

Asian Paints

Estimate change

TP change

Rating change



Bloomberg	APNT IN
Equity Shares (m)	959
M.Cap.(INRb)/(USD\$)	2439.3 / 28.9
52-Week Range (INR)	3423 / 2506
1, 6, 12 Rel. Per (%)	-13/-18/-42
12M Avg Val (INR M)	3803

Financials & Valuations (INR b)

Y/E March	2025E	2026E	2027E
Sales	350.5	388.1	436.2
Sales Gr. (%)	-1.2	10.7	12.4
EBITDA	64.4	75.2	85.3
EBIT Margin (%)	18.4	19.4	19.6
Adj. PAT	45.6	52.9	60.2
Adj. EPS (INR)	47.5	55.2	62.7
EPS Gr. (%)	-18.0	16.2	13.6
BV/Sh.(INR)	200.9	214.2	234.8

Ratios

RoE (%)	24.0	26.6	27.9
RoCE (%)	20.6	22.7	23.5
Payout (%)	86.3	74.3	65.4

Valuation

P/E (x)	53.5	46.1	40.5
P/BV (x)	12.7	11.9	10.8
EV/EBITDA (x)	36.6	31.3	27.5
Div. Yield (%)	1.6	1.6	1.6

Shareholding Pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	52.6	52.6	52.6
DII	13.2	12.4	10.1
FII	15.3	15.3	17.7
Others	18.9	19.7	19.6

FII includes depository receipts

CMP: INR2,543

TP: INR2,650 (+4%)

Neutral

Miss on all fronts; industry challenges persist

- Asian Paints (APNT) registered weak 2Q performance with a 5%/7% YoY decline in consolidated/standalone revenue. Decorative volumes dipped 0.5% YoY, a sharp deceleration after clocking 7% growth in 1QFY25. Weak industry demand, extended monsoon, price cuts, and competition led to weak growth. Decorative industry saw a 3%-4% decline in 2Q.
- Gross margin contracted 260bp/180bp YoY/QoQ to 40.8%. The company has implemented ~1% price hike, the benefits of which will be fully visible from 3Q. EBITDA margin saw a 480bp/340bp YoY/QoQ contraction to 15.4%. EBITDA dipped 28% YoY.
- The near-term demand outlook looks bleak given the weak demand and curtailed festive period due to extended monsoon and early Diwali. The rising competition also partially impacted the performance. Further, the operating margin is expected to witness weakness in the near term, as the company needs to reinvest in the business to counter competition.
- The stock has massively underperformed (18% fall in the last three years) and is not likely to offer respite in the near term. Industry volume recovery and competitive strategy on pricing/incentives will be key monitorables to relook the stock. In the uncertainty, we maintain our **Neutral rating with a TP of INR2,650 (based on 45x Sep26E EPS)**.

Disappointing performance on all fronts

- Decline in volume:** Consol net sales declined 5% YoY to INR80.3b (est. INR85.2b), impacted by weak demand conditions, price cuts implemented last year, a shift in the mix, and increased rebates. Volume declined 0.5% (est. +5.5%, 1QFY25 7%) in the domestic decorative paints business.
- Miss on margin:** Gross margins contracted 260bp YoY to 40.8% (est. 43%). Employee expenses were up 14% YoY and other expenses were flat YoY. EBITDA margin contracted 480bp YoY and 340bp QoQ to 15.4% (est. 17.6%). EBITDA declined 28% YoY to INR12.4b (est. INR15.0b). PBT dipped 32% YoY to INR11.1b (est. INR14.0b). Adj. PAT declined 29% YoY to INR8.7b (est. INR10.8b).
- Relatively better performance in emerging businesses:** The kitchen business revenue grew 9% while the bath business grew only 2%. White Teak and Weather Seal delivered double-digit revenue growth of 14%. Industrial business delivered 6% revenue growth, supported by growth in the General Industrial, Protective Coatings, and Refinish segments.
- Currency devaluation continues to affect growth:** The International Business portfolio registered a marginal decline in revenues in 2QFY25 (8.7% growth in CC terms) due to a weak macroeconomic condition and currency devaluation in Ethiopia, Egypt, and Bangladesh.
- In 1HFY25**, net sales, EBITDA, and APAT experienced a decline of 4%/24%/27%, respectively. In 2HFY25, we model 1% growth in net sales, while EBITDA and APAT decline to 6% and 9%.

Naveen Trivedi – Research Analyst (Naveen.Trivedi@MotilalOswal.com)

Research Analyst: Pratik Bipinchandra Prajapati (Pratik.Prajapati@MotilalOswal.com) / **Tanu Jindal** (Tanu.Jindal@MotilalOswal.com)

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Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Key highlights from the management commentary

- Demand was impacted by the seasonal market, extended monsoons, and flooding in some parts of the country during August and September.
- Management indicated that October was a bit challenging in terms of demand conditions, given the fact that last year there was a late Diwali and October was a full month in terms of sales.
- The decorative paint industry saw a decline of 3%-4% in 2Q.
- The company has implemented ~1% price hike in the quarter, but full realization benefits will be visible in Q3.
- The company has guided for FY25 EBITDA margin of ~18.5%.
- The distribution footprint continues to expand, with ~1.67 lakh retail touchpoints.
- Forex losses due to currency devaluation (INR560m in Ethiopia), along with subdued performance in Asia, negatively impacted overall profitability.

Valuation and view

- We cut our EPS by 14% and 11% for FY25 and FY26 to reflect weak volume growth and pressure on margin.
- APNT launched 'Neo Bharat Latex' paint in Jan'24 to compete with the unorganized segment, with a branded solution that is affordable and accessible to consumers. It will address the market size of INR50-55b (targets to achieve a 30% share in the medium term).
- With the entry of new players with deep pockets and massive commitments to investments, the overall industry may see a shift in market share and cost structures. These factors will be the key monitorables in FY25-FY26.
- We remain cautious about both value growth and margin for FY25/FY26. Despite a correction in the stock, demand and competitive pressure still hovers around earnings. **We reiterate our Neutral rating with a TP of INR2,650 (based on 45x Sep'26E EPS).**

Quarterly Performance (Consol.)**(INR b)**

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Est. Dom. Deco. Vol. growth (%)	10.0	6.0	12.0	10.0	7.0	-0.5	-1.0	9.5	9.5	3.8	5.5	
Net Sales	91.8	84.8	91.0	87.3	89.7	80.3	87.4	93.2	354.9	350.5	85.2	-5.8%
Change (%)	6.7	0.2	5.4	-0.6	-2.3	-5.3	-4.0	6.7	2.9	-1.2	0.5	
Gross Profit	39.4	36.8	39.7	38.2	38.2	32.7	36.5	39.3	154.0	146.7	36.6	
Gross Margin (%)	42.9	43.4	43.6	43.7	42.5	40.8	41.8	42.2	43.4	41.9	43.0	
EBITDA	21.2	17.2	20.6	16.9	16.9	12.4	16.8	18.3	75.8	64.4	15.0	-17.5%
Margin (%)	23.1	20.2	22.6	19.4	18.9	15.4	19.2	19.6	21.4	18.4	17.6	
Change (%)	36.3	39.8	27.6	-9.3	-20.2	-27.8	-18.3	8.0	21.2	-15.1	-12.4	
Interest	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.5	2.1	2.2	0.6	
Depreciation	2.0	2.1	2.2	2.3	2.3	2.4	2.4	2.4	8.5	9.5	2.3	
Other Income	2.0	1.7	1.4	1.9	1.6	1.7	1.8	1.9	6.9	7.0	1.8	
PBT	20.7	16.2	19.2	16.0	15.7	11.1	15.6	17.3	72.1	59.7	14.0	-20.6%
Tax	5.3	4.2	4.9	3.5	4.2	2.7	3.8	4.3	17.9	14.9	3.5	
Effective Tax Rate (%)	25.6	25.8	25.7	21.8	26.6	23.9	24.0	25.1	24.8	25.0	25.0	
Adjusted PAT	15.7	12.3	14.8	12.8	11.9	8.7	12.1	12.8	55.6	45.6	10.8	-18.8%
Change (%)	48.5	53.3	34.5	-0.6	-24.6	-29.1	-17.7	0.6	30.9	-18.0	-12.7	

E: MOFSL Estimates

Key Performance Indicators (Consol.)

Y/E March	FY24				FY25E	
	1Q	2Q	3Q	4Q	1Q	2Q
Realization growth (%)	-3.3	-5.8	-6.6	-10.6	-9.3	0.0
Average growth in the last two years (%)						
Volume	23.5	8.0	6.0	13.0	3.5	4.8
Sales	30.4	9.7	3.3	5.3	-1.2	0.7
EBITDA	53.3	37.8	16.0	10.0	-10.1	4.3
PAT	66.6	43.1	20.4	14.5	-12.3	9.7
Average growth in the last three years (%)						
Volume	51.0	16.7	10.0	11.3	2.3	15.5
As a percentage of Sales						
COGS	57.1	56.6	56.4	56.3	57.5	59.2
Operating Expenses	19.8	23.1	21.0	24.3	23.7	25.3
Depreciation	2.2	2.5	2.4	2.6	2.5	3.0
YoY change (%)						
COGS	-2.3	-11.7	-3.2	-2.7	-1.6	-1.0
Operating Expenses	7.8	9.3	11.3	13.7	16.5	3.7
Other Income	99.1	73.0	60.1	77.4	-20.7	5.1
EBIT	42.7	49.0	31.4	-10.9	-23.8	-33.8

Standalone performance

- Standalone net sales declined 7% to INR68.9b.
- Gross margin contracted 270bp YoY to 41.4% and EBITDA margin contracted 520bp YoY to 16.3%.
- EBITDA declined 29% YoY to INR11.2b.
- PBT fell 32% YoY to INR10.6b.
- Adj. PAT was down 43% YoY at INR6.8b.

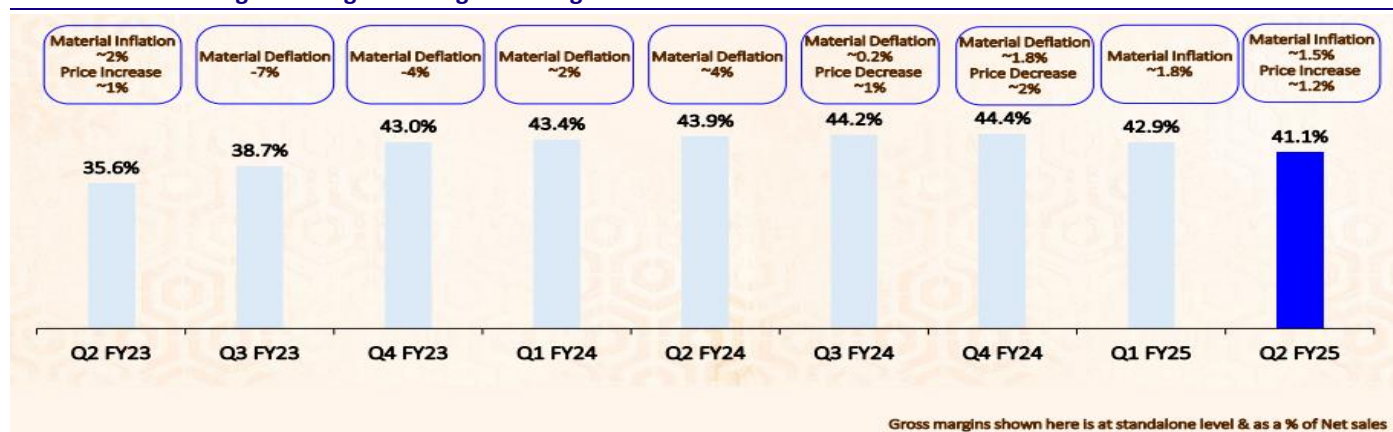
Quarterly Performance (Standalone)**(INR b)**

Y/E March	FY24				FY25	
	1Q	2Q	3Q	4Q	1Q	2Q
Net Sales	81.1	73.4	79.1	74.8	78.8	68.7
Change (%)	7.0	0.0	5.2	-1.9	-2.9	-6.5
Gross Profit	35.4	32.4	35.1	33.4	34.0	28.4
Gross Margin (%)	43.6	44.1	44.4	44.7	43.1	41.4
EBITDA	20.0	15.8	19.0	15.5	15.9	11.2
Margin (%)	24.6	21.6	24.0	20.7	20.2	16.3
Change (%)	36.7	42.1	26.9	-11.4	-20.3	-29.2
Interest	0.3	0.3	0.3	0.3	0.3	0.4
Depreciation	1.7	1.8	1.9	1.9	2.0	2.1
Other Income	2.2	1.7	2.4	2.0	2.3	1.8
PBT	20.2	15.5	19.1	15.2	15.9	10.6
Tax	5.1	3.9	4.7	3.1	4.0	4.0
Effective Tax Rate (%)	25.3	25.2	24.6	20.5	25.1	37.8
Adjusted PAT	15.1	11.6	14.4	12.1	11.9	6.6
Change (%)	48.3	52.0	32.9	-2.0	-20.9	-43.3

Exhibit 1: Subsidiary quarterly performance overview

INR m	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25
Sales	10,207	11,132	11,149	11,613	10,684	11,364	11,901	12,498	10,881	11,592
Sales growth (%)	27.7	17.9	7.6	2.5	4.7	2.1	6.7	7.6	1.8	2.0
EBITDA	934	1,122	1,167	1,172	1,215	1,315	1,590	1,426	1,008	1,173
EBITDA margin (%)	9.1	10.1	10.5	10.1	11.4	11.6	13.4	11.4	9.3	10.1
PAT	672	405	112	740	665	721	316	659	(56)	520

Sources: Company reports, MOFSL

Exhibit 2: Sustained gross margins through sourcing and formulation efficiencies

Sources: Company reports

**Highlights from the management commentary****Business environment and performance**

- Demand was impacted by the seasonal market, extended monsoons, and flooding in some parts of the country during August and September.
- Management indicated that October was a bit challenging in terms of demand conditions, given the fact that last year there was a late Diwali and October was a full month in terms of sales.
- T3 and T4 cities showed growth compared to metro cities.
- The decorative paint industry saw a decline of 3% to 4% in 2Q.
- The company has experienced intense competitive activity with higher discounting levels.
- The company implemented a 1.2% price hike in the quarter, but full realization is expected in Q3.
- New products contributed 12% to overall revenue in 2QFY25.
- The company believes that good monsoons and increased government spending on infrastructure will aid overall demand in Q3 and Q4.

Cost and margins

- Material inflation was ~1.5% in Q2, accompanied by a price increase of around 1.2%.
- Employee costs have seen increased due to a low topline.
- A weaker product mix this year has added to concerns over material costs.
- FY25 EBITDA margin should be ~18.5%.

Segmental performance

- The Kitchen business revenue grew 9% as sales have been rising for the past three quarters, 7% in 1HFY25.
- The Kitchen business witnessed a PBDIT loss of INR1m vs INR9m in 2QFY24.
- The Bath business revenue rose 2%. It reported a PBDIT loss of INR58m vs INR21m in 2QFY24.
- White Teak delivered 19% growth of INR 331m, while Weather Seal reported 5% growth of INR132m.
- Home Décor now has more than 62 stores.

International business

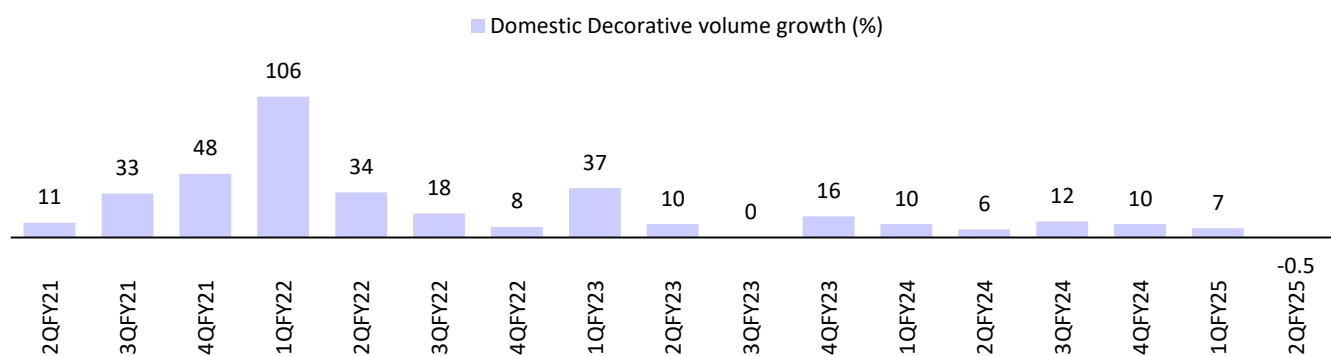
- International operations posed challenges for the overall business, with a 1% decline in revenue. Adjusted for constant currency, it would have seen 9% growth, despite currency depreciation in Ethiopia, Egypt, and Bangladesh.
- Forex losses due to currency devaluation (INR 560m in Ethiopia), along with subdued performance in Asia, negatively impacted overall profitability.
- The Middle East reported healthy double-digit growth.
- Bangladesh experienced a decline due to political unrest and floods.
- Sri Lanka and Nepal showed improved performance.

Other

- The industrial segment contributes ~6% of the total business, whereas for other players, it accounts for around 20% to 40%.
- The company has gained almost about 2.5% market share in the last three years.
- The distribution footprint continues to expand and it has ~1.67 lakh retail touchpoints.
- APNT is consistently adding ~5,000 to 8,000 retailers each year.
- Its Brownfield expansion projects are now completed; backward integration projects (VAMVAE & White Cement) are on track.
- Exceptional items include an impairment provision of INR1,005m on investments in Weather Seal and White Teak, and INR 993m for fair valuation loss on derivative contracts for future stake purchases in White Teak (40%) and Weather Seal (23.9%).

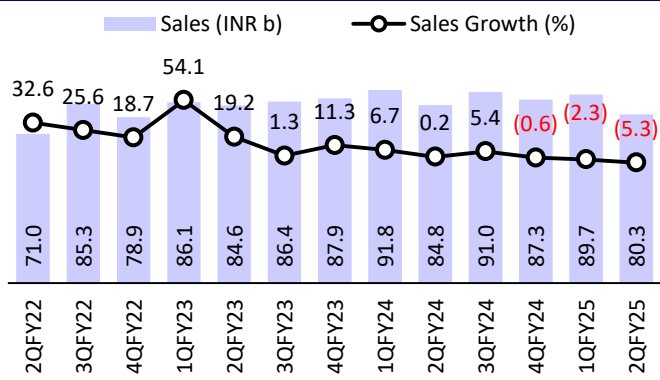
Key exhibits

Exhibit 3: Domestic decorative paints volume decline 0.5% YoY in 2QFY25



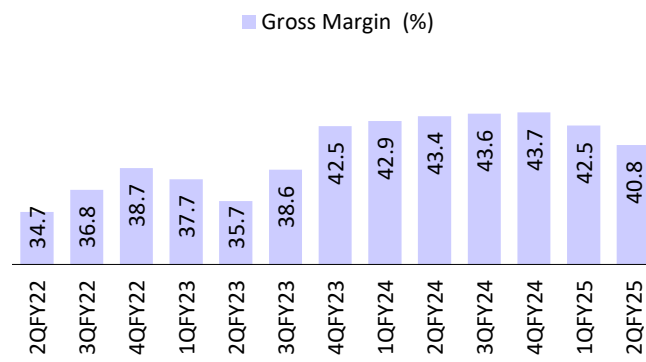
Sources: Company reports

Exhibit 4: Consolidated sales declined 5% on YoY to INR80.3b in 2QFY25



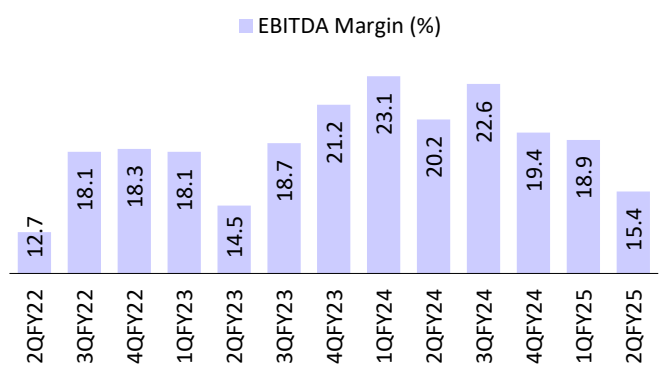
Sources: Company reports, MOFSL

Exhibit 5: Gross margin contracted 260bp YoY in 2QFY25



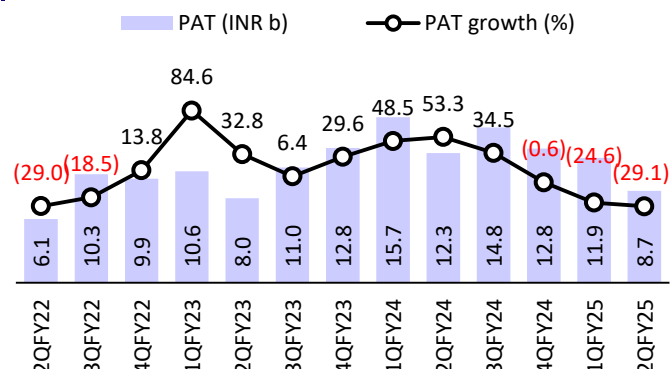
Sources: Company reports, MOFSL

Exhibit 6: EBITDA margin contracted 480bp YoY to 15.4% in 2QFY25



Sources: Company reports, MOFSL

Exhibit 7: PAT declined ~29% YoY to INR8.7b in 2QFY25



Sources: Company reports, MOFSL

Valuation and view

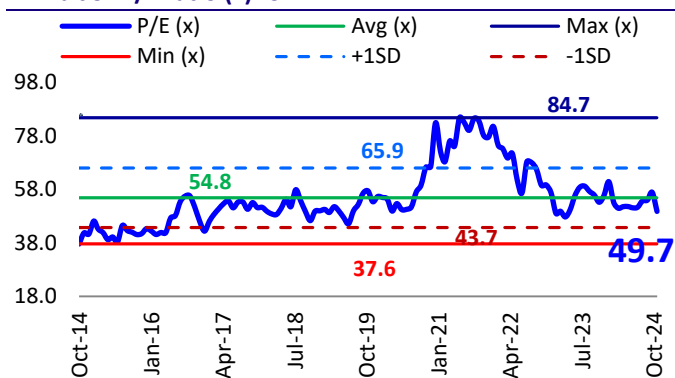
- We cut our EPS by 14% and 11% for FY25 and FY26 to reflect weak volume growth and pressure on margin.
- APNT launched 'Neo Bharat Latex' paint in Jan'24 to compete with the unorganized segment with a branded solution that is affordable and accessible to consumers. It will address the market size of INR50-55b (targets to achieve a 30% share in the medium term).
- With the entry of new players with deep pockets and massive commitments to investments, the overall industry may see a shift in market share and cost structures. These factors will be the key monitorables in FY25-FY26.
- We remain cautious about both value growth and margin for FY25/FY26. Despite a correction in the stock, demand and competitive pressure still hovers around earnings. **We reiterate our Neutral rating with a TP of INR2,650 (based on 45x Sep'26E EPS).**

Exhibit 8: We have cut our EPS to 14%/11% for FY25E/FY26E estimates

INR b	New		Old		Change (%)	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Sales	350.5	388.1	371.5	416.6	-5.7	-6.8
EBITDA	64.4	75.2	74.4	84.0	-13.4	-10.6
PAT	45.6	52.9	53.0	59.3	-14.0	-10.7

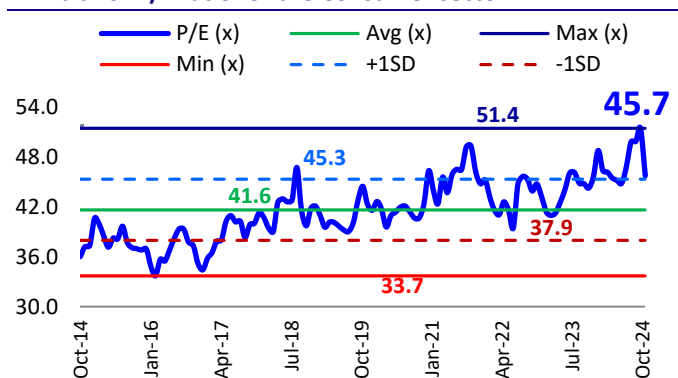
Sources: Company reports, MOFSL

Exhibit 9: P/E ratio (x) for APNT



Sources: Bloomberg, company reports, MOFSL

Exhibit 10: P/E ratio for the Consumer sector



Sources: Bloomberg, company reports, MOFSL

Financials and valuations

Income Statement consol.

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Net Sales	1,92,401	2,02,113	2,17,128	2,91,013	3,44,886	3,54,947	3,50,517	3,88,083	4,36,208
Change (%)	14.4	5.0	7.4	34.0	18.5	2.9	-1.2	10.7	12.4
Raw Materials	1,12,646	1,13,835	1,20,972	1,83,008	2,11,565	2,00,902	2,03,798	2,23,685	2,50,672
Gross Profit	79,756	88,278	96,156	1,08,005	1,33,321	1,54,045	1,46,719	1,64,398	1,85,537
Margin (%)	41.5	43.7	44.3	37.1	38.7	43.4	41.9	42.4	42.5
Operating Expenses	42,100	46,660	47,600	59,969	70,723	78,195	82,329	89,227	1,00,251
EBITDA	37,655	41,618	48,556	48,036	62,598	75,850	64,391	75,172	85,285
Change (%)	17.8	10.5	16.7	-1.1	30.3	21.2	-15.1	16.7	13.5
Margin (%)	19.6	20.6	22.4	16.5	18.2	21.4	18.4	19.4	19.6
Depreciation	6,221	7,805	7,913	8,164	8,580	8,530	9,543	10,967	12,392
Int. and Fin. Charges	1,053	1,023	916	954	1,445	2,052	2,189	2,129	1,851
Other Income	2,330	3,043	3,031	3,800	3,865	6,880	7,017	7,368	7,736
Profit before Taxes	32,712	35,833	42,758	42,719	56,438	72,148	59,676	69,443	78,778
Change (%)	8.2	9.5	19.3	-0.1	32.1	27.8	-17.3	16.4	13.4
Margin (%)	17.0	17.7	19.7	14.7	16.4	20.3	17.0	17.9	18.1
Tax	9,428	9,501	11,218	11,644	15,108	17,847	14,919	17,361	19,695
Deferred Tax	1,553	-953	-242	-614	-173	54	0	0	0
Tax Rate (%)	33.6	23.9	25.7	25.8	26.5	24.8	25.0	25.0	25.0
PAT Before Minority	21,731	27,284	31,782	31,689	41,503	54,247	44,757	52,083	59,084
Minority Interest	-407	-507	-286	-316	-939	-1,330	-811	-861	-1,078
Adjusted PAT	22,138	27,791	32,068	32,005	42,442	55,577	45,568	52,943	60,161
Change (%)	9.2	25.5	15.4	-0.2	32.6	30.9	-18.0	16.2	13.6
Margin (%)	11.5	13.8	14.8	11.0	12.3	15.7	13.0	13.6	13.8
Exceptional/Prior Period inc	-58	-50	0	-1,157	-489	0	0	0	0
Reported PAT	22,080	27,742	32,068	30,848	41,953	55,577	45,568	52,943	60,161

Balance Sheet

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Share Capital	959	959	959	959	959	959	959	959	959
Reserves	93,746	1,00,342	1,27,104	1,37,156	1,58,963	1,86,324	1,91,753	2,04,509	2,24,265
Net Worth	94,706	1,01,302	1,28,063	1,38,116	1,59,922	1,87,283	1,92,712	2,05,468	2,25,224
Loans	6,156	3,401	3,402	7,757	9,722	11,071	8,757	9,257	9,257
Other Liability	12,137	11,984	11,538	11,362	13,158	17,306	19,408	21,826	24,607
Minority Interest	3,613	4,035	4,229	3,875	4,537	6,954	7,764	8,625	9,702
Capital Employed	1,16,611	1,20,722	1,47,232	1,61,109	1,87,339	2,22,614	2,28,642	2,45,176	2,68,790
Gross Block	66,983	69,895	71,910	73,895	78,693	92,604	1,11,693	1,26,693	1,41,693
Less: Accum. Depn.	13,942	19,573	24,807	30,191	35,362	43,892	53,435	64,402	76,794
Net Fixed Assets	53,041	50,322	47,103	43,705	43,331	48,712	58,258	62,291	64,899
Capital WIP	2,097	1,402	1,830	4,264	10,196	26,984	13,492	13,492	13,492
Right to Use Assets	8,711	9,201	8,456	9,058	12,089	18,563	18,563	18,563	18,563
Investments	25,686	20,189	47,368	32,475	42,617	45,879	52,761	60,675	69,777
Current	11,745	5,125	32,671	21,807	26,970	32,034	38,224	45,411	53,749
Non-current	13,941	15,064	14,697	10,668	15,647	13,845	14,537	15,264	16,027
Curr. Assets, L&A	69,740	77,066	95,770	1,37,654	1,47,276	1,54,679	1,68,852	1,82,116	2,04,672
Inventory	31,499	33,898	37,986	61,530	62,106	59,234	56,659	62,731	70,510
Account Receivables	19,134	17,994	26,051	38,738	46,391	48,908	34,572	38,277	43,023
Cash and Bank Balance	4,449	7,828	6,108	8,643	8,438	10,840	36,640	32,308	33,916
Others	14,659	17,345	25,626	28,743	30,340	35,696	40,981	48,800	57,223
Curr. Liab. and Prov.	45,878	40,658	56,322	68,475	70,455	76,394	87,475	96,152	1,06,803
Account Payables	23,943	21,366	33,787	41,643	36,354	38,313	44,668	49,027	54,942
Other Liabilities	19,617	16,860	19,538	23,952	31,051	35,230	38,753	42,628	46,891
Provisions	2,318	2,432	2,996	2,880	3,049	2,850	4,053	4,497	4,970
Net Current Assets	23,863	36,408	39,449	69,179	76,821	78,285	81,377	85,964	97,869
Godwill on Cons.	3,213	3,200	3,026	2,429	2,285	4,192	4,192	4,192	4,192
Application of Funds	1,16,611	1,20,722	1,47,232	1,61,109	1,87,339	2,22,614	2,28,642	2,45,176	2,68,791

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)									
EPS	23.1	29.0	33.4	33.4	44.2	57.9	47.5	55.2	62.7
Cash EPS	29.6	37.1	41.7	41.9	53.2	66.8	57.5	66.6	75.6
BV/Share	98.7	105.6	133.5	144.0	166.7	195.2	200.9	214.2	234.8
DPS	10.7	21.8	4.9	18.2	25.6	44.0	41.0	41.0	41.0
Payout %	46.4	75.3	14.5	54.4	58.0	75.9	86.3	74.3	65.4
Valuation (x)									
P/E	110.2	87.8	76.1	76.2	57.5	43.9	53.5	46.1	40.5
Cash P/E	86.0	68.5	61.0	60.7	47.8	38.0	44.3	38.2	33.6
EV/Sales	12.6	11.9	11.0	8.3	7.0	6.7	6.7	6.1	5.4
EV/EBITDA	64.1	58.0	49.2	50.1	38.3	31.6	36.6	31.3	27.5
P/BV	25.8	24.1	19.0	17.7	15.3	13.0	12.7	11.9	10.8
Dividend Yield (%)	0.4	0.9	0.2	0.7	1.0	1.7	1.6	1.6	1.6
Return Ratios (%)									
RoE	24.8	28.4	28.0	24.0	28.5	32.0	24.0	26.6	27.9
RoCE	21.0	23.6	24.2	21.0	24.4	27.2	20.6	22.7	23.5
RoIC	22.1	23.2	24.1	20.6	25.1	28.6	22.6	25.5	26.0
Working Capital Ratios									
Debtor (Days)	36	32	44	49	49	50	36	36	36
Asset Turnover (x)	1.6	1.7	1.5	1.8	1.8	1.6	1.5	1.6	1.6
Leverage Ratio									
Debt/Equity (x)	0.1	0.0	0.0	0.1	0.1	0.1	0.0	0.0	0.0

Cash Flow Statement

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
OP/(loss) before Tax	33,107	36,283	43,044	41,877	56,888	73,478	59,676	69,443	78,778
Depreciation	4,307	7,819	7,913	8,164	8,580	8,530	9,543	10,967	12,392
Net interest	-282	96	165	-125	102	151	-4,828	-5,239	-5,885
Others	-896	-401	-1,426	-342	-972	-2,873	0	0	0
Direct Taxes Paid	-9,820	-10,108	-10,797	-11,757	-14,943	-18,351	-14,919	-17,361	-19,695
(Incr)/Decr in WC	-4,274	-7,371	-2,065	-27,952	-7,721	101	22,708	-8,919	-10,297
CF from Operations	22,143	26,319	36,834	9,865	41,934	61,036	72,179	48,892	55,294
Incr in FA	-11,336	-3,669	-2,543	-4,987	-12,475	-21,939	-5,597	-15,000	-15,000
Free Cash Flow	10,807	22,650	34,291	4,878	29,460	39,097	66,582	33,892	40,294
Pur of Investments	1,602	-2,536	-3,679	973	1,813	283	-6,882	-7,914	-9,101
Others	-3,177	7,918	-25,829	14,761	-10,077	-7,153	7,017	7,368	7,736
CF from Invest.	-12,911	1,713	-32,050	10,747	-20,739	-28,809	-5,462	-15,546	-16,365
Incr in Debt	631	-2,614	257	3,247	2,382	31	-2,314	500	0
Dividend Paid	-10,487	-21,207	-4,994	-17,628	-19,361	-25,509	-39,327	-39,327	-39,327
Net interest Paid	-512	-1,009	-893	-936	-1,420	-1,906	-2,189	-2,129	-1,851
Others	1,539	178	-875	-2,759	-3,003	-2,441	2,913	3,278	3,858
CF from Fin. Activity	-8,830	-24,652	-6,504	-18,076	-21,401	-29,825	-40,918	-37,678	-37,321
Incr/Decr of Cash	402	3,380	-1,721	2,536	-205	2,402	25,800	-4,332	1,609
Add: Opening Balance	4,047	4,449	7,828	6,108	8,643	8,438	10,840	36,640	32,308
Closing Balance	4,449	7,828	6,108	8,643	8,438	10,840	36,640	32,308	33,916

E: MOFSL Estimates

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Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

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Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
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