



Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	UPLL IN
Equity Shares (m)	765
M.Cap.(INRb)/(USDb)	538.2 / 6.5
52-Week Range (INR)	848 / 608
1, 6, 12 Rel. Per (%)	0/-20/-3
12M Avg Val (INR M)	2009

Financials & Valuations (INR b)

Y/E Mar	2022	2023E	2024E
Sales	462.4	537.0	593.4
EBITDA	101.7	121.5	135.3
PAT	48.5	54.9	61.0
EBITDA (%)	22.0	22.6	22.8
EPS (INR)	63.5	71.7	79.7
EPS Gr. (%)	39.9	13.0	11.1
BV/Sh. (INR)	429	512	652

Ratios

Net D/E	1.0	0.8	0.5
RoE (%)	24.5	23.1	20.7
RoCE (%)	15.1	16.2	16.5
Payout (%)	21.1	18.0	17.6

Valuations

P/E (x)	11.3	10.0	9.0
EV/EBITDA (x)	7.6	6.3	5.2
Div Yield (%)	1.4	1.7	2.0
FCF Yield (%)	4.4	7.2	14.0

Shareholding pattern (%)

	Sep-22	Jun-22	Sep-21
Promoter	29.0	29.0	28.0
DII	17.2	16.5	18.0
FII	42.8	36.4	35.1
Others	11.1	18.1	19.0

Note: FII includes depository receipts

CMP: INR717 **TP: INR780 (+9%)** **Neutral**

Higher working capital adversely impacts CFO

Earnings better than expected

- UPLL reported strong revenue growth of 18% YoY, driven primarily by an increase in price realization (up 21% YoY). However, volumes declined (down 7% YoY) in 2QFY23, led by rationalization of product mix toward high margin products. Except Europe (+1% YoY), all other key geographies registered a strong sales growth of over 20% YoY.
- Gross debt increased to INR326b in 2QFY23 from INR301b in 1QFY23 with net debt rising INR20b QoQ to INR285b, due to an increase in working capital requirement. This increase in working capital also resulted in cash outflow from operation of INR45.94b in 1HFY23 v/s cash outflow INR24.15b in 1HFY22.
- We largely maintain our FY23E/FY24E earnings. **We reiterate our Neutral rating on the stock with a TP of INR780 (premised on 10x FY24E P/E).**

Improvement in realization drives sales growth; volume declined

- UPLL reported revenue of INR125.1b (above our estimate of INR122.2b) in 2QFY23, up 18% YoY (volume growth: down 7%, price: up 21%, exchange: up 4%). EBITDA stood at INR27.7b (above our estimate of INR24.2b), up 35% YoY, aided by improved realization and better product mix. EBITDA margin stood at 22.1% in 2QFY 23 v/s 19.4% in 2QFY22. Adj PAT stood at INR10.5b (above our estimate of INR8.9b), up 40% YoY. Effective tax rate came in at 18.8% in 2QFY23.
- Sales in Europe were flattish YoY due to Euro devaluation; however, revenue grew in Euro terms, led by strong growth in differentiated products along with growth in herbicides/insecticides in North Europe/Iberia.
- Revenue in **North America** jumped 24% YoY, driven by strong commodity prices and herbicide being the key growth driver.
- Revenue was up 20% YoY in **LATAM**, aided by strong growth in herbicides in the Brazil/Argentina/Andean region and NPP Biosolutions in Mexico along with a launch of new fungicide – Evolution® driving volumes.
- India** revenue grew 22% YoY, led by the launch of new insecticide in paddy and cotton, along with strong growth in glufosinate products.
- Revenue from the **RoW** increased 21% YoY, driven by robust growth in SE Asia and AUS/NZ along with strong herbicide growth in Southern Africa.
- Net working capital increased to 124 days in 2QFY23 v/s 108 days in 1QFY23 and 114 days in 2QFY22, led by short-term inventory build-up in anticipation of a strong 2HFY23 demand and uncertainties in supply chain. This rise in net working capital led to an increase in net debt by INR20b/INR42b QoQ/YoY to INR285b.
- For 1HFY23, Revenue/EBITDA/Adj. PAT grew 22%/31%/19% YoY, respectively.

Highlights from the management commentary

- **Guidance:** The management is maintaining its growth guidance for Revenue/EBITDA at 12-15%/15-18% for FY23. By the end of 2HFY23, the management expects to register a volume growth higher than that of the global average of 3-4% in FY23.
- Net debt/Gross debt reduction target of USD400m/USD500m is maintained, supported cash inflow of USD260m from the recent corporate realignment activity. Net Debt/EBITDA is expected to be lower at 1.4x for FY23.
- The overall decline in volume growth was primarily led by a decline in volume in LATEM (mostly in Brazil). This was due to the company's focus on rationalizing its product basket and focusing on high margin products. The management indicated that the market share is not compromised to improve the margins.

Valuation and view

- In 1HFY23, cash flow was under pressure, led by an increase in working capital, resulting in cash outflow from operation of INR45.94b v/s cash outflow of INR24.15b in 1HFY22.
- In 2QFY23, UPLL's gross/net debt rose INR24b/INR20b YoY to INR326b/INR285b, due to higher working capital requirements. The net debt-to-EBITDA ratio (including perpetual bond) is expected to reduce to ~1.7x in FY23 from 2.2x in FY22.
- However, we believe cash flow generation and debt repayment remain the key monitorables amid a high inflationary environment in FY23E.
- We expect a revenue/EBITDA/Adj. PAT CAGR of 13%/15%/12% over FY22-24, respectively, backed by higher volumes and improved product mix.
- We largely maintain our FY23E/FY24E earnings. **We reiterate our Neutral rating on the stock with a TP of INR780 (premised on 10x FY24E P/E; in line with a three-year average, one-year forward P/E).**

Cons.: Quarterly Earning Model

Y/E March	FY22				FY23				FY22	FY23E	FY23E	(INRb)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2Q	Var
Net Sales	85.2	105.7	113.0	158.6	108.2	125.1	127.9	175.8	462.4	537.0	122.2	2%
YoY Change (%)	8.7	18.2	23.8	24.0	27.1	18.4	13.2	10.8	19.5	16.1	15.7	
Total Expenditure	66.5	85.2	86.3	122.7	84.8	97.4	97.4	136.0	360.8	415.5	98.1	
EBITDA	18.6	20	26.7	35.9	23	28	31	40	101.7	121.5	24.2	15%
Margins (%)	21.9	19.4	23.6	22.6	21.7	22.1	23.9	22.7	22.0	22.6	19.8	
Depreciation	5.5	5.7	6.0	6.4	5.9	6.1	6.3	6.7	23.6	24.9	5.9	
Interest	6.1	3.6	5.3	8.0	5.2	6.4	6.0	5.5	23.0	23.1	6.3	
Other Income	0.5	0.5	0.7	1.2	0.7	0.8	0.7	0.7	2.8	2.9	0.5	
Exch. difference on trade rec./payable	0.9	1.1	2.2	2.1	2.0	3.2	0.0	0.0	6.4	5.2	0.0	
PBT before EO expense	6.6	10.5	13.9	20.5	11.1	12.7	18.9	28.4	51.6	71.1	12.5	
Extra-Ord expense	0.6	0.4	0.5	1.7	0.8	0.4	0.0	0.0	3.2	1.2	0.0	
PBT	6.0	10.1	13.3	18.9	10.3	12.3	18.9	28.4	48.3	69.9	12.5	
Tax	-1.5	2.5	1.7	2.7	0.6	2.3	3.1	4.7	5.3	10.7	2.1	
Rate (%)	-25.3	24.6	12.5	14.1	5.7	18.8	16.5	16.5	10.9	15.3	16.5	
MI & P/L of Asso. Cos.	0.8	1.3	2.3	2.4	1.0	1.8	2.6	2.9	6.8	8.3	1.5	
Reported PAT	6.8	6.3	9.4	13.8	8.8	8.1	13.2	20.8	36.3	50.9	8.9	
Adj PAT	10.2	7.5	12.0	18.9	10.4	10.5	13.2	20.8	48.5	54.9	8.9	17%
YoY Change (%)	50.4	12.0	28.1	58.7	2.9	40.3	9.3	10.1	39.9	13.0	19.6	
Margins (%)	11.9	7.1	10.7	11.9	9.7	8.4	10.3	11.8	10.5	10.2	7.3	

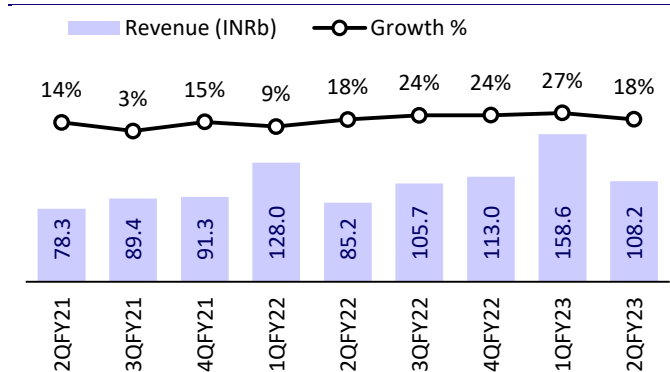
Note: Adjusted PAT = Reported PAT + forex adjustment + exceptional item

Key Performance Indicators

Y/E March	FY22				FY23				FY22	FY23
Consolidated	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Sales Growth Split										
Volume (%)	6.0	15.0	11.0	3.0	6.0	-7.0	0.0	0.0	8.0	8.0
Price (%)	2.0	3.0	13.0	19.0	18.0	21.0	0.0	0.0	10.0	8.1
Exchange Impact (%)	1.0	0.0	0.0	2.0	3.0	4.0	0.0	0.0	1.0	0.0
Cost Break-up										
RM Cost (% of sales)	43.5	49.4	45.6	50.4	43.1	46.2	45.6	50.4	47.7	46.8
Staff Cost (% of sales)	12.1	10.2	10.3	8.5	11.5	9.9	10.0	8.0	10.0	9.6
Other Cost (% of sales)	22.5	21.0	20.5	18.5	23.8	21.8	20.5	18.9	20.3	20.9
Gross Margins (%)	56.5	50.6	54.4	49.6	56.9	53.8	54.4	49.6	52.3	53.2
EBITDA Margins (%)	21.9	19.4	23.6	22.6	21.7	22.1	23.9	22.7	22.0	22.6
EBIT Margins (%)	15.4	14.0	18.3	18.6	16.2	17.3	18.9	18.9	16.9	18.0

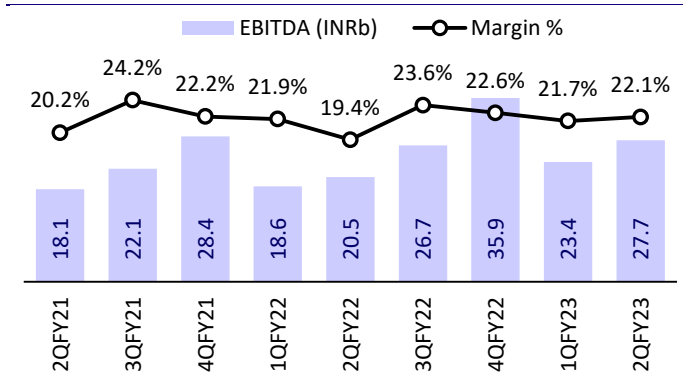
Key exhibits

Exhibit 1: Quarterly revenue trend



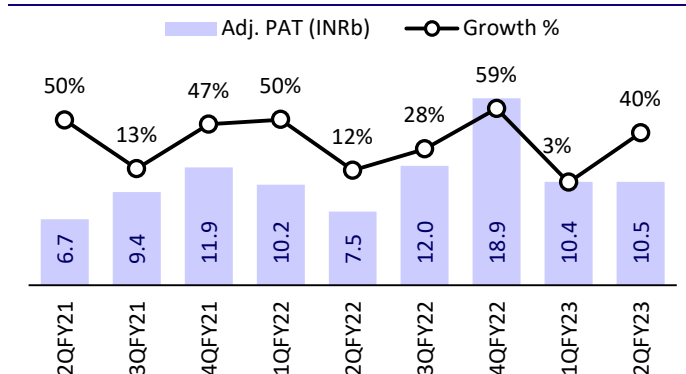
Source: Company, MOFSL

Exhibit 2: Quarterly EBITDA trend



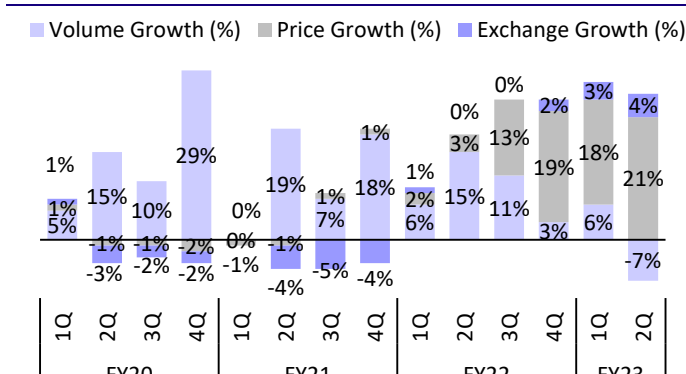
Source: Company, MOFSL

Exhibit 3: Quarterly adjusted PAT trend

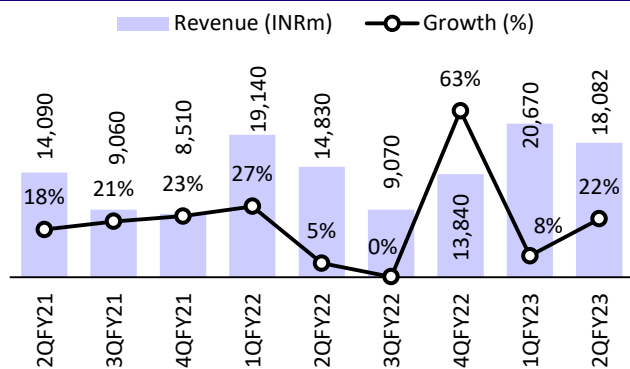


Source: Company, MOFSL

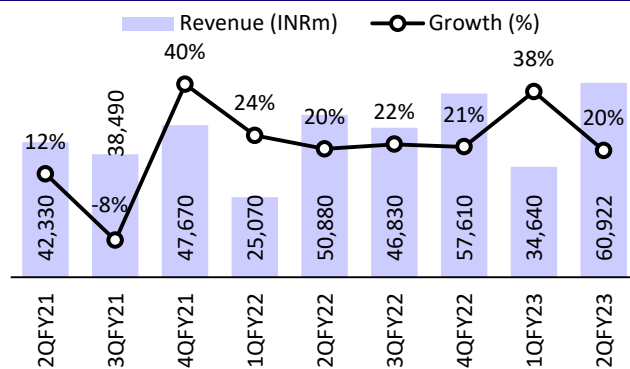
Exhibit 4: Quarterly and annual growth breakup



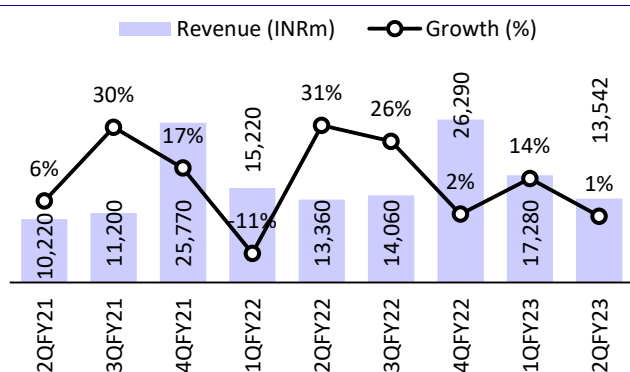
Source: Company, MOFSL

Exhibit 5: Quarterly revenue trend – India

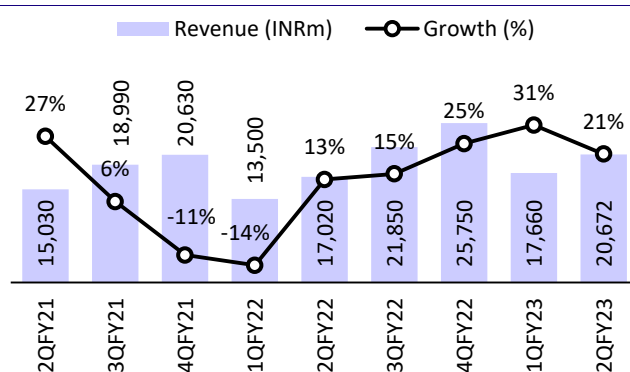
Source: Company, MOFSL

Exhibit 6: Quarterly revenue trend – LATAM

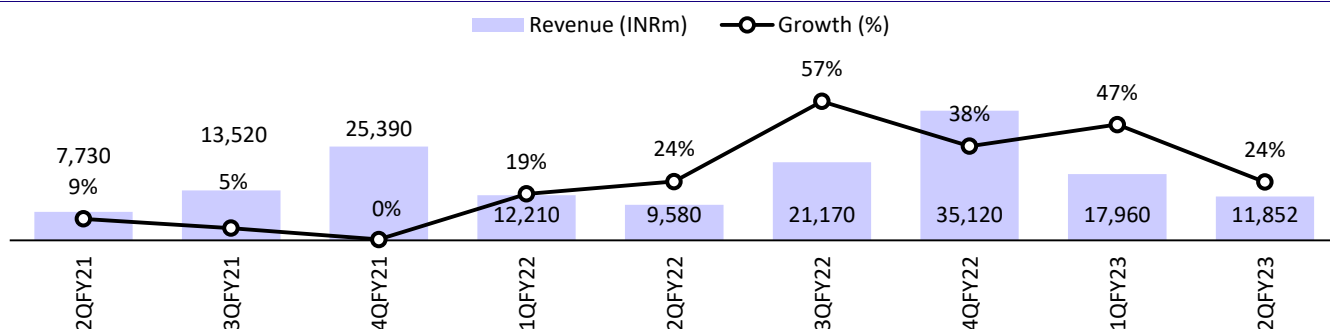
Source: Company, MOFSL

Exhibit 7: Quarterly revenue trend – Europe

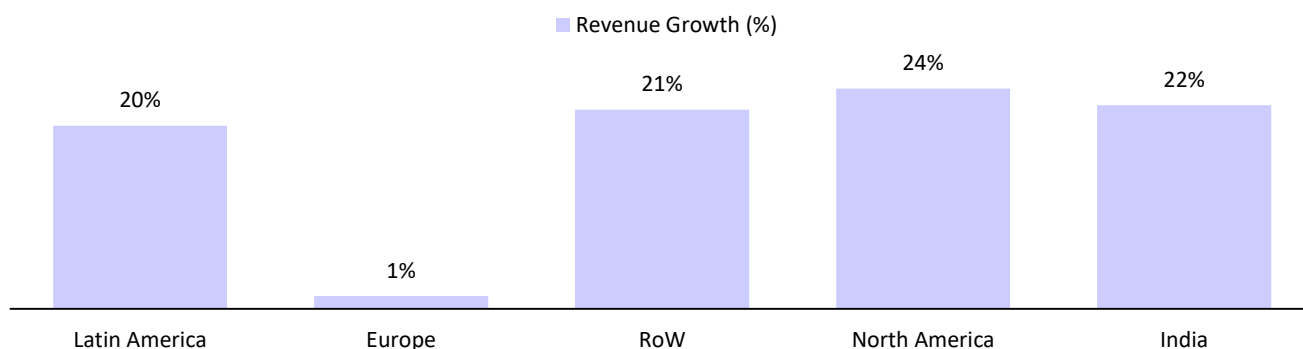
Source: Company, MOFSL

Exhibit 8: Quarterly revenue trend – RoW

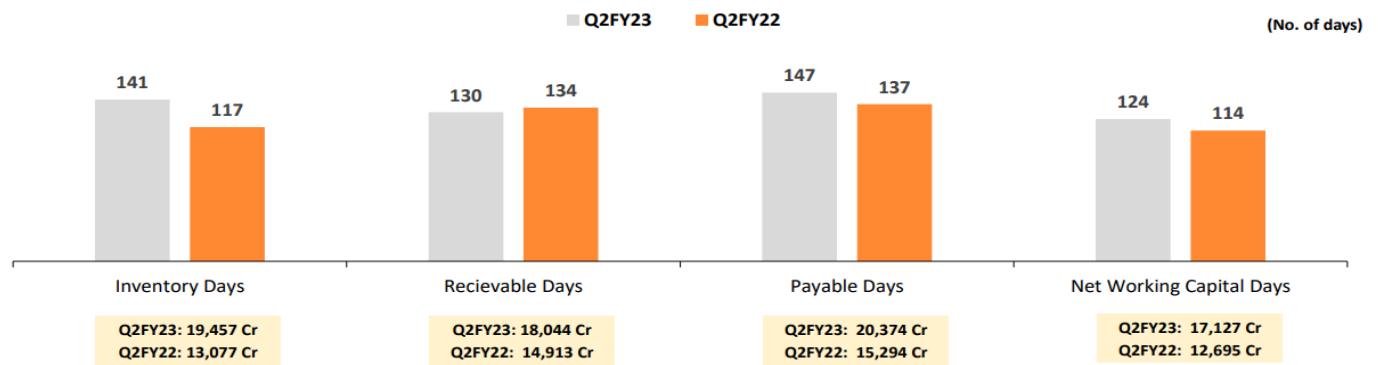
Source: Company, MOFSL

Exhibit 9: Quarterly revenue trend – North America

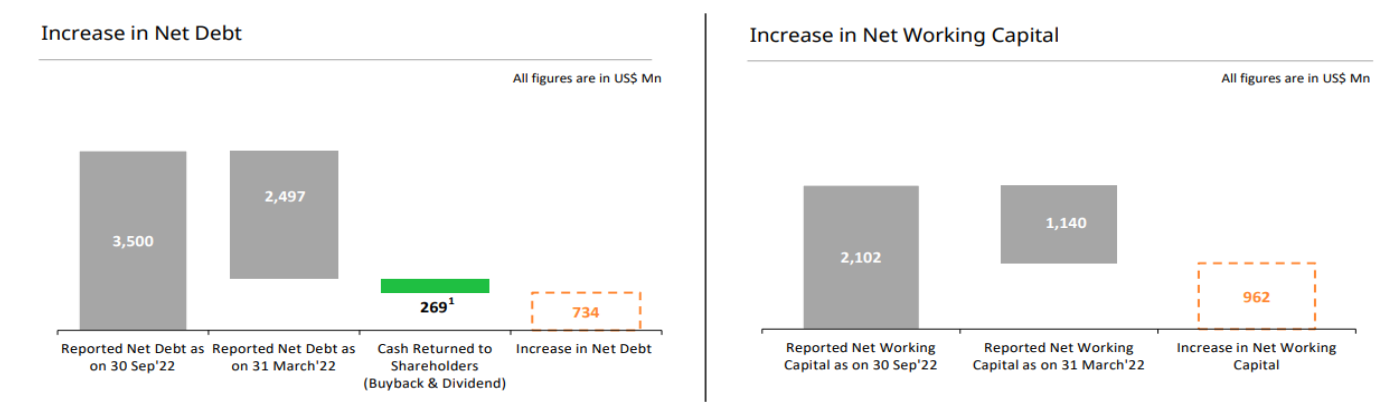
Source: Company, MOFSL

Exhibit 10: Revenue growth by region in 2QFY23

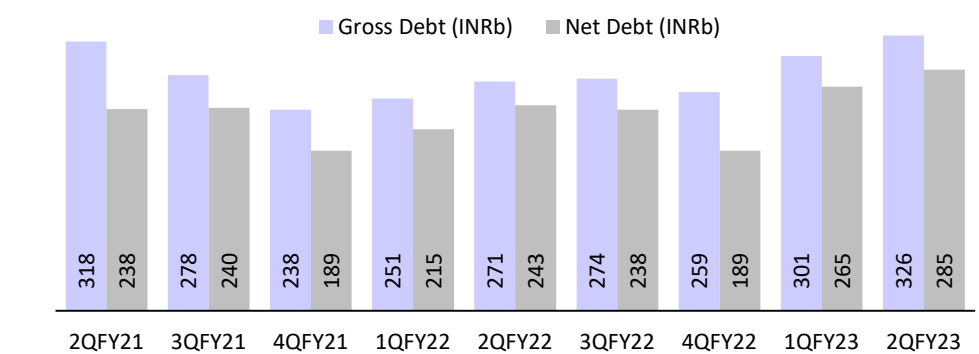
Source: Company, MOFSL

Exhibit 11: Working capital analysis (no. of days)

Source: Company, MOSL

Exhibit 12: Movement of liquidity in 2QFY23

Source: Company, MOFSL

Exhibit 13: Gross and net debt movements (excluding perpetual bond of INR29.86b)

Source: Company, MOFSL



Highlights from the conference call

LATAM

- Revenue grew 20% YoY during the quarter, driven by growth in Brazil, primarily led by improved pricing in herbicides.
- Strong double-digit growth was observed in NPP BioSolutions, led by Mexico Argentina, and Andean region.

Europe

- Revenue remained flattish YoY, led by Euro devaluation; however, in EURO terms, revenue grew ~13% YoY, led by strong growth in DACH and Central Europe, owing to herbicide volume and pricing.

India

- India saw a robust revenue growth of 22% YoY in the quarter, driven by growth in NPP BioSolutions, glufosinate products, and the launch of new insecticides in paddy and cotton
- The management expects the market to be supportive for key crops such as rice. Pricing improvement is witnessed across key crops such as oilseeds (+5%), cereals (+15%), cotton (-10%), and sugarcane (+10%).

North America (NAM)

- North America revenue grew 24% YoY in the quarter, due to growth in herbicides and strong commodity prices.
- Continuing dry weather in western US continues to adversely impact specialty crops and the rice market; the region is also affected due to high channel inventory
- The company is entering the Soybean market in the US with the launch of herbicides, the sales of which is expected to start from 4QFY23. The market size for this segment is expected to be huge across North America and the LATAM market.

RoW

- Revenue grew 21% YoY, driven by strong growth in SE Asia and AUZ/NZ despite high channel stocks, price pressure from Chinese suppliers, and unfavorable market economics for key crops.
- The Japan region witnessed flat growth despite a significant JPY devaluation against INR.

Guidance

- The management is focusing on cash generation in the following quarters.
- \$260m cash inflows from the realignment will be utilized to repay debt.
- The management anticipates significant reduction in inventory levels in 2HFY23.
- The management maintains a growth target for Revenue/EBITDA at 12-15%/15-18% for FY23 and expects to deliver a healthy volume growth in 2HFY23.
- Volume growth is expected to be in mid-single digits in FY23. Also, the management expects the company's global volume growth to be higher than that of the global volume average growth of 3-4%.
- Effective tax rate to be ~15-18% for FY23.

Working Capital and Debt

- The management is maintaining its net debt reduction target of USD400m. The total gross debt reduction is expected to be ~USD500m in FY23 (including USD260m cash inflow from a recent deal)
- The management expects Net debt/EBITDA to be below 1.4x by the end of FY23
- Factoring (receivables) is expected to remain around USD1.6b by the end of FY23 (similar to last year levels). The management indicated that factoring is expected to grow at a slower rate than sales. To lower the factoring cost, UPLL will be curtailing the factoring in some of the geographies, such as Brazil, where the benchmark rate has increased. But the company would compensate this with geographies, such as USA and EU, where it can get favorable rates. Also, the company is selling its products closure to the season, helping to lower the receivables.
- The company has a JV in Brazil, where it sells its products with receivable days of 180, while it usually sells its products for a 220-day credit term. For example, in Brazil, the company is selling at a crop term, i.e., whatever is the crop period.
- The company believes that the current level of working capital is not sustainable and is taking several measures to bring down the working capital.
- UPLL has recently taken a fixed rate plain vanilla bond (replacing the older loan), amounting to USD750m for five years (divided into two parts, i.e., two years @LIBOR+145 and three years @LIBOR +125), which is ~20-25bp lower than the original cost of the previous loan.

Other highlights

- UPLL launched the Gigaton Carbon Goal in Rwanda, Kenya, and other western and southern African countries post the successful launch in Europe in 1QFY23.
- Contribution margins improved 290bp, led by shifting the product mix to higher margin products and rationalizing the product portfolio.
- The herbicides segment drove the gross margins higher with appropriate price increases. In 3QFY23, the management expects the trend to continue YoY (may not be QoQ) but see margin expansion in both 3Q and 4Q.
- The overall decline in volume growth was primarily led by a decline in volume in LATAM (mostly in Brazil). This was due to the company's focus on rationalizing its product basket and focusing on high margin products. The management indicated that the market share is not compromised while improving the margins.
- Americas witnessed a volume growth in mid-single digits.
- Going forward, 70% of the incremental sales will be from new product sales with Evolution® being a major contributor. This might result in a cannibalization rate of ~30%.
- Finance cost increased due to increase in benchmark rate globally (in the range of ~400-800bp in different geographies).
- SG&A cost has increased, primarily due to high employee cost (contribute almost half of the SG&A cost), resulting from increased inflation. The trend is likely to continue. The company is focused on managing the headcounts and is expecting to witness continued SG&A growth for the rest of the year.
- Supply Chain - UPLL is the most backward integrated player in the sector. The company has built a strong supply network over the last four to five years. UPLL

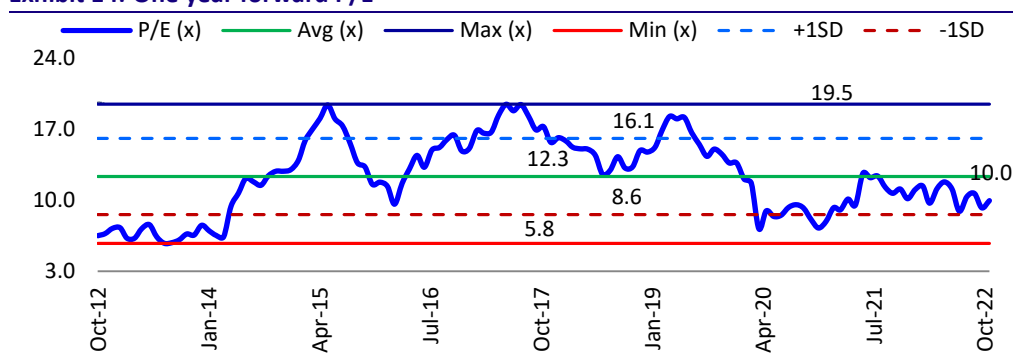
is the largest buyer of specialty chemicals in India. Compared to its global peers, UPL is not as heavily dependent on China. Although the company will not completely detach from China but will strike a balance.

- Price hikes going forward will be in tandem with the prices of key crops, feed stocks, and grains. Although there is some softening on the feedstock, the ground situation across geographies is not reflecting this softening due to the currency effect and higher interest costs.
- Kudos Chemie Acquisition of INR2.4b - UPL has USD2b manufacturing platform catering to crop protection and specialty chemical business. Over the last two years, the company has been spending on building the specialty chemical platform to be used as an intermediate for its existing platform. Kudos has ~100 acres of site with a huge infrastructure and the company has got a readymade site through this acquisition and within a year's time, the management expects to see the new specialty chemical production coming from this site and catering to the non-agri segment.

Valuation and view

- In 1HFY23, cash flow was under pressure, led by an increase in working capital, resulting in cash outflow from operation of INR45.94b v/s cash outflow of INR24.15b 1HFY22.
- In 2QFY23, UPL's gross/net debt rose INR24b/INR20b YoY to INR326b/INR285b due to higher working capital requirement. The net debt-to-EBITDA ratio (including perpetual bond) is expected to be ~1.7x in FY23 from 2.2x in FY22.
- However, we believe cash flow generation and debt repayment remain the key monitorables amid a high inflationary environment in FY23E.
- We expect a revenue/EBITDA/Adj. PAT CAGR of 13%/15%/12% over FY22-24, respectively, backed by higher volumes and improved product mix.
- We largely maintain our FY23E/FY24E earnings. **We reiterate our Neutral rating on the stock with a TP of INR780 (premised on 10x FY24E P/E; in line with a three-year average, one-year forward P/E).**

Exhibit 14: One year forward P/E



Source: MOSL

Exhibit 15: Change in our estimates

Particulars (INR m)	Old		New		Change (%)	
	FY23E	FY24E	FY23E	FY24E	FY23E	FY23E
Revenue	5,28,853	5,84,378	5,37,008	5,93,428	2	2
EBITDA	1,17,311	1,30,901	1,21,478	1,35,301	4	3
Adj. PAT	52,770	58,446	54,864	60,957	4	4

Source: MOFSL

Financials and valuations

Consolidated - Income Statement

(INR m)

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Total Income from Operations	1,40,480	1,63,120	1,73,780	2,18,370	3,57,560	3,86,940	4,62,400	5,37,008	5,93,428
Change (%)	16.2	16.1	6.5	25.7	63.7	8.2	19.5	16.1	10.5
EBITDA	26,180	32,230	35,160	45,530	74,460	86,340	1,01,650	1,21,478	1,35,301
Margin (%)	18.6	19.8	20.2	20.8	20.8	22.3	22.0	22.6	22.8
Depreciation	6,760	6,720	6,750	8,800	20,120	21,730	23,590	24,910	28,533
EBIT	19,420	25,510	28,410	36,730	54,340	64,610	78,060	96,568	1,06,769
Int. and Finance Charges	7,040	7,350	7,830	9,630	14,810	20,600	22,950	23,130	23,345
Other Income	3,160	4,440	4,140	2,400	1,040	2,580	2,810	2,910	1,780
Exchange diff on trade rec. & payables	2,230	2,380	110	2,980	3,310	2,070	6,360	5,210	0
PBT bef. EO Exp.	13,310	20,220	24,610	26,520	37,260	44,520	51,560	71,138	85,204
EO Items	1,290	810	630	8,930	9,650	3,130	3,240	1,210	0
PBT after EO Exp.	12,020	19,410	23,980	17,590	27,610	41,390	48,320	69,928	85,204
Total Tax	1,650	1,890	2,750	1,980	5,860	6,860	5,290	10,708	14,485
Tax Rate (%)	13.7	9.7	11.5	11.3	21.2	16.6	10.9	15.3	17.0
Share of (profit)/loss of ass. & JV	850	190	930	-140	-30	-420	-1,340	-1,374	-1,511
Minority Interest	120	60	80	840	4,020	6,240	8,110	9,719	11,273
Reported PAT	9,400	17,270	20,220	14,910	17,760	28,710	36,260	50,876	60,957
Adjusted PAT	13,238	20,878	22,163	24,648	26,718	34,708	48,540	54,864	60,957
Change (%)	-9.7	57.7	6.2	11.2	8.4	29.9	39.9	13.0	11.1
Margin (%)	9.4	12.8	12.8	11.3	7.5	9.0	10.5	10.2	10.3

Consolidated - Balance Sheet

(INR m)

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Equity Share Capital	860	1,010	1,020	1,020	1,530	1,530	1,530	1,530	1,530
Total Reserves	20,060	72,140	90,670	1,46,130	1,61,430	1,77,480	2,15,220	2,56,916	3,27,794
Net Worth	58,890	73,970	91,690	1,47,150	1,62,960	1,79,010	2,16,750	2,58,446	3,29,324
Minority Interest	440	330	190	34,540	33,120	36,930	46,470	56,189	67,462
Total Loans	52,580	63,610	66,380	2,91,360	2,88,130	2,37,740	2,58,660	2,48,660	1,93,660
Perpetual bonds	0	0	0	0	29,860	29,860	29,860	29,860	29,860
Total Loans (Including Perpetual bond)	52,580	63,610	66,380	2,91,360	3,17,990	2,67,600	2,88,520	2,78,520	2,23,520
Deferred Tax Liabilities	-3,900	-5,010	-4,410	21,970	27,770	26,620	24,750	24,750	24,750
Capital Employed	1,08,010	1,32,900	1,53,850	4,95,020	5,41,840	5,10,160	5,76,490	6,17,905	6,45,056
Gross Block	93,150	96,060	1,06,340	2,30,310	2,59,590	2,80,750	3,10,900	3,43,408	3,69,910
Less: Accum. Depn.	58,700	59,540	66,290	75,090	95,210	1,16,940	1,40,530	1,65,440	1,93,973
Net Fixed Assets	34,450	36,520	40,050	1,55,220	1,64,380	1,63,810	1,70,370	1,77,968	1,75,937
Goodwill on Consolidation	4,170	4,190	4,320	1,66,270	1,82,410	1,76,890	1,83,640	1,83,640	1,83,640
Capital WIP	4,840	7,920	13,190	18,550	20,730	21,170	25,010	17,502	16,000
Total Investments	3,350	3,780	10,340	7,080	5,580	5,810	19,220	19,220	19,220
Curr. Assets, Loans&Adv.	1,17,980	1,44,700	1,57,240	2,84,540	3,27,730	3,36,630	4,28,550	4,81,708	5,38,526
Inventory	37,870	41,560	45,380	91,330	78,500	94,220	1,30,780	1,44,635	1,63,884
Account Receivables	51,000	56,560	60,570	1,16,790	1,18,670	1,25,910	1,53,340	1,83,907	2,03,229
Cash and Bank Balance	11,890	28,950	28,940	28,510	67,520	48,530	61,200	58,116	66,377
Loans and Advances	17,220	17,630	22,350	47,910	63,040	67,970	83,230	95,050	1,05,037
Curr. Liability & Prov.	56,780	64,210	71,290	1,36,640	1,58,990	1,94,150	2,50,300	2,62,133	2,88,268
Account Payables	39,620	48,850	56,750	94,230	1,02,330	1,25,250	1,65,520	1,72,184	1,95,099
Other Current Liabilities	16,120	14,270	13,430	33,770	55,310	59,870	76,780	80,551	83,080
Provisions	1,040	1,090	1,110	8,640	1,350	9,030	8,000	9,398	10,088
Net Current Assets	61,200	80,490	85,950	1,47,900	1,68,740	1,42,480	1,78,250	2,19,575	2,50,258
Appl. of Funds	1,08,010	1,32,900	1,53,850	4,95,020	5,41,840	5,10,160	5,76,490	6,17,905	6,45,056

Financials and valuations

Ratios

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Basic (INR)									
EPS	17.3	27.3	29.0	32.2	34.9	45.4	63.5	71.7	79.7
Cash EPS	26.1	36.1	37.8	43.7	61.2	73.8	142.8	158.0	177.2
BV/Share	77.0	96.7	119.9	192.4	213.0	234.0	429.2	511.8	652.1
DPS	5.0	7.0	5.3	5.3	6.0	10.0	10.0	12.0	14.0
Payout (%)	40.7	31.0	20.0	27.1	25.8	26.6	21.1	18.0	17.6
Valuation (x)									
P/E	41.4	26.3	24.7	22.3	20.5	15.8	11.3	10.0	9.0
Cash P/E	27.4	19.9	19.0	16.4	11.7	9.7	5.0	4.5	4.0
P/BV	9.3	7.4	6.0	3.7	3.4	3.1	1.7	1.4	1.1
EV/Sales	4.2	3.6	3.4	3.7	2.2	2.0	1.7	1.4	1.2
EV/EBITDA	22.5	18.1	16.7	17.8	10.7	8.9	7.6	6.3	5.2
Dividend Yield (%)	0.7	1.0	0.7	0.7	0.8	1.4	1.4	1.7	2.0
FCF per share	9.2	24.1	19.2	-350.0	88.9	67.3	31.7	51.3	100.2
Return Ratios (%)									
RoE	22.5	31.4	26.8	20.6	17.2	20.3	24.5	23.1	20.7
RoCE	19.2	21.7	19.5	11.6	9.5	12.1	15.1	16.2	16.5
RoIC	21.4	25.7	26.1	12.0	9.6	12.2	15.4	16.5	16.6
Working Capital Ratios									
Fixed Asset Turnover (x)	1.5	1.7	1.6	0.9	1.4	1.4	1.5	1.6	1.6
Inventory (Days)	204	194	204	319	156	180	216	210	210
Debtor (Days)	133	127	127	195	121	119	121	125	125
Creditor (Days)	213	228	255	329	203	239	274	250	250
Leverage Ratio (x)									
Net Debt (incl perpetual bonds)/Equity	0.7	0.5	0.4	1.8	1.5	1.2	1.0	0.8	0.5

Consolidated - Cash Flow Statement

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
OP/(Loss) before Tax	13,310	20,220	24,610	26,520	27,640	41,810	49,660	71,138	85,204
Depreciation	6,760	6,720	6,750	8,800	20,120	21,730	23,590	24,910	28,533
Interest & Finance Charges	6,350	5,850	7,830	9,630	14,810	20,600	22,950	23,130	23,345
Direct Taxes Paid	-5,030	-4,040	-2,750	-1,980	-8,190	-7,250	-10,040	-10,708	-14,485
(Inc)/Dec in WC	-7,040	-1,210	-5,470	-10,480	30,500	-2,140	-17,670	-44,409	-22,422
CF from Operations	14,350	27,540	30,970	32,490	84,880	74,750	68,490	64,062	1,00,175
Others	-390	-850	-630	-8,930	2,510	-2,630	-3,530	164	1,511
CF from Operating incl EO	13,960	26,690	30,340	23,560	87,390	72,120	64,960	64,226	1,01,686
(Inc)/Dec in FA	-6,930	-8,270	-15,680	-2,91,280	-19,350	-20,650	-40,740	-25,000	-25,000
Free Cash Flow	7,030	18,420	14,660	-2,67,720	68,040	51,470	24,220	39,226	76,686
(Pur)/Sale of Investments	800	120	-6,560	3,260	1,500	-230	-13,410	0	0
Others	-10,728	-2,040	2,810	-21,180	-8,580	-130	15,960	0	20,630
CF from Investments	-16,858	-10,190	-19,430	-3,09,200	-26,430	-21,010	-38,190	-25,000	-4,370
Issue of Shares	0	0	-810	0	0	0	0	0	0
Inc/(Dec) in Debt	12,840	10,790	2,770	2,24,980	-28,700	-42,190	13,060	-10,000	-55,000
Interest Paid	-5,860	-7,950	-7,830	-9,630	-16,460	-16,550	-19,410	-23,130	-23,345
Dividend Paid	-2,290	-2,280	-4,040	-4,040	-4,570	-4,580	-7,640	-9,180	-10,710
Others	0	0	-1,010	73,900	27,980	-3,810	-5,220	0	0
CF from Fin. Activity	4,690	560	-10,920	2,85,210	-21,750	-67,130	-19,210	-42,310	-89,055
Inc/Dec of Cash	1,792	17,060	-10	-430	38,980	-19,270	10,000	-3,084	8,261
Opening Balance	10,098	11,890	28,950	28,940	28,540	67,800	51,200	61,200	58,116
Closing Balance	11,890	28,950	28,940	28,510	67,520	48,530	61,200	58,116	66,377

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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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