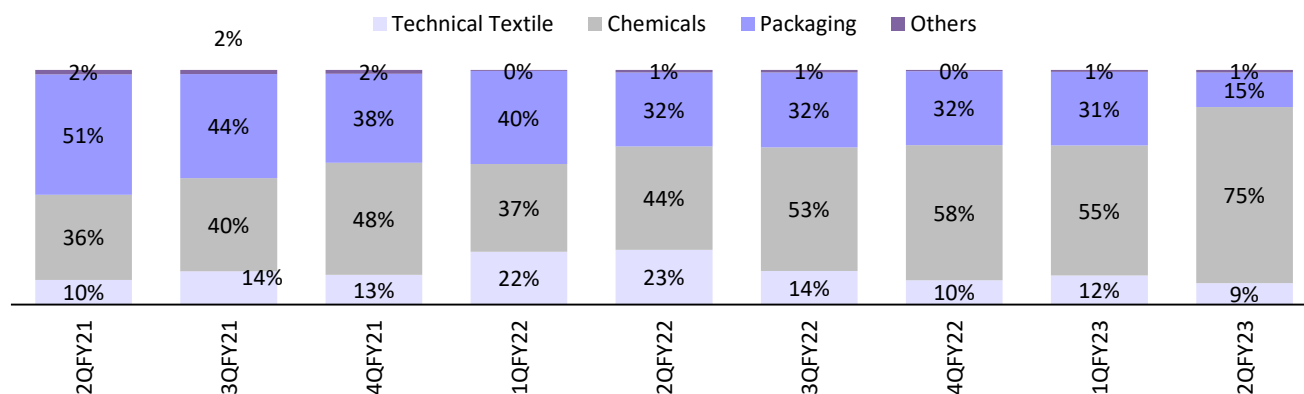
Source: Company, MOFSL

Exhibit 4: Revenue mix trend

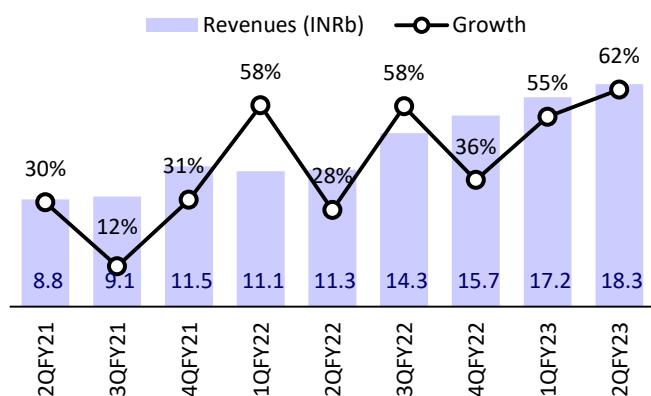


Source: Company, MOFSL

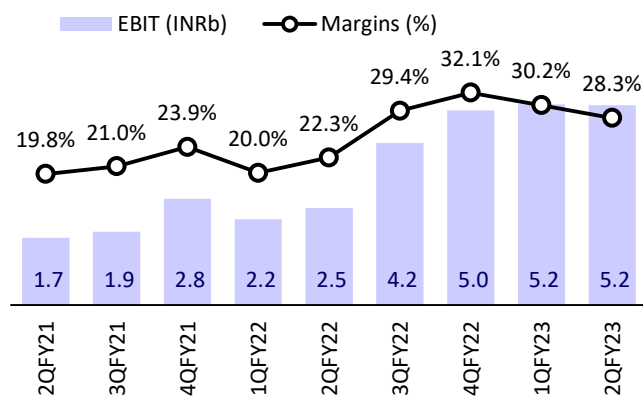
Exhibit 5: EBIT mix trend



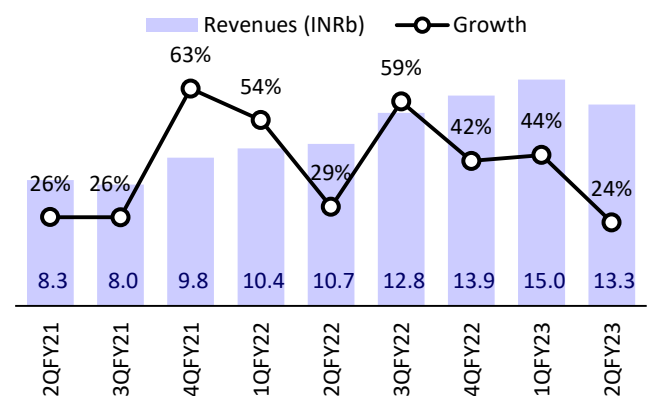
Source: Company, MOFSL

**Exhibit 6: Revenue trend in Chemicals business**

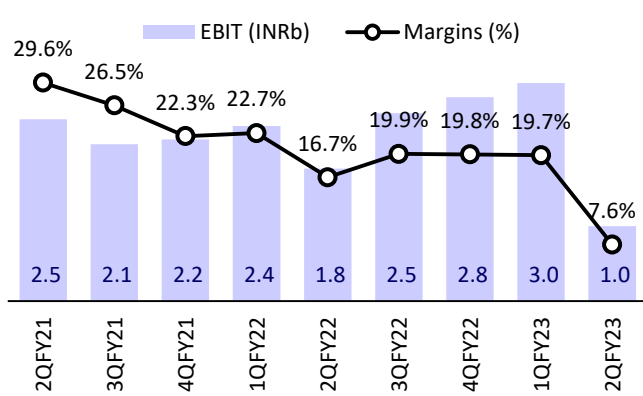
Source: Company, MOFSL

**Exhibit 7: EBIT trend in Chemicals business**

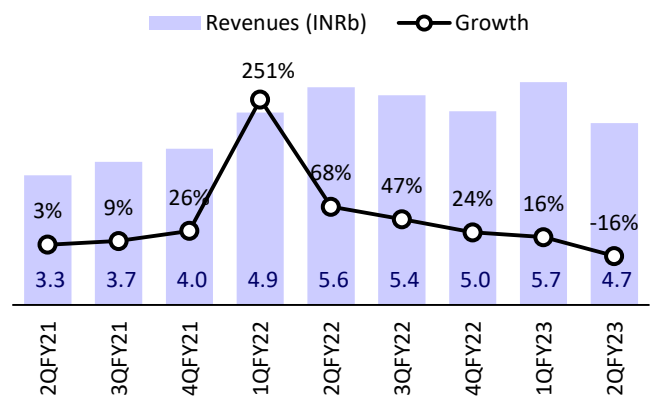
Source: Company, MOFSL

**Exhibit 8: Revenue trend in Packaging Film business**

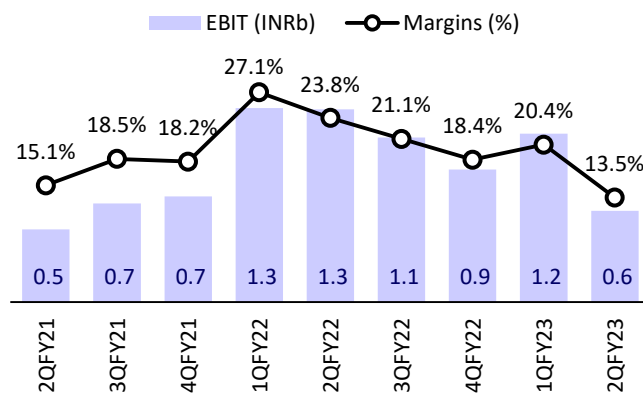
Source: Company, MOFSL

**Exhibit 9: EBIT trend in Packaging Film business**

Source: Company, MOFSL

**Exhibit 10: Revenue trend in Technical Textiles business**

Source: Company, MOFSL

**Exhibit 11: EBIT trend in Technical Textiles business**

Source: Company, MOFSL



### Key highlights from the management commentary

- **Chemicals segment:** Specialty Chemical business performed extremely well in 2QFY23, on the back of strong and healthy demand for the new products.
- Raw material prices in the segment are expected to trend downward.
- The company is ramping up state-of-the-art MPP4 plant commissioned at Dahej during the quarter
- Earlier, SRF has guided for growth of 20% in specialty chemicals business, which is easily achievable, considering the current scenario. Management will wait for one more quarter before stating revised guidance for the segment.
- Fluorochemicals business performed well, on the back of higher realization and stable demand across all HFCs during the quarter
- Healthy demand outlook and price stability in the HFC segment is expected to be maintained going ahead
- Dymel® HFA 134a/P (pharma grade gas) expanded to new geographies and reported significant growth
- SRF has successfully completed R125 catalyst replacement and expect benefit from this to flow in 2HFY23
- SRF has successfully commissioned Captive Power Plant at Dahej and 2nd CMS plant in Dahej is in the final stage of commissioning
- Capacity utilization in Fluorochemical segment is ~70-72% for the quarter. Ref gas and chloromethane is operating at almost full capacity utilization.
- The company expects an asset turnover of ~0.95 to 1.25x from additional capacities
  
- **Packaging Film segment:** The segment faced several headwinds such as significant supply addition in BOPET, global demand slowdown, rising energy costs in Europe, and a sharp fall in commodity prices, which adversely impacted the performance in the quarter.
- However, this trend was partially offset with a sustained demand for BOPP Films
- The BOPP segment is ~3x the size of the BOPET segment and has a large value added portfolio as compared to the BOPET segment. Also, BOPP is a sustainable product due to mono family structure and people are looking forward for BOPP products as a part of ESG initiatives.
- SRF successfully commissioned BOPP Film line at Indore (DTA II), India during the quarter. New line will strengthen SRF's position within India and support overall volume growth from 3QFY23 onwards.
- Management expects recovery in the medium term in its overall packaging film segment. The segment is operating at ~85% capacity utilization
- Aluminum foil project is on track and is expected to completed by Sept'23
  
- **Technical Textile business:** The segment has witnessed lower off take in Nylon Tyre Cord Fabric segment. However, improved volumes from the Belting Fabrics and Polyester Industrial Yarn segments contributed to the overall business
- The company expects a positive demand trend from 4QFY23 onwards
- The management expects margins to improve on the back of operating leverage going ahead

- **Other Businesses:** SRF continues to maintain its leadership in the domestic market of coated fabrics on the back of consistent demand, strong order book, and improved contribution from the value-added products.
- The Laminated fabrics segment maintained its price and volume leadership, with the plant operating at its optimal capacity in 2QFY23. However, margins were adversely impacted due to surplus supply and cheap Chinese imports
- **Capex:** The board has approved projects for setting up of four new plants in agrochemical space and capacity enhancement of an existing plant to produce various specialty chemicals, thereby, adding ~4,000 MTPA capacity over the next 10 to 12 months at an estimated cost of INR6b. This will be funded by a mix of internal accrual and debt.
- In FY23, the company has announced a capex of ~INR10b till date and the execution of the same continues to be on track
- Total capitalization in India for FY23 will be ~INR22-23b, including the capex completed in FY22, but not capitalized.

#### Other highlights:

- SRF is a net exporter and the weakening rupee is beneficial to the company
- A thermal plant was capitalized during the quarter and its benefit will start to reflect in 2HFY23. With a large requirement of steam, the plant will be quite beneficial for the company going ahead
- The cost of debt for the company has gone up by ~2%. The management expects the high cost of debt to be short term in nature

#### Valuation and view

- Specialty chemicals will maintain its growth momentum with robust demand for the flagship product as well as new product additions. Fluorochemicals would continue on its positive trend with demand in the refrigerants segment expected to remain healthy in the near to medium term.
- Factoring in the 2QFY23 performance with lower-than-estimated EBIT, we decrease our FY23E/FY24E earnings by 5%/1%, respectively. We reiterate our **Neutral** rating, owing to its rich valuation, which has been priced into the near-term upside.

**Exhibit 12: Valuation methodology**

EV/EBITDA	FY24 EBITDA (INR m)	Multiple (x)	EV (INR m)
Technical Textiles	4,985	10	49,104
Chemicals	25,954	23	5,96,944
Packaging Films	12,611	10	1,26,109
Others	594	5	2,970
Total EV			7,75,127
Less: Debt			34,394
Less: Minority Interest			-
Add: Cash & Cash Equivalents			2,944
Target Mcap (INR mn)			7,43,677
Outstanding share (mn)			297.4
Target Price (INR)			2,500

Source: MOFSL

**Exhibit 13: Revisions to our estimates**

Earnings Change (INR m)	Old		New		Change (%)	
	FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Revenue	1,51,653	1,70,368	1,56,541	1,72,711	3	1
EBITDA	37,840	41,011	36,102	40,569	-5	-1
Adj. PAT	23,684	25,317	22,484	24,844	-5	-2

Source: MOFSL



## Financials and valuations

### Consolidated - Income Statement

(INR m)

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Income from Operations	48,983	51,366	56,849	70,996	72,094	84,000	1,24,337	1,56,541	1,72,711
Less: Excise Duty	3,056	3,148	958	0	0	0	0	0	0
<b>Total Income from Operations</b>	<b>45,927</b>	<b>48,218</b>	<b>55,890</b>	<b>70,996</b>	<b>72,094</b>	<b>84,000</b>	<b>1,24,337</b>	<b>1,56,541</b>	<b>1,72,711</b>
Change (%)	1.2	5.0	15.9	27.0	1.5	16.5	48.0	25.9	10.3
<b>EBITDA</b>	<b>9,728</b>	<b>9,694</b>	<b>9,062</b>	<b>13,209</b>	<b>14,584</b>	<b>21,333</b>	<b>31,032</b>	<b>36,102</b>	<b>40,569</b>
Margin (%)	21.2	20.1	16.2	18.6	20.2	25.4	25.0	23.1	23.5
Depreciation	2,750	2,834	3,158	3,582	3,886	4,531	5,172	5,650	6,813
<b>EBIT</b>	<b>6,979</b>	<b>6,859</b>	<b>5,904</b>	<b>9,627</b>	<b>10,698</b>	<b>16,803</b>	<b>25,860</b>	<b>30,451</b>	<b>33,755</b>
Int. and Finance Charges	1,305	1,018	1,239	1,984	2,007	1,340	1,159	1,650	1,638
Other Income	278	730	688	280	491	545	428	658	789
<b>PBT bef. EO Exp.</b>	<b>5,952</b>	<b>6,572</b>	<b>5,353</b>	<b>7,923</b>	<b>9,182</b>	<b>16,008</b>	<b>25,128</b>	<b>29,460</b>	<b>32,907</b>
EO Items	-103	0	463	262	997	116	727	-610	0
<b>PBT after EO Exp.</b>	<b>5,849</b>	<b>6,572</b>	<b>5,817</b>	<b>8,185</b>	<b>10,179</b>	<b>16,123</b>	<b>25,856</b>	<b>28,850</b>	<b>32,907</b>
Current Tax	1,551	1,422	1,200	1,769	265	4,154	7,139	6,975	8,063
Deferred Tax	0	0	0	0	-277	-10	-173	0	0
Tax Rate (%)	26.5	21.6	20.6	21.6	-0.1	25.7	26.9	24.2	24.5
Less: Mionrity Interest	0	0	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>4,299</b>	<b>5,150</b>	<b>4,617</b>	<b>6,416</b>	<b>10,191</b>	<b>11,979</b>	<b>18,889</b>	<b>21,875</b>	<b>24,844</b>
<b>Adjusted PAT</b>	<b>4,402</b>	<b>5,150</b>	<b>4,154</b>	<b>6,155</b>	<b>9,194</b>	<b>11,864</b>	<b>18,162</b>	<b>22,484</b>	<b>24,844</b>
Change (%)	45.4	17.0	-19.3	48.2	49.4	29.0	53.1	23.8	10.5
Margin (%)	9.6	10.7	7.4	8.7	12.8	14.1	14.6	14.4	14.4

### Consolidated - Balance Sheet

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Equity Share Capital	574	574	575	575	585	603	2,974	2,974	2,974
Total Reserves	27,055	31,252	35,071	40,718	48,748	67,962	82,679	99,498	1,19,285
<b>Net Worth</b>	<b>27,630</b>	<b>31,826</b>	<b>35,646</b>	<b>41,293</b>	<b>49,333</b>	<b>68,564</b>	<b>85,654</b>	<b>1,02,472</b>	<b>1,22,260</b>
Minority Interest	0	0	0	0	0	0	0	0	0
Deferred Liabilities	3,820	2,866	2,914	3,420	1,755	3,862	6,775	6,775	6,775
Total Loans	25,153	23,962	31,418	37,302	40,468	33,950	35,394	38,394	34,394
<b>Capital Employed</b>	<b>56,603</b>	<b>58,655</b>	<b>69,978</b>	<b>82,014</b>	<b>91,556</b>	<b>1,06,376</b>	<b>1,27,822</b>	<b>1,47,640</b>	<b>1,63,428</b>
Gross Block	71,410	77,169	87,502	68,322	76,934	96,167	1,06,943	1,31,943	1,51,943
Less: Accum. Deprn.	30,334	33,169	36,327	12,269	15,540	20,071	25,243	30,894	37,707
<b>Net Fixed Assets</b>	<b>41,076</b>	<b>44,000</b>	<b>51,175</b>	<b>56,053</b>	<b>61,394</b>	<b>76,096</b>	<b>81,699</b>	<b>1,01,049</b>	<b>1,14,236</b>
Goodwill on Consolidation	49	49	41	41	6	6	0	0	0
Capital WIP	1,174	2,586	5,588	7,536	13,933	7,723	16,716	22,716	18,716
Current Investments	1,606	1,708	1,217	1,005	1,985	4,125	3,167	1,667	1,667
<b>Total Investments</b>	<b>1,649</b>	<b>1,959</b>	<b>1,218</b>	<b>1,006</b>	<b>2,027</b>	<b>4,167</b>	<b>3,209</b>	<b>1,209</b>	<b>1,209</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>20,291</b>	<b>21,090</b>	<b>25,608</b>	<b>34,243</b>	<b>31,265</b>	<b>41,121</b>	<b>56,025</b>	<b>59,349</b>	<b>68,591</b>
Inventory	6,711	8,381	9,582	12,247	12,012	14,658	21,385	22,206	25,412
Account Receivables	5,145	6,569	6,807	10,288	8,911	12,746	17,925	19,300	21,293
Cash and Bank Balance	3,399	961	967	1,989	1,255	2,820	4,594	2,690	2,944
Loans and Advances	5,036	5,178	8,252	9,719	9,088	10,898	12,123	15,153	18,942
<b>Curr. Liability &amp; Prov.</b>	<b>8,934</b>	<b>11,055</b>	<b>13,653</b>	<b>16,865</b>	<b>17,211</b>	<b>22,918</b>	<b>29,944</b>	<b>36,799</b>	<b>39,440</b>
Account Payables	7,146	8,089	10,442	13,824	11,117	15,852	20,964	26,560	28,236
Other Current Liabilities	1,477	2,606	2,831	2,600	5,653	6,544	8,391	9,650	10,615
Provisions	312	359	380	441	442	522	590	590	590
<b>Net Current Assets</b>	<b>11,357</b>	<b>10,035</b>	<b>11,955</b>	<b>17,378</b>	<b>14,054</b>	<b>18,203</b>	<b>26,081</b>	<b>22,550</b>	<b>29,150</b>
<b>Appl. of Funds</b>	<b>56,603</b>	<b>58,655</b>	<b>69,978</b>	<b>82,014</b>	<b>91,556</b>	<b>1,06,376</b>	<b>1,27,822</b>	<b>1,47,640</b>	<b>1,63,428</b>



## Financials and valuations

### Ratios

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
<b>Basic (INR)</b>									
<b>EPS</b>	<b>14.8</b>	<b>17.3</b>	<b>14.0</b>	<b>20.7</b>	<b>30.9</b>	<b>39.9</b>	<b>61.1</b>	<b>75.6</b>	<b>83.5</b>
Cash EPS	24.0	26.8	24.6	32.7	44.0	55.1	78.5	94.6	106.4
BV/Share	92.9	107.0	119.8	138.8	165.9	230.5	288.0	344.5	411.0
DPS	1.9	2.3	3.1	3.9	2.8	4.9	16.8	17.0	17.0
Payout (%)	15.2	15.7	23.1	20.8	9.6	12.1	26.4	23.1	20.4
<b>Valuation (x)</b>									
P/E	177.4	151.6	188.0	126.9	84.9	65.8	43.0	34.7	31.4
Cash P/E	109.2	97.8	106.8	80.2	59.7	47.6	33.5	27.8	24.7
P/BV	28.3	24.5	21.9	18.9	15.8	11.4	9.1	7.6	6.4
EV/Sales	17.4	16.6	14.5	11.5	11.3	9.6	6.5	5.2	4.7
EV/EBITDA	82.3	82.7	89.4	61.7	56.1	37.9	26.1	22.6	20.0
Dividend Yield (%)	0.1	0.1	0.1	0.1	0.1	0.2	0.6	0.6	0.6
FCF per share	17.2	0.2	-20.3	-5.3	-2.3	19.1	9.7	-0.7	36.8
<b>Return Ratios (%)</b>									
EBITDA Margins (%)	21.2	20.1	16.2	18.6	20.2	25.4	25.0	23.1	23.5
Net Profit Margins (%)	9.6	10.7	7.4	8.7	12.8	14.1	14.6	14.4	14.4
RoE	17.0	17.3	12.3	16.0	20.3	20.1	23.6	23.9	22.1
RoCE	10.5	11.0	8.5	10.7	13.3	13.4	17.2	18.0	17.5
RoIC	18.5	17.8	13.8	18.0	15.3	26.3	34.2	34.4	32.9
<b>Working Capital Ratios</b>									
Fixed Asset Turnover (x)	0.6	0.6	0.6	1.0	0.9	0.9	1.2	1.2	1.1
Asset Turnover (x)	0.8	0.8	0.8	0.9	0.8	0.8	1.0	1.1	1.1
Inventory (Days)	105	126	115	113	119	133	129	102	108
Debtor (Days)	41	50	44	53	45	55	53	45	45
Creditor (Days)	112	122	126	127	110	144	126	122	120
<b>Leverage Ratio (x)</b>									
Debt/Equity	0.9	0.8	0.9	0.9	0.8	0.5	0.4	0.4	0.3

### Consolidated - Cash Flow Statement

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
OP/(Loss) before Tax	5,849	6,572	5,817	8,269	10,706	16,099	25,856	28,850	32,907
Depreciation	2,750	2,834	3,158	3,669	3,929	4,531	5,172	5,650	6,813
Interest & Finance Charges	1,305	1,018	1,239	2,016	2,016	1,340	1,159	1,650	1,638
Direct Taxes Paid	-1,087	-1,159	-1,176	-1,502	-1,427	-2,553	-4,016	-6,975	-8,063
(Inc)/Dec in WC	2,214	-2,556	-1,909	-3,165	-239	-1,236	-6,645	1,628	-6,347
<b>CF from Operations</b>	<b>11,030</b>	<b>6,709</b>	<b>7,129</b>	<b>9,286</b>	<b>14,984</b>	<b>18,181</b>	<b>21,527</b>	<b>30,803</b>	<b>26,948</b>
Others	-130	-255	-349	-330	-1,940	-464	-469	0	0
<b>CF from Operating incl EO</b>	<b>10,901</b>	<b>6,454</b>	<b>6,780</b>	<b>8,956</b>	<b>13,044</b>	<b>17,717</b>	<b>21,057</b>	<b>30,803</b>	<b>26,948</b>
(inc)/dec in FA	-5,789	-6,409	-12,829	-10,526	-13,730	-12,047	-18,171	-31,000	-16,000
<b>Free Cash Flow</b>	<b>5,112</b>	<b>45</b>	<b>-6,049</b>	<b>-1,570</b>	<b>-685</b>	<b>5,670</b>	<b>2,886</b>	<b>-197</b>	<b>10,948</b>
(Pur)/Sale of Investments	-576	25	840	332	-886	-1,886	1,028	2,000	0
Others	-303	251	35	53	2,813	-1,064	1,265	0	0
<b>CF from Investments</b>	<b>-6,667</b>	<b>-6,133</b>	<b>-11,953</b>	<b>-10,142</b>	<b>-11,803</b>	<b>-14,997</b>	<b>-15,877</b>	<b>-29,000</b>	<b>-16,000</b>
Issue of Shares	0	0	0	1	0	7,500	2	0	0
Inc/(Dec) in Debt	637	-4,552	4,095	2,677	3,205	-6,856	622	3,000	-4,000
Interest Paid	-1,324	-1,109	-1,299	-2,241	-2,040	-1,574	-1,173	-1,650	-1,638
Dividend Paid	-692	-829	-829	-836	-803	-1,408	-2,117	-5,056	-5,056
Others	-528	3,731	3,213	2,606	-2,337	1,182	-741	0	0
<b>CF from Fin. Activity</b>	<b>-1,907</b>	<b>-2,760</b>	<b>5,179</b>	<b>2,207</b>	<b>-1,975</b>	<b>-1,155</b>	<b>-3,406</b>	<b>-3,706</b>	<b>-10,694</b>
<b>Inc/Dec of Cash</b>	<b>2,326</b>	<b>-2,438</b>	<b>6</b>	<b>1,021</b>	<b>-734</b>	<b>1,565</b>	<b>1,774</b>	<b>-1,903</b>	<b>254</b>
Opening Balance	1,073	3,399	961	967	1,989	1,255	2,820	4,594	2,690
<b>Closing Balance</b>	<b>3,399</b>	<b>961</b>	<b>967</b>	<b>1,989</b>	<b>1,255</b>	<b>2,820</b>	<b>4,594</b>	<b>2,690</b>	<b>2,944</b>

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
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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