

Coromandel International

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR2,250 **TP: INR2,600 (+16%)** **Buy**

Broad-based growth across segments

Operating performance in line with estimates

- Coromandel International (CRIN) reported a robust operating performance in 4QFY25 (EBIT up 62% YoY), aided by strong growth in both the Crop Protection business (EBIT up 60% YoY) and the Nutrients and Allied business (Adj. EBIT up 38% YoY; includes INR509.4m toward an adjustment for the write-down of certain assets across plants). Margin expansion was driven by improved manufactured fertilizer volume (up 23% YoY), favorable operating leverage, and benign raw material prices.
- The company anticipates a positive FY26, supported by stabilizing agrochemical prices, improved inventory levels, favorable weather across key regions, and sustained momentum in the Fertilizer business. It expects strong revenue growth (high double-digit) and maintains guidance for a 40% rise in fertilizer EBITDA/MT over the next 2-3 years. Margin expansion will be driven by backward integration in the Fertilizer business, along with higher demand, new products, and a strategic shift to high-margin offerings in the Crop Protection business.
- We largely maintain our FY26/FY27 earnings estimates and value the company at ~28x FY27E EPS to arrive at a TP of INR2,600. **Reiterate BUY.**

Crop Protection business drives strong operating performance

- CRIN reported total revenue of INR49.8b (est. in line) in 4QFY25, up 27.5% YoY, led by higher sales volume. Total manufacturing fertilizer volumes (NPK+DAP) grew 13% YoY to 0.6mmt and total phosphate fertilizer manufacturing volumes (including SSP) rose 23% YoY to 8.08mmt.
- Nutrient & Other Allied business revenue rose 28% YoY to INR43.2b, while Crop Protection business revenue grew 24% YoY to INR6.9b.
- EBITDA jumped 56% YoY to INR4.3b (est. in-line). According to our calculations, manufacturing phosphate EBITDA/mt (including SSP) stood at INR4,177 (up 45% YoY), while EBITDA/mt for phosphate fertilizers (DAP and NPK) stood at INR5,146 (up 58% YoY).
- EBIT for the Nutrient & Other Allied business grew 18% YoY to INR3b (if not adjusted for a write-down of INR509.4m for certain assets across plants, EBIT grew 38% to INR3.5b). EBIT for the Crop Protection business grew 60% YoY to ~INR1b, while margins expanded 330bp YoY to 14.5%.
- Adjusted PAT stood at INR3b (est. INR2.8b), up 89% YoY.
- For FY25, revenue/EBITDA grew 9%/10% YoY to INR240b/INR23.9b, while adj. PAT rose 9.8% YoY. We are building in 12%/18%/23% revenue/EBITDA/Adj. PAT CAGR over FY25-27.

Highlights from the management commentary

- **Baobab Mining and Chemicals Corporation (BMCC), Senegal:** The company has increased its stake in BMCC to 54%, making it a subsidiary. Going forward, the company expects consistent supply of rock phosphate from BMCC, which can meet one-third of the total requirements.

Bloomberg	CRIN IN
Equity Shares (m)	295
M.Cap.(INRb)/(USDb)	662.8 / 7.8
52-Week Range (INR)	2650 / 1170
1, 6, 12 Rel. Per (%)	5/33/79
12M Avg Val (INR M)	892

Financials & Valuations (INR b)

Y/E Mar	2025	2026E	2027E
Sales	240.9	277.3	302.7
EBITDA	26.3	31.7	36.7
PAT	18.0	23.0	27.3
EBITDA (%)	10.9	11.4	12.1
EPS (INR)	61.3	78.0	92.8
EPS Gr. (%)	9.8	27.3	19.0
BV/Sh. (INR)	376.6	440.6	519.4

Ratios

Net D/E	-0.3	-0.4	-0.4
RoE (%)	17.6	19.1	19.3
RoCE (%)	19.7	20.2	20.3
Payout (%)	19.9	17.9	15.1

Valuations

P/E (x)	36.7	28.8	24.2
EV/EBITDA (x)	24.0	19.4	16.3
Div Yield (%)	0.6	0.6	0.6
FCF Yield (%)	3.1	2.8	2.8

Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	57.0	57.0	57.3
DII	19.0	21.0	20.7
FII	10.6	8.3	7.3
Others	13.5	13.7	14.7

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

- **NACL:** CRIN is awaiting regulatory approval for the acquisition, which is expected to help restore NACL's margins back to 10-11% from 4-5%. Backed by strong manufacturing capabilities and full capacity utilization, especially at the Dahej plant, the company also anticipates improved cash flow and gradual debt reduction, supported by strategic opportunities.
- **NanoDAP:** During the year, the company marketed 2.6m bottles and maintained a market share of 33%, achieving nearly 80% liquidation of the stock. The company is also exploring export opportunities for Nano DAP across various countries.

Valuation and view

- The company remains confident in its growth trajectory for FY26, backed by favorable market dynamics, better product mix, and operational efficiencies across segments. With expectations of strong revenue growth (high double digit) and improvement in margins, including a targeted recovery in NACL's profitability, the company is well-positioned to deliver sustained performance going ahead.
- CRIN's longer-term outlook is further supported by: 1) backward integration (full integration of the Kakinada facility by CY26; 2) product diversification (nano fertilizers and new products across Fertilizer and Crop Protection); 3) the scale-up of CDMO business; and 4) the acquisition of BMCC.
- We expect a CAGR of ~12%/18%/23% in revenue/EBITDA/adj. PAT over FY25-27. We value CRIN at ~28x FY27E EPS to arrive at our TP of INR2,600. **Reiterate BUY.**

Quarterly Performance

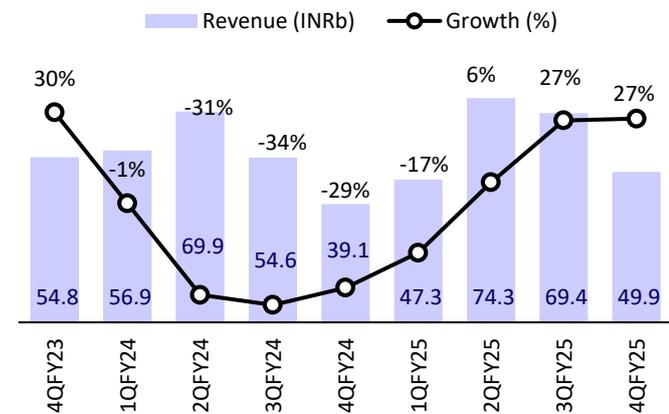
Y/E March	FY24				FY25				FY24	FY25	FY25	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Consolidated												
Net Sales	56,934	69,881	54,642	39,127	47,288	74,328	69,352	49,884	2,20,584	2,40,852	49,741	0
YoY Change (%)	-0.6	-30.9	-34.2	-28.5	-16.9	6.4	26.9	27.5	-25.5	9.2	27.1	
Total Expenditure	49,842	59,294	51,063	36,397	42,231	64,581	62,134	45,624	1,96,596	2,14,569	45,516	
EBITDA	7,092	10,587	3,578	2,730	5,058	9,748	7,218	4,260	23,988	26,283	4,225	1
Margins (%)	12.5	15.2	6.5	7.0	10.7	13.1	10.4	8.5	10.9	10.9	8.5	
Depreciation	481	540	635	630	653	690	708	854	2,286	2,904	715	
Interest	405	462	381	617	574	661	731	659	1,866	2,624	550	
Other Income	445	448	585	835	541	650	1,137	1,260	2,314	3,587	1,002	
PBT before EO expense	6,651	10,033	3,147	2,319	4,372	9,047	6,916	4,007	22,150	24,342	3,962	
Extra-Ord expense	0	0	0	0	0	0	0	-3,468	0	-3,468	0	
PBT	6,651	10,033	3,147	2,319	4,372	9,047	6,916	7,475	22,150	27,810	3,962	
Tax	1,674	2,450	776	578	1,125	2,328	1,752	1,524	5,478	6,728	997	
Rate (%)	25.2	24.4	24.7	24.9	25.7	25.7	25.3	20.4	24.7	24.2	25.2	
Minority Interest & P/L of												
Asso. Cos.	36	15	61	138	137	79	46	154	250	417	144	
Reported PAT	4,940	7,569	2,310	1,603	3,110	6,641	5,118	5,797	16,422	20,665	2,820	
Adj PAT	4,940	7,569	2,310	1,603	3,110	6,641	5,118	3,036	16,422	18,036	2,820	8
YoY Change (%)	-1.0	2.2	-56.2	-34.9	-37.1	-12.3	121.6	89.4	-18.4	9.8	75.9	
Margins (%)	8.7	10.8	4.2	4.1	6.6	8.9	7.4	6.1	7.4	7.5	5.7	

Key Performance Indicators

Y/E March	FY24				FY25				FY24	FY25
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Consolidated										
Volume Growth (%)	20.3	-20.8	-7.7	-19.5	-3.4	24.6	14.6	23.6	-9.6	14.9
Manufacturing (%)	10.6	-8.2	-9.8	-9.6	3.3	6.3	7.6	22.8	-5.0	8.7
Trading (%)	59.9	-53.0	-3.3	-31.0	-22.4	116.1	28.3	24.8	-19.4	30.6
Mfg EBITDA/MT (INR)	6,754	7,230	1,330	2,890	4,261	5,435	4,609	4,177	4,190	4,150
Cost Break-up										
RM Cost (% of sales)	74.1	73.2	79.1	72.1	73.6	74.9	76.4	70.3	74.7	74.1
Staff Cost (% of sales)	2.9	2.5	3.4	4.4	3.9	2.5	3.0	4.2	3.2	3.3
Freight Cost (% of sales)	5.3	4.3	5.6	6.4	6.0	5.0	5.4	6.4	5.3	5.6
Other Cost (% of sales)	5.2	4.7	5.3	10.2	5.8	4.5	4.9	10.6	6.0	6.1
Gross Margins (%)	25.9	26.8	20.9	27.9	26.4	25.1	23.6	29.7	25.3	25.9
EBITDA Margins (%)	12.5	15.2	6.5	7.0	10.7	13.1	10.4	8.5	10.9	10.9
EBIT Margins (%)	11.6	14.4	5.4	5.4	9.3	12.2	9.4	6.8	9.8	9.7

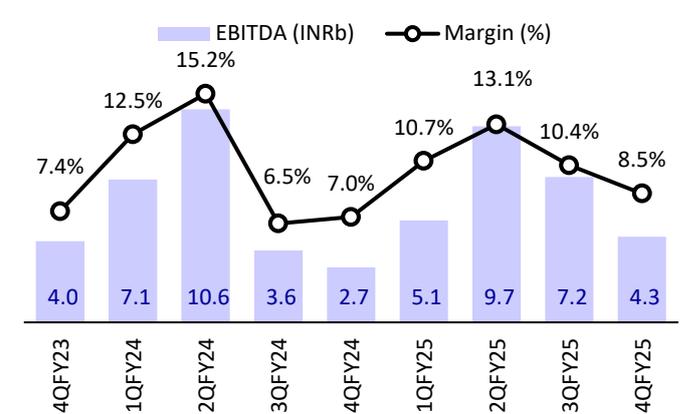
Key exhibits

Exhibit 1: Revenue trend



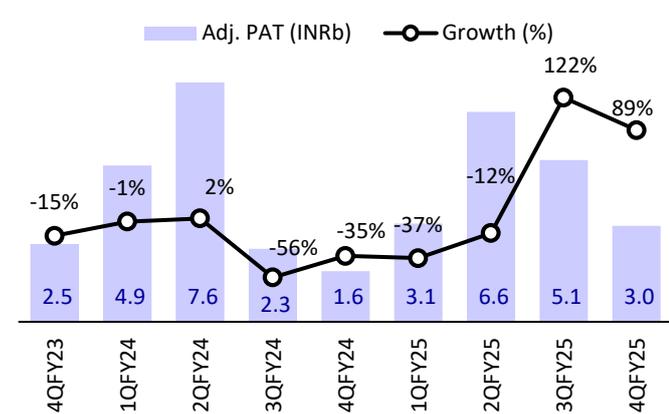
Source: Company, MOFSL

Exhibit 2: EBITDA trend



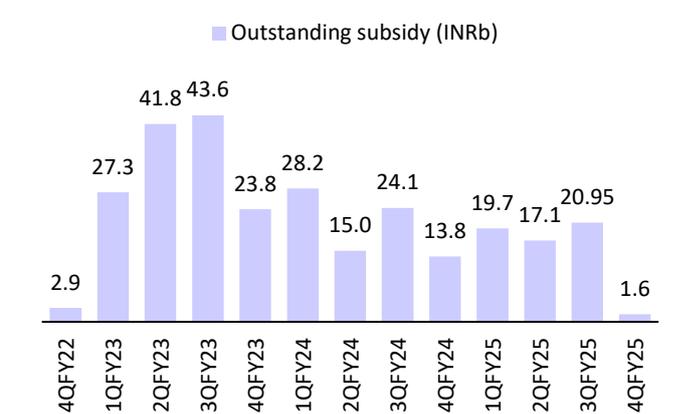
Source: Company, MOFSL

Exhibit 3: Adjusted PAT trend



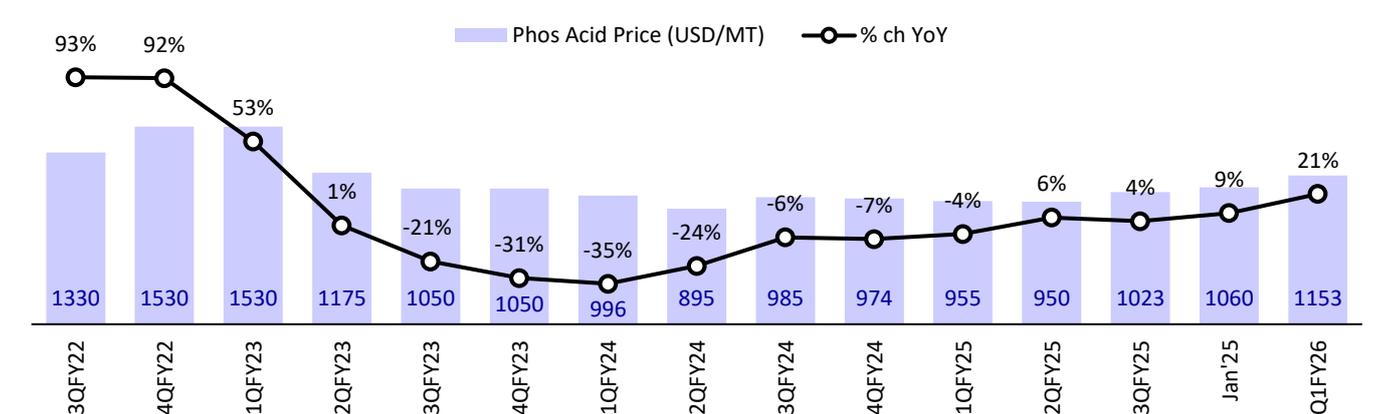
Source: Company, MOFSL

Exhibit 4: Trend in outstanding subsidy



Source: Company, MOFSL

Exhibit 5: Price trend in phosphoric acid



Source: Company, Bloomberg, MOFSL

Exhibit 6: Segmental revenue and EBIT trends

INR m	4QFY23	1QFY25	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Segment revenue									
Nutrient and Other Allied	48,806	52,006	63,017	49,027	33,702	42,137	67,503	63,674	43,210
YoY growth (%)	33%	2%	-33%	-36%	-31%	-19%	7%	30%	28%
Crop Protection	6,155	5,475	7,301	6,154	5,644	5,516	7,511	6,357	6,987
YoY growth (%)	11%	-17%	3%	-6%	-8%	1%	3%	3%	24%
Less: Inter-segment	203	547	437	540	219	364	686	678	313
Total	54,758	56,934	69,881	54,642	39,127	47,288	74,328	69,352	49,884
Segment EBIT									
Nutrient and Other Allied	3,390	6,717	9,913	2,516	2,515	4,317	8,507	6,261	2,973
Margin (%)	6.9%	12.9%	15.7%	5.1%	7.5%	10.2%	12.6%	9.8%	6.9%
Crop Protection	928	550	871	846	631	629	1,083	910	1,011
Margin (%)	15.1%	10.0%	11.9%	13.7%	11.2%	11.4%	14.4%	14.3%	14.5%
Unallocated expenses	731	656	737	419	1,046	540	532	661	1,088
Total	3,587	6,611	10,048	2,943	2,100	4,405	9,058	6,510	2,897

Source: Company, MOFSL

Exhibit 7: Volume trend

Quarterly volume trend ('000MT)	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Manufactured									
NPK	531	714	994	817	506	726	1,086	912	607
Growth (%)	-16%	14%	-7%	-8%	-5%	2%	9%	12%	20%
DAP	7	44	33	59	33	85	0	0	0
Growth (%)	-88%	-25%	-3%	111%	371%	93%	-100%	-100%	-100%
SSP	190	179	212	143	119	157	231	184	201
Growth (%)	19%	13%	-13%	-34%	-37%	-12%	9%	29%	69%
Total Manufacturing	728	937	1,239	1,019	658	968	1,317	1,096	808
Growth (%)	-14%	11%	-8%	-10%	-10%	3%	6%	8%	23%
Traded									
MOP	1	11	37	22	12	7	29	20	13
Growth (%)	NA	175%	85%	1000%	1100%	-36%	-22%	-9%	8%
DAP Traded	87	97	132	62	51	27	181	227	97
Growth (%)	123%	149%	-4%	-54%	-41%	-72%	37%	266%	90%
NPK Traded	0	0	0	0	0	0	43	0	0
Urea	542	223	79	436	372	223	283	420	433
Growth (%)	230%	36%	-79%	9%	-31%	0%	258%	-4%	16%
Total Trading	630	331	248	520	435	257	536	667	543
Growth (%)	204%	60%	-53%	-3%	-31%	-22%	116%	28%	25%
Total Trading + Mfg.	1,358	1,268	1,487	1,539	1,093	1,225	1,853	1,763	1,351
Growth (%)	29%	20%	-21%	-8%	-20%	-3%	25%	15%	24%
Total NPK (mfg. + trading)	531	714	994	817	506	726	1,129	912	607
Growth (%)	-16%	14%	-7%	-8%	-5%	2%	14%	12%	20%
Total DAP (mfg. + trading)	94	141	165	121	84	112	181	227	97
Growth (%)	-4%	44%	-4%	-26%	-11%	-21%	10%	88%	15%
Total phosphatic fertilizer	625	855	1,159	938	590	838	1,310	1,139	704
Growth (%)	-14%	18%	-7%	-11%	-6%	-2%	13%	21%	19%

Source: Company, MOFSL



Highlights from the management commentary

Industry scenario

- Food grain production is estimated at 331 million tons, marking an increase of nearly 5% over the last year. According to the National Statistical Office, the gross value added in agriculture and allied activities for FY25 is expected to grow 4.6% compared to 2.7% last year, reflecting a positive turnaround in the agri sector.
- The area under assured irrigation increased from 45% in 2010 to 55% in 2021, resulting in increased cropping intensity. In its budget, Andhra State has allocated INR18b for various irrigation projects, including Polavaram, which is scheduled for implementation in FY26.
- The Telangana state government has cleared the integrated Sita Rama Lift Irrigation and Multi-purpose Project, which is expected to bring close to 0.8m acres under assured irrigation, supported by direct income schemes.
- During the year, the domestic phosphate industry increased its production by 9% to 15 million tons. There has been a significant shift in the consumption mix, with NPK sales moving up 28% to 14 million tons and replacing the DAP shortfall, especially in central and northern markets, despite the lower MRP of DAP.
- Looking at the full-year numbers, the share of NPK rose to 60% compared to 15% last year. DAP supplies were impacted by lower supplies from China and MRP restrictions, which affected the viability of domestic as well as DAP imports. Prices of phosphoric acid have remained elevated due to robust demand from China and Morocco, while sulfur prices surged to USD300/ton.
- The government has announced an increase in key rates, which is aligned with the increase in key prices.
- The CP industry reported stable volumes, and going forward, the market is expected to remain steady with prices stabilizing.

Operating performance

- CRIN registered record sales of phosphatic fertilizers and record consumption in FY25, increasing volumes by 13%.
- The share of unique grade stands at 35%. On a consumption basis, the company's market share improved to 18% from 15% last year.
- On the SSP front, sales volumes for the year were up 18%, with major growth coming from differentiated variants like Grow Plus and Urea SSP.
- Rupee has been volatile, moving from 85.39 per USD to 87.71 per USD. The company remained conservative and hedged most of its exposure.
- Phosphoric acid capacity is expected to be added in Q4 of FY26 and will reach its full capacity by FY27.

Retail

- During the year, the company's retail business expanded its footprint by adding 130 centers in Andhra, Telangana, and Karnataka, while also entering new markets like Maharashtra and Tamil Nadu.
- With 99% of the stores profitable, the company is looking to expand its presence in the coming year.
- The company has been able to break even its retail stores in a shorter time frame of six months

- The company is confident of increasing its footprint to three times the current numbers over the next 2-3 years by leveraging digital analytics.

Subsidy

- The subsidy/non-subsidy business share stood at ~79%/21% in 4QFY25, compared to ~78%/22% in 4QFY24.
- During Q4FY25, the company received INR2.1b toward subsidy claims, largely the same as against Q4FY24.
- As of Mar'25, the outstanding subsidy stood at ~INR1.6b.

NACL

- The company is awaiting regulatory approvals for the acquisition of NACL, which may take another two or three months. After that, it will consider the available opportunities.
- NACL follows a similar business model, focusing mainly on the generic space. It has been the supplier of choice for major MNCs for many years. Most of its manufacturing capabilities were established by NACL much earlier, with plant facilities and processes designed to produce high-quality products. This is a critical advantage for the business.
- NACL previously achieved margins in the range of 10-11%, which has declined to 4-5%. The company will prioritize to restore the margin to the 10-11% range.
- NACL's debt repayment will be supported by plants operating at full capacity, including the Dahej plant. Following this, the company expects improved cash flows and liquidity, which should help reduce debt. However, these debts have been secured for capex investments and may take a while to be repaid.

Capacity

- Major integration projects for the fossil-hit sulfuric acid plant at Kakinada are on track and are expected to be commissioned by FY26.
- The company has also initiated work on the brownfield granulation train at Kakinada, which is expected to be operational by FY27.

Nano DAP

- During the year, the company marketed 2.6m bottles, maintained a market share of 33%, and achieved close to 80% liquidation in stock.
- The company is also evaluating export opportunities of Nano DAP across various countries.

Outlook and guidance

- The company has maintained a guidance of INR5,000/MT manufacturing EBITDA for FY26.
- Fertilizers' EBITDA per ton may jump 40% over the next 2-3 years on account of the commissioning of the new plant.

Other key highlights

- The company has made new hires for the roles of Vice president (VP) - Nano Fertilizers and Vice President – Strategic Initiatives. It has created a M and A cell to provide financial insights into new target companies.
- The company has signed an agreement with Ma’aden to import 0.3 million tons of fertilizers annually. However, this contract may go up to 0.5 million tons.
- CDMO and Specialty Chemicals are new business opportunities and there will be investments in these segments.
- Specialty Chemicals is a highly profitable business and volumes will be stable, with topline growing 15-20% in the past few years.
- The company expects commodity prices to soften going forward.
- It has seen a marginal expansion in mancozeb prices. Volume growth has been good YoY as far as mancozeb is concerned in the exports market.
- The INR1b capex plan for the crop protection business is set to be moderated.
- The company has increased its stake in BMCC to 54%, which has now become its subsidiary.

Valuation and view

- The company remains confident in its growth trajectory for FY26, backed by favorable market dynamics, strategic product focus, and operational efficiencies. With expectations of strong revenue growth (high double digit) and a significant improvement in margins, including a targeted recovery in NACL's profitability, the company is well-positioned to deliver sustained performance and long-term value.
- CRIN’s longer-term outlook is further supported by: 1) backward integration (full integration of the Kakinada facility by CY26; 2) product diversification (nano fertilizers and new products across Fertilizer and Crop Protection); 3) the scale-up of CDMO business; and 4) the acquisition of BMCC.
- We expect a CAGR of ~12%/18%/23% in revenue/EBITDA/adj. PAT over FY25-27. We value CRIN at ~28x FY27E EPS to arrive at our TP of INR2,600. **Reiterate BUY**

Exhibit 8: Revisions to our estimates

Earnings Change (INR m)	Old		New		Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	2,58,888	2,82,902	2,77,250	3,02,750	7%	7%
EBITDA	31,255	36,096	31,685	36,699	1%	2%
Adj. PAT	22,506	26,594	22,965	27,322	2%	3%

Source: MOFSL

Financials and valuations

Consolidated - Income Statement								(INRm)	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Total Income from Operations	1,32,246	1,31,367	1,41,820	1,91,109	2,96,279	2,20,584	2,40,852	2,77,250	3,02,750
Change (%)	19.3	(0.7)	8.0	34.8	55.0	(25.5)	9.2	15.1	9.2
Total Expenditure									
EBITDA	1,17,815	1,14,057	1,21,977	1,69,610	2,67,017	1,96,596	2,14,569	2,45,566	2,66,051
Margin (%)	14,431	17,310	19,843	21,499	29,262	23,988	26,283	31,685	36,699
Depreciation	10.9	13.2	14.0	11.2	9.9	10.9	10.9	11.4	12.1
EBIT	1,138	1,580	1,731	1,727	1,820	2,286	2,904	2,670	2,750
Int. and Finance Charges	13,292	15,730	18,112	19,772	27,442	21,702	23,379	29,015	33,949
Other Income	2,507	2,353	1,057	755	1,900	1,866	2,624	1,700	1,600
PBT bef. EO Exp.	371	400	751	1,443	1,711	2,314	3,587	4,125	4,950
EO Expense/(Income)	11,156	13,777	17,806	20,460	27,253	22,150	24,342	31,440	37,299
PBT after EO Exp.	-239	0	0	0	0	0	3,468	0	0
Total Tax	10,917	13,777	17,806	20,460	27,253	22,150	27,810	31,440	37,299
Tax Rate (%)	3,721	3,135	4,568	5,213	6,879	5,478	6,728	7,913	9,388
Less: MI/Sh of profit/loss of JV & Ass.	34.1	22.8	25.7	25.5	25.2	24.7	24.2	25.2	25.2
Reported PAT	-8	-8	-54	-37	245	250	417	561	589
Adjusted PAT	7,205	10,650	13,292	15,285	20,129	16,422	20,665	22,965	27,322
Change (%)	7,443	10,650	13,292	15,285	20,129	16,422	18,036	22,965	27,322
Margin (%)	7.7	43.1	24.8	15.0	31.7	-18.4	9.8	27.3	19.0

Consolidated - Balance Sheet								(INRm)	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Equity Share Capital	293	293	293	294	294	294	294	294	294
Total Reserves	33,291	42,884	51,213	63,289	78,784	93,905	1,10,584	1,29,427	1,52,627
Net Worth	33,584	43,177	51,506	63,583	79,078	94,199	1,10,878	1,29,722	1,52,922
Deferred Liabilities	1,123	578	576	660	591	827	837	837	837
Total Loans	29,545	16,251	16	0	46	518	2,322	2,322	2,322
Capital Employed	64,252	60,007	52,098	64,243	79,715	95,814	1,15,386	1,34,230	1,57,430
Gross Block	26,631	31,166	36,849	39,337	42,245	46,769	51,506	55,295	59,295
Less: Accum. Deprn.	13,387	14,967	16,698	18,424	20,244	22,529	25,433	28,103	30,853
Net Fixed Assets	13,244	16,200	20,151	20,913	22,001	24,240	26,073	27,192	28,442
Goodwill on Consolidation	3	3	3	3	3	2,849	2,849	2,849	2,849
Capital WIP	1,756	654	898	1,412	3,993	2,355	3,525	4,735	5,735
Current Investments	1	0	0	0	0	0	0	0	0
Total Investments	2,008	2,113	2,138	2,435	2,867	8,538	10,308	10,308	10,308
Curr. Assets, Loans&Adv.	88,728	82,517	65,765	88,085	1,13,484	1,20,534	1,46,418	1,45,813	1,71,661
Inventory	32,414	26,971	26,009	36,632	44,165	46,125	47,699	41,777	45,620
Account Receivables	18,244	17,341	5,544	2,649	5,893	13,935	12,291	6,077	6,636
Govt Subsidies Receivable	23,935	23,162	5,897	2,941	23,779	13,772	16,536	18,990	20,736
Cash and Bank Balance	1,593	783	7,221	17,533	14,178	28,586	35,383	51,624	68,809
Loans and Advances	12,542	14,259	21,094	28,330	25,470	18,116	34,509	27,345	29,860
Curr. Liability & Prov.	41,488	41,481	36,857	48,605	62,633	62,702	73,890	56,770	61,669
Account Payables	37,625	33,481	29,222	39,135	53,138	53,606	60,300	46,636	50,654
Other Current Liabilities	3,542	7,643	7,281	9,132	9,057	8,606	12,995	9,115	9,953
Provisions	321	357	354	337	439	489	595	1,019	1,061
Net Current Assets	47,240	41,036	28,908	39,481	50,851	57,832	72,529	89,042	1,09,993
Appl. of Funds	64,252	60,007	52,098	64,243	79,715	95,814	1,15,386	1,34,230	1,57,430

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Basic (INR)									
EPS	25.4	36.3	45.3	52.1	68.5	55.8	61.3	78.0	92.8
Cash EPS	29.3	41.7	51.2	58.0	74.7	63.5	71.1	87.1	102.1
BV/Share	114.8	147.4	175.5	216.6	269.0	320.0	376.6	440.6	519.4
DPS	6.5	12.0	12.0	12.0	12.0	12.0	14.0	14.0	14.0
Payout (%)	31.7	39.6	26.5	23.0	17.5	21.5	19.9	17.9	15.1
Valuation (x)									
P/E	88.4	61.9	49.7	43.2	32.9	40.3	36.7	28.8	24.2
Cash P/E	76.7	53.9	44.0	38.8	30.1	35.4	31.6	25.8	22.0
P/BV	19.6	15.3	12.8	10.4	8.4	7.0	6.0	5.1	4.3
EV/Sales	5.2	5.1	4.6	3.4	2.2	2.9	2.6	2.2	2.0
EV/EBITDA	47.6	39.0	32.9	29.9	22.1	26.5	24.0	19.4	16.3
Dividend Yield (%)	0.3	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6
FCF per share	8.7	51.8	121.3	60.6	1.4	29.0	69.0	62.8	63.0
Return Ratios (%)									
RoE	23.8	27.7	28.1	26.6	28.2	19.0	17.6	19.1	19.3
RoCE	15.1	20.3	25.3	27.5	30.5	20.8	19.7	20.2	20.3
RoIC	16.2	21.1	27.4	34.8	40.4	28.4	28.9	32.5	36.3
Working Capital Ratios									
Fixed Asset Turnover (x)	5	4	4	5	7	5	5	5	5
Asset Turnover (x)	2.1	2.2	2.7	3.0	3.7	2.3	2.1	2.1	1.9
Inventory (Days)	89	75	67	70	54	76	72	55	55
Debtor (Days)	50	48	14	5	7	23	19	8	8
Govt Subs Receivable (days)	66	64	15	6	29	23	25	25	25
Creditor (Days)	147	135	110	100	83	119	123	83	83
Working Capital Turnover (Days)	126	112	56	42	45	48	56	49	50
Leverage Ratio (x)									
Current Ratio	2.1	2.0	1.8	1.8	1.8	1.9	2.0	2.6	2.8
Interest Cover Ratio	5	7	17	26	14	12	9	17	21
Debt/Equity	0.9	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Consolidated - Cash Flow Statement

(INRm)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
NP/(Loss) Before Tax and EO Items	11,156	13,777	17,806	20,460	27,253	22,150	27,276	31,440	37,299
Depreciation	1,138	1,580	1,731	1,727	1,820	2,286	2,904	2,670	2,750
Interest & Finance Charges	1,783	2,353	1,057	755	189	-448	258	-2,425	-3,350
Direct Taxes Paid	-3,709	-3,135	-4,568	-4,834	-7,038	-5,478	-7,187	-7,913	-9,388
(Inc)/Dec in WC	-4,601	4,044	25,476	3,716	-16,520	7,427	4,520	-274	-3,764
CF from Operations	5,768	18,620	41,502	21,824	5,703	25,936	27,771	23,498	23,546
Others	-504	0	0	-1,044	207	-11,659	-3,133	0	0
CF from Operating incl EO	5,264	18,620	41,502	20,781	5,910	14,277	24,638	23,498	23,546
(inc)/dec in FA	-2,731	-3,434	-5,926	-3,002	-5,489	-5,732	-4,335	-5,000	-5,000
Free Cash Flow	2,534	15,186	35,576	17,779	421	8,545	20,303	18,498	18,546
(Pur)/Sale of Investments	0	-105	-25	-297	-432	-5,671	-45,620	0	0
Others	-4,053	1,320	-6,622	-12,921	12,312	-1,940	23,578	4,125	4,950
CF from Investments	-6,784	-2,219	-12,572	-16,220	6,390	-13,343	-26,377	-875	-50
Issue of Shares	45	1	0	0	1	0	168	0	0
Inc/(Dec) in Debt	2,316	-13,294	-16,235	-16	46	472	-516	0	0
Interest Paid	-2,511	-2,353	-1,057	-755	-1,900	-1,866	-2,150	-1,700	-1,600
Dividend Paid	-2,292	-4,219	-3,521	-3,522	-3,528	-3,533	-3,528	-4,122	-4,122
Others	0	2,654	-1,679	10,044	-10,273	18,400	14,563	-561	-589
CF from Fin. Activity	-2,441	-17,211	-22,491	5,751	-15,655	13,474	8,537	-6,383	-6,311
Inc/Dec of Cash	-3,961	-810	6,438	10,312	-3,355	14,408	6,798	16,240	17,186
Add: Beginning Balance	5,554	1,593	783	7,221	17,533	14,178	28,586	35,384	51,624
Closing Balance	1,593	783	7,221	17,533	14,178	28,586	35,384	51,624	68,809

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NOTES

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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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