

Rating: BUY | CMP: Rs962 | TP: Rs1,310

May 17, 2023

Q4FY23 Result Update

Change in Estimates | Target | Reco

Change in Estimates

	Current		Previous	
	FY24E	FY25E	FY24E	FY25E
Rating	BUY		BUY	
Target Price	1,310		1,350	
Sales (Rs. m)	1,88,066	2,04,500	1,90,330	1,99,664
% Chng.	(1.2)	2.4		
EBITDA (Rs. m)	28,940	29,730	29,772	30,276
% Chng.	(2.8)	(1.8)		
EPS (Rs.)	69.3	71.0	72.5	73.6
% Chng.	(4.5)	(3.5)		

Key Financials - Consolidated

Y/e Mar	FY22	FY23	FY24E	FY25E
Sales (Rs. m)	1,91,109	2,96,279	1,88,066	2,04,500
EBITDA (Rs. m)	21,499	29,262	28,940	29,730
Margin (%)	11.2	9.9	15.4	14.5
PAT (Rs. m)	15,285	20,129	20,362	20,870
EPS (Rs.)	52.1	68.5	69.3	71.0
Gr. (%)	15.0	31.5	1.2	2.5
DPS (Rs.)	12.0	14.0	16.0	17.0
Yield (%)	1.2	1.5	1.7	1.8
RoE (%)	26.6	28.2	23.4	20.3
RoCE (%)	34.4	38.5	30.9	26.7
EV/Sales (x)	1.4	0.9	1.4	1.3
EV/EBITDA (x)	12.3	9.2	9.3	8.7
PE (x)	18.5	14.1	13.9	13.6
P/BV (x)	4.4	3.6	3.0	2.6

Key Data

CROM.BO | CRIN IN

52-W High / Low	Rs.1,094 / Rs.838
Sensex / Nifty	61,932 / 18,287
Market Cap	Rs.283bn/ \$ 3,441m
Shares Outstanding	294m
3M Avg. Daily Value	Rs.286.55m

Shareholding Pattern (%)

Promoter's	57.41
Foreign	9.40
Domestic Institution	18.86
Public & Others	14.33
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	3.8	3.9	8.2
Relative	1.2	4.0	(7.5)

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Near term hiccups; outlook bright

Quick Pointers:

- Confident to maintain EBITDA/MT at Rs5,500-6,000/MT in FY24E
- Subsidy outstanding at Rs23.8bn as on March'23 (up Rs20.8bn YoY, down Rs19.8bn QoQ).

We trim our FY24/25E EPS estimates by 5%/4% and target price to Rs1310 (earlier Rs1350) citing normalization of EBITDA/mt to be led by reduction in NBS rates from Govt. for the upcoming kharif season amid a falling RM cost scenario and lower benefit of backward integration. This coupled with higher marketing volumes is likely to exert pressure on the overall fertilizer margins. Coromandel International (CRIN) reported Revenue/EBITDA/PAT growth of 30%/6%/-10% YoY were lower than our and consensus estimates. Healthy revenue growth was on the back of superior realizations and higher volumes (overall fertilizer volumes were up 42% YoY to 1.2mn mt) offset by lower profitability as the company has already accounted for lower subsidy income considering downward revision in NBS rates from Govt. in 4QFY23. Going forward, management remains confident of achieving 6-10% YoY growth in manufactured volumes with sustainable EBITDA/mt within Rs5,500-6,000/MT range largely aided by a) better product mix; b) benefits of backward integration in phosphoric acid, sulphuric acid and rock phosphate.

We expect CRIN to report stable margins for a longer term backed by a) efficient sourcing of RM's; b) benefits of backward integration; c) rising share of unique grades to overall manufactured volumes; d) product innovation & capacity expansion in both businesses and e) enhanced focus on product branding, both in nutrition and CP segment. Maintain 'BUY' at revised TP of INR1310 (earlier Rs1350) based on 18x FY25E EPS.

- Lower subsidy income from Govt. impacted Fertilizer margins:** Consolidated revenues at Rs54.8bn up 30% YoY (PLe Rs55.8bn) were largely driven by superior revenue growth both the business segments. Nutrient and other allied products revenues were up 33% YoY to Rs48.8bn, while crop protection reported revenue growth of 11% YoY to Rs6.1bn. For 4QFY23, overall fertilizer sales volumes were up 42% YoY to 1.2 mn mt, led by -1%/+146%/+20% YoY increase manufactured/marketing/ SSP volumes. Derived manufactured EBITDA/MT for 4QFY23 stands at Rs4300/MT. Strong performance in domestic formulations and B2B business in Crop Protection chemicals (CPC) segment was offset by decline in exports revenues. Subsidy and non-subsidy business contribution in Revenue/EBITDA stood at 84%/16% (FY23 87%/13%) and 66%/24% (FY23, 75%/25%) respectively. Unique grade products contributed 46% of volume in 4QFY23 as against 31% in 4QFY22.
- Crop protection segment impacted by lower exports demand:** CPC segment reported revenue growth of 11% YoY in 4QFY23. Growth in domestic formulations and B2B was offset with headwinds faced in the export market. Cost lag effect coupled with price related challenges for mancozeb impacted export performance (contributing ~45% of CPC revenues). Going forward, management alluded for better growth to be led by new product launches (8 new products launched in FY23).

- Rs 20 bn capex to be spend over the next few years:** CRIN has guided for capex of Rs 20bn (including CWIP) to be spent a) fertilizer business (Rs 7-8 bn) and CPC business (Rs 10 bn). For fertilizer business, capex includes a) ~Rs 4bn expansion of sulphuric acid plant in Vizag (likely to commercialize by 2QFY24); b) Debottlenecking activities in fertilizer plants; c) capacity expansion of SSP granulation plant. For CPC business, capex includes, a) 50-acre land parcel in Dahej (already purchased) and b) 3 new MPPs. Further, the management alluded that they are also looking at organic and inorganic opportunities for growth in the medium term. While, CRIN is also getting into the Nano-DAP; with a capacity of ~40mn bottles.

Exhibit 1: Q4FY23 Result Overview (Rs mn)

Year to March	Q4FY23	Q4FY22	YoY gr. (%)	Q3FY23	QoQ gr. (%)	FY23	FY22	YoY gr. (%)
Revenues	54,758	42,268	29.5	83,096	(34.1)	2,96,279	1,91,109	55.0
Raw material	42,369	31,417	34.9	66,924	(36.7)	2,34,725	1,42,165	65.1
Staff costs	1,640	1,577	4.0	1,666	(1.5)	6,566	5,872	11.8
Other expenditure	6,717	5,477	22.6	6,701	0.2	25,727	21,573	19.3
Total expenditure	50,726	38,471	31.9	75,290	(32.6)	2,67,017	1,69,610	57.4
EBITDA	4,032	3,797	6.2	7,806	(48.3)	29,262	21,499	36.1
Depreciation	446	454	(1.9)	471	(5.3)	1,820	1,727	5.4
EBIT	3,587	3,343	7.3	7,335	(51.1)	27,442	19,772	38.8
Interest	524	214	145.1	568	(7.8)	1,900	755	151.8
Other income	469	768	(39.0)	396	18.4	1,711	1,443	18.6
Profit Before Tax	3,531	3,897	(9.4)	7,163	(50.7)	27,253	20,460	33.2
Less: Provision for Tax	901	992	(9.2)	1,794	(49.8)	6,879	5,213	32.0
PAT	2,630	2,905	(9.5)	5,368	(51.0)	20,374	15,247	33.6
Minority interest	-	-	NA	-	NA	0	0	NA
Add: Share of profit from associates	(166)	(7)	2,205.6	(100)	NA	-245	37	NA
Adjusted Profit	2,464	2,898	(15.0)	5,269	(53.2)	20,129	15,285	31.7
Add: Exceptional items (net of tax)	-	-	-	-	-	0	0	-
Reported Profit	2,464	2,898	(15.0)	5,269	(53.2)	20,129	15,285	31.7
No. of Diluted shares (mn)	293	293		293		294	293	
Adjusted Diluted EPS	8.4	9.9	(15.0)	18.0	(53.2)	68.6	52.1	31.7
As % of net revenues								
Raw material	77.4	74.3		80.5		79.2	74.4	
Staff expenses	3.0	3.7		2.0		2.2	3.1	
Other expenditure	12.3	13.0		8.1		8.7	11.3	
EBITDA	7.4	9.0		9.4		9.9	11.2	
Net profit	4.5	6.9		6.3		6.8	8.0	

Source: Company, PL

Exhibit 2: Quarterly Sales volumes- Robust volume led growth

Sales volume (MT)	Q4FY23	Q4FY22	YoY gr. (%)	Q3FY23	QoQ gr. (%)	FY23	FY22	YoY gr. (%)
Non Urea - Manufactured	5,38,000	5,43,000	(0.9)	9,14,000	(41.1)	31,17,000	28,34,000	10.0
SSP-Manufactured	1,90,000	1,59,000	19.5	2,16,000	(12.0)	8,08,000	7,57,000	6.7
Non Urea - Traded	87,000	53,000	64.2	1,38,000	(37.0)	4,25,000	3,56,000	19.4
Urea - Traded	5,42,000	2,25,000	140.9	4,00,000	35.5	14,76,000	6,08,000	142.8
Total Traded	6,29,000	2,78,000	126.3	5,38,000	16.9	19,01,000	9,64,000	97.2
Total	13,57,000	9,80,000	38.5	16,68,000	(18.6)	58,26,000	45,55,000	27.9

Source: Company, PL

Exhibit 3: Segmental revenue break-up- Crop Protection EBIT continues to be under pressure

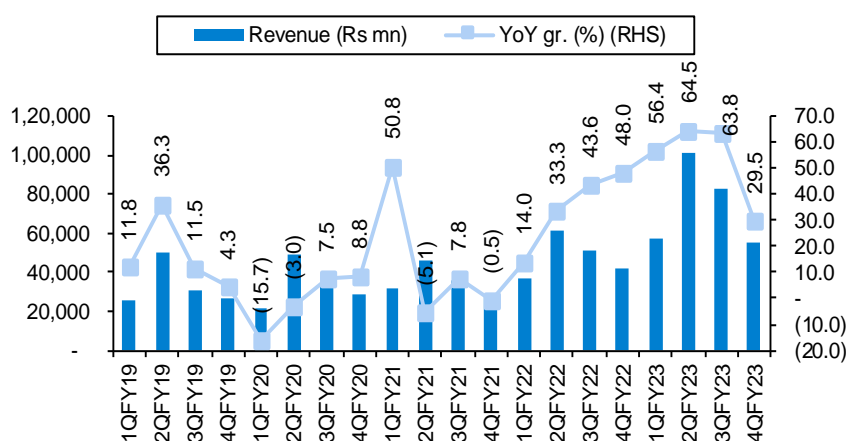
Segment Revenue (Gross)	4QFY20	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23
- Nutrient and other allied products	24,362	28,072	40,142	30,453	23,652	30,705	54,784	44,836	36,828	51,105	94,612	77,098	48,806
- Crop Protection	4,420	4,202	6,371	5,114	5,152	6,315	7,015	6,216	5,561	6,607	7,068	6,526	6,155
Less: Intersegment revenue	89	142	400	236	245	380	323	316	120	422	547	528	203
Income from Operations	28,693	32,132	46,113	35,330	28,560	36,639	61,475	50,736	42,268	57,291	1,01,134	83,096	54,758
Growth (%)													
- Nutrient and other allied products	6.8%	49.2%	-8.6%	7.2%	-2.9%	9.4%	36.5%	47.2%	55.7%	66.4%	72.7%	72.0%	32.5%
- Crop Protection	21.8%	55.1%	24.9%	10.6%	16.6%	50.3%	10.1%	21.6%	7.9%	4.6%	0.8%	5.0%	10.7%
Income from Operations	8.8%	50.8%	-5.1%	7.8%	-0.5%	14.0%	33.3%	43.6%	48.0%	56.4%	64.5%	63.8%	29.5%
Segment Results (EBIT)													
- Nutrient and other allied products	3,119	3,695	7,064	4,087	2,006	3,987	6,121	4,382	3,248	6,022	9,553	6,972	3,390
- Crop Protection	598	542	1,385	894	646	823	1,198	928	735	867	1,053	810	928
Less: Unallocated expenses	(260)	(534)	(438)	(412)	(509)	(402)	(307)	(291)	(640)	(481)	(493)	(447)	(731)
Less: Finance Cost	(434)	(434)	(253)	(205)	(164)	(171)	(192)	(178)	(214)	(266)	(542)	(568)	(524)
Add: Other Income	115	107	82	89	158	218	189	259	768	536	311	396	469
Less: Exceptional item	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit before Tax	3,137	3,376	7,841	4,453	2,136	4,455	7,008	5,101	3,897	6,678	9,881	7,163	3,531
Growth (%)													
- Nutrient and other allied products	55.6%	83.0%	12.4%	12.0%	-35.7%	7.9%	-13.4%	7.2%	62.0%	51.1%	56.1%	59.1%	4.4%
- Crop Protection	17.2%	825.6%	66.2%	25.4%	8.1%	51.8%	-13.5%	3.8%	13.7%	5.3%	-12.0%	-12.8%	26.3%
Profit before Tax	91.9%	254.7%	27.6%	25.7%	-31.9%	31.9%	-10.6%	14.6%	82.5%	49.9%	41.0%	40.4%	-9.4%
EBIT Margins (%)													
- Nutrient and other allied products	12.8%	13.2%	17.6%	13.4%	8.5%	13.0%	11.2%	9.8%	8.8%	11.8%	10.1%	9.0%	6.9%
- Crop Protection	13.5%	12.9%	21.7%	17.5%	12.5%	13.0%	17.1%	14.9%	13.2%	13.1%	14.9%	12.4%	15.1%
Total	10.9%	10.5%	17.0%	12.6%	7.5%	12.2%	11.4%	10.1%	9.2%	11.7%	9.8%	8.6%	6.4%

Source: Company, PL

- New product launches coupled with enhanced focus on branding in Non subsidy business - to support growth:** Management envisaged that new product launches coupled with branding of their products both in the Nutrition and CP segment is likely to reap benefits in the medium to long term. The company continues with its endeavor to invest on R&D, expansion in distribution reach, and identifying newer off-patented molecules. CRIN has launched 8 new formulations in the CP segment in FY23.

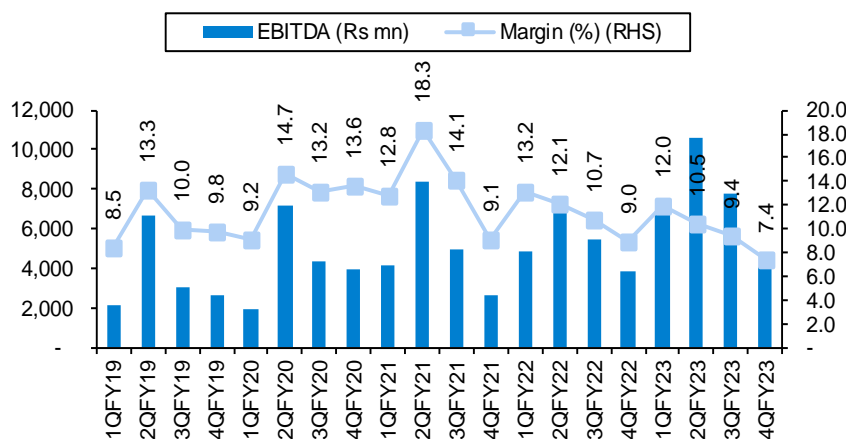
- Reduction in NBS rates by Govt./price cuts is likely to exert pressure on margins in FY24:** In line with the falling RM cost globally, the Govt. has revised downward their NBS subsidy payable for 2HFY23 (as compared to 1HFY23). Hence going by the falling RM price trend, management alluded that there can be further reduction in subsidy/MRP going forward in FY24 which in turn can exert pressure on the margins profile. However, CRIN remains confident of maintaining fertilizer EBITDA/MT of Rs5500-6000 going forward to be led by benefits of backward integration in Phosphoric acid, sulphuric acid and rock phosphate and better product mix to the overall revenues.

Exhibit 4: Higher revenue growth a function of increased subsidy



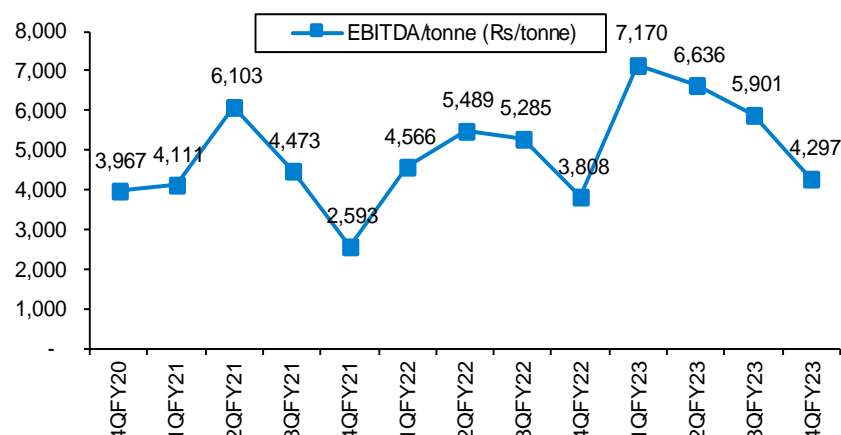
Source: Company, PL

Exhibit 5: Margins under pressure led by inflated RM cost



Source: Company, PL

Exhibit 6: FY23 EBITDA/MT upwards of Rs6,000/MT



Source: Company, PL

Conference Call highlights:

Fertilizer Business

- Industry Sales Volumes for 4QFY23:** Phosphatic fertilizer industry higher by 62% to 46.4mn mt as against 28.7mn mt in same period last year.
- Industry Sales Volumes for FY23:** Phosphatic fertilizer industry increased by 2% YoY.
- Coromandel sales volumes for 4QFY23:** Phosphatic volumes (DAP + Complex) stood at 6.25mn mt +5% as against 5.95mn mt last year; whereas manufactured phosphatic volumes were up 1% YoY; Trading volumes were up 64% YoY to 0.87 lakh mt.
- Nutrient and allied business** contributed to 89%, while crop protection business contributed 11% of the total revenues in 4QFY23. For FY23, contribution stood at 91%/9% respectively.
- Subsidy/ Non-subsidy revenue share:** Subsidy/ Non-subsidy share stood at 84%/16% in 4QFY23 and for FY23 at 87%/13%.
- Subsidy/ Non-subsidy EBITDA share:** Subsidy/ Non-subsidy share stood at 66%/34% in 4QFY23 as against as 59%/41% last year. For FY23 at 75%/25% vs 70%/30% last year.
- Subsidy Outstanding:** Subsidy outstanding stood at Rs23.8bn as on 31st March'23 as against Rs2.9bn in the same period last year.
- Subsidy received** Rs44.8bn during the 4QFY23 as against Rs26.2bn last year. For FY23 subsidy received stood at 124.8bn as against 73.7bn in the same period last year.
- Market share in phosphatic** at 15.4% during FY23.
- SSP sales volumes** were 1.9 lakh mt up 19% YoY in 4QFY23. For FY23 increased from 7.5 lakh mt to 8.1 lakh mt.
- SSP market share** increased from 14% to 14.9% for FY23.

- **Production and capacity utilization in fertilizer segment:** Capacity utilization at +90% for complex fertilizers during FY23.
- **EBITDA Margins lower led by** a) provisions of lower subsidy from Govt. amid a falling RM cost scenario; Govt. likely to revise downward the subsidy from Jan-March'23 and again from April'23 onwards. CRIN has already provided larger part of the provisions in 4Q; while they expect minimal impact in 1Q'24.
- **Going forward, CRIN remains confident to achieve manufactured volume growth of ~10% YoY;** with margins to be in the range of INR5,500-6,000/tonne led by 1) better operational efficiencies; 2) launching new products both in the nutrition and crop protection business which in turn is supporting the margins profile; 3) better product mix- higher focus on NPK as against DAP; 4) debottlenecking and better utilization of Phosphoric Acid production capacity by 100-200 tonne/day.
- **Channel Inventory:** - Industry has high amount of stocks particularly in imported DAP and NPK; where majority is lying with the importers; for CRIN the inventory is quite comfortable.
- **Capex for FY24E-** Guided for Rs20bn capex to be spent over the next few years; to be fully funded from internal accruals; of which Rs10bn is towards CPC business; while Rs7-8bn is for the fertilizer business (enhancing capacities in granular SSP Plants); and balance Rs2-3bn is for the specialty nutrients business and maintenance capex.

Crop Protection business

- **Performance in the CPC segment:** was largely driven by 1) higher growth in domestic formulation business; b) domestic B2B posted positive growth; c) exports were under pressure due to cost lag effect and price related pressures in Mancozeb and Propinafob.
- **CRIN launched 8 new** products in the CPC segment.
- **Capex-** Rs10bn in CPC business for the CDMO and new MPP's in Dahej. Have purchased 50-acre land parcel in Dahej for greenfield projects in CPC. Out of the 3 business proposal- 1 is fungicide- it is at the final stage of approval; 2nd is MPP- Dahej- existing facility for fungicide and 3rd is for herbicide newly acquired land at Dahej. Business have identified 18 molecules which are off-patented; it would take 18-24 months to be completed from the date of announcement. Asset turns to be ~2-3x; with margins in the range of 16-18% from these products.
- **Margins likely to be better going forward, to be largely led by** a) new product launches; b) higher contribution of specialized molecules to the overall revenues.

Financials

Income Statement (Rs m)

Y/e Mar	FY22	FY23	FY24E	FY25E
Net Revenues	1,91,109	2,96,279	1,88,066	2,04,500
YoY gr. (%)	34.5	55.0	(36.5)	8.7
Cost of Goods Sold	1,42,165	2,34,725	1,25,274	1,39,392
Gross Profit	48,943	61,554	62,792	65,108
Margin (%)	25.6	20.8	33.4	31.8
Employee Cost	5,872	6,566	7,523	7,567
Other Expenses	21,573	25,727	26,329	27,812
EBITDA	21,499	29,262	28,940	29,730
YoY gr. (%)	6.7	36.1	(1.1)	2.7
Margin (%)	11.2	9.9	15.4	14.5
Depreciation and Amortization	1,727	1,820	2,040	2,362
EBIT	19,772	27,442	26,901	27,368
Margin (%)	10.3	9.3	14.3	13.4
Net Interest	755	1,900	1,325	1,192
Other Income	1,443	1,711	1,573	1,651
Profit Before Tax	20,460	27,253	27,149	27,827
Margin (%)	10.7	9.2	14.4	13.6
Total Tax	5,213	6,879	6,787	6,957
Effective tax rate (%)	25.5	25.2	25.0	25.0
Profit after tax	15,247	20,374	20,362	20,870
Minority interest	-	-	-	-
Share Profit from Associate	37	(245)	-	-
Adjusted PAT	15,285	20,129	20,362	20,870
YoY gr. (%)	15.0	31.7	1.2	2.5
Margin (%)	8.0	6.8	10.8	10.2
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	15,285	20,129	20,362	20,870
YoY gr. (%)	15.0	31.7	1.2	2.5
Margin (%)	8.0	6.8	10.8	10.2
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	15,285	20,129	20,362	20,870
Equity Shares O/s (m)	294	294	294	294
EPS (Rs)	52.1	68.5	69.3	71.0

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY22	FY23	FY24E	FY25E
Non-Current Assets				
Gross Block	38,338	41,262	48,382	55,382
Tangibles	38,051	40,941	47,838	54,838
Intangibles	288	321	544	544
Acc: Dep / Amortization	17,212	19,031	21,071	23,432
Tangibles	17,212	19,031	21,071	23,432
Intangibles	-	-	-	-
Net fixed assets	21,126	22,231	27,311	31,950
Tangibles	20,839	21,910	26,767	31,405
Intangibles	288	321	544	544
Capital Work In Progress	1,198	3,764	3,750	3,750
Goodwill	3	3	-	-
Non-Current Investments	2,435	2,867	2,867	2,867
Net Deferred tax assets	(660)	(591)	(569)	(569)
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	-	-	-	-
Inventories	36,632	44,165	37,754	42,009
Trade receivables	2,649	5,893	4,753	4,105
Cash & Bank Balance	17,533	14,178	14,282	24,455
Other Current Assets	12,930	18,270	17,676	17,676
Total Assets	1,12,847	1,42,348	1,42,564	1,62,691
Equity				
Equity Share Capital	294	294	294	294
Other Equity	63,289	78,784	94,442	1,10,314
Total Networkth	63,583	79,078	94,736	1,10,608
Non-Current Liabilities				
Long Term borrowings	-	-	-	-
Provisions	9,469	9,496	9,462	9,462
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	0	46	-	-
Trade payables	39,135	53,138	37,754	42,009
Other current liabilities	-	-	-	-
Total Equity & Liabilities	1,12,847	1,42,348	1,42,520	1,62,647

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY22	FY23	FY24E	FY25E
PBT	20,498	27,008	27,149	27,827
Add. Depreciation	1,727	1,820	2,040	2,362
Add. Interest	755	1,900	1,325	1,192
Less Financial Other Income	1,443	1,711	1,573	1,651
Add. Other	(1,081)	(1,260)	(1,573)	(1,651)
Op. profit before WC changes	21,898	29,468	28,940	29,730
Net Changes-WC	3,716	(16,520)	(10,466)	(1,061)
Direct tax	(4,834)	(7,038)	(6,765)	(6,957)
Net cash from Op. activities	20,781	5,910	11,710	21,712
Capital expenditures	(2,766)	(5,891)	(7,103)	(7,000)
Interest / Dividend Income	1,053	1,436	1,573	1,651
Others	(14,507)	10,845	-	-
Net Cash from Inv. activities	(16,220)	6,390	(5,531)	(5,349)
Issue of share cap. / premium	43	196	-	-
Debt changes	(16)	46	(46)	-
Dividend paid	(3,521)	(3,526)	(4,704)	(4,998)
Interest paid	(342)	(1,523)	(1,325)	(1,192)
Others	(589)	(623)	-	-
Net cash from Fin. activities	(4,425)	(5,431)	(6,075)	(6,190)
Net change in cash	135	6,870	104	10,174
Free Cash Flow	18,001	(143)	4,606	14,712

Source: Company Data, PL Research

Key Financial Metrics

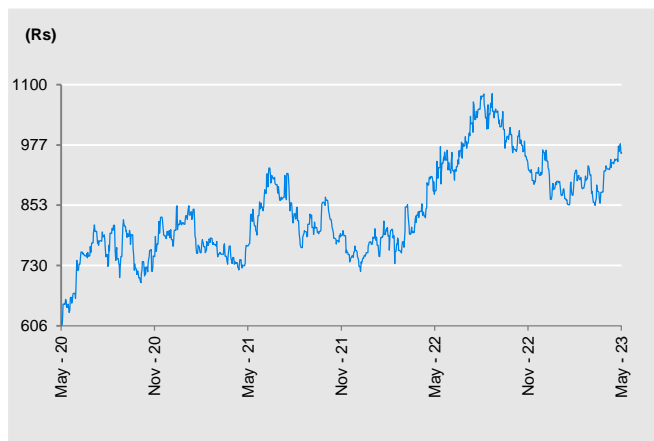
Y/e Mar	FY22	FY23	FY24E	FY25E
Per Share(Rs)				
EPS	52.1	68.5	69.3	71.0
CEPS	58.0	74.7	76.2	79.0
BVPS	216.6	269.0	322.2	376.2
FCF	61.3	(0.5)	15.7	50.0
DPS	12.0	14.0	16.0	17.0
Return Ratio(%)				
RoCE	34.4	38.5	30.9	26.7
ROIC	36.8	35.9	27.8	26.2
RoE	26.6	28.2	23.4	20.3
Balance Sheet				
Net Debt : Equity (x)	(0.3)	(0.2)	(0.2)	(0.2)
Net Working Capital (Days)	0	(4)	9	7
Valuation(x)				
PER	18.5	14.1	13.9	13.6
P/B	4.4	3.6	3.0	2.6
P/CEPS	16.6	12.9	12.6	12.2
EV/EBITDA	12.3	9.2	9.3	8.7
EV/Sales	1.4	0.9	1.4	1.3
Dividend Yield (%)	1.2	1.5	1.7	1.8

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Net Revenue	57,291	1,01,134	83,096	54,758
YoY gr. (%)	56.4	64.5	63.8	29.5
Raw Material Expenses	43,145	82,288	66,924	42,369
Gross Profit	14,146	18,846	16,172	12,389
Margin (%)	24.7	18.6	19.5	22.6
EBITDA	6,854	10,570	7,806	4,032
YoY gr. (%)	(7.8)	94.0	105.6	(41.2)
Margin (%)	12.0	10.5	9.4	7.4
Depreciation / Depletion	446	457	471	446
EBIT	6,408	10,112	7,335	3,587
Margin (%)	11.2	10.0	8.8	6.5
Net Interest	266	542	568	524
Other Income	536	311	396	469
Profit before Tax	6,678	9,881	7,163	3,531
Margin (%)	11.7	9.8	8.6	6.4
Total Tax	1,703	2,481	1,794	901
Effective tax rate (%)	25.5	25.1	25.0	25.5
Profit after Tax	4,976	7,400	5,368	2,630
Minority interest	-	-	-	-
Share Profit from Associates	15	6	(100)	(166)
Adjusted PAT	4,976	7,400	5,368	2,630
YoY gr. (%)	48.5	42.6	41.2	(9.5)
Margin (%)	8.7	7.3	6.5	4.8
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	4,991	7,406	5,269	2,464
YoY gr. (%)	47.8	42.6	38.1	(15.0)
Margin (%)	8.7	7.3	6.3	4.5
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	4,991	7,406	5,269	2,464
Avg. Shares O/s (m)	293	293	293	293
EPS (Rs)	17.0	25.3	18.4	9.0

Source: Company Data, PL Research

Price Chart
Recommendation History


No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	11-Apr-23	BUY	1,350	934
2	07-Feb-23	BUY	1,350	905
3	05-Jan-23	BUY	1,200	903
4	06-Nov-22	BUY	1,200	953
5	12-Oct-22	BUY	1,200	973

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Bayer Cropscience	Accumulate	5,630	4,125
2	Chambal Fertilizers & Chemicals	BUY	360	279
3	Coromandel International	BUY	1,350	934
4	Dhanuka Agritech	BUY	940	639
5	Godrej Agrovet	Hold	420	423
6	Insecticides India	Accumulate	700	491
7	P.I. Industries	BUY	4,530	3,385
8	Rallis India	Hold	200	191
9	Sharda Cropchem	BUY	640	497
10	Sumitomo Chemical India	BUY	590	428
11	UPL	BUY	850	715

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly



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