26 May 2025

4QFY25 Results Update | Sector: Healthcare

Glenmark Pharma

Estimate change	↓
TP change	↓
Rating change	⟷

Bloomberg	GNP IN
Equity Shares (m)	282
M.Cap.(INRb)/(USDb)	392.3 / 4.6
52-Week Range (INR)	1831 / 1031
1, 6, 12 Rel. Per (%)	-2/-12/25
12M Avg Val (INR M)	1247

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	133.2	147.0	164.0
EBITDA	23.7	28.1	32.9
Adj. PAT	13.5	16.6	20.7
EBIT Margin (%)	14.2	15.6	16.7
Adj EPS (INR)	47.7	58.7	73.2
EPS Gr. (%)	NA	23.0	24.7
BV/Sh. (INR)	313.6	368.7	437.7
Ratios			
Net D-E	0.1	-0.1	-0.2
RoE (%)	16.1	17.2	18.2
RoCE (%)	16.8	16.7	18.1
Payout (%)	8.1	6.2	5.8
Valuations			
P/E (x)	29.1	23.7	19.0
EV/EBITDA (x)	16.7	13.7	11.3
Div. Yield (%)	0.2	0.2	0.3
FCF Yield (%)	-4.2	3.2	3.8
EV/Sales (x)	3.0	2.6	2.3

Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	46.7	46.7	46.6
DII	14.6	13.9	13.4
FII	23.2	23.5	21.4
Others	15.6	16.0	18.6

FII Includes depository receipts

CMP: INR1,390 **TP: INR1,690 (+22%)** **Buy**

EU and lower R&D spending drive 4Q earnings

ISB2001 deal on the cards; g-Flovent's target action date in 2QFY26

- Glenmark Pharma (GNP) posted a marginally lower-than-expected operating performance in 4QFY25 (2%/5% miss on revenue/EBITDA). Elevated interest outgo and lower other income led to a 16% miss on earnings.
- GNP showcased robust YoY growth in the European business for the fifth consecutive year, with 20% YoY in 4QFY25. New launches and superior execution of existing products in the respiratory/dermatology segment have sustained the growth momentum in this segment.
- While GNP outperformed the rest of the world (ROW) markets (Russia, LATAM, MEA, APAC), the currency headwinds have kept its YoY growth in check.
- GNP has faced headwinds in the domestic formulation (DF) segment due to unfavorable seasonality and competitive pressures in the anti-diabetic category.
- We reduce our earnings estimate by 5%/1% for FY26/FY27, factoring in 1) reduced business of non-core hospital and trade generics in DF, 2) currency impact in ROW markets, and a gradual uptick in US business. We value GNP at 25x 12M forward earnings to arrive at our TP of INR1,690.
- On the innovation front, the potential for ISB2001 continues to improve with fast-track designation for relapsed/refractory Multiple Myeloma (MM). GNP delivered considerable margin expansion (780bp YoY) in FY25, aided by healthy growth in the European business and a reduction in R&D spending. GNP strengthened its differentiated offerings in the US generics segment with products like g-Flovent. With the gradual recovery in DF and superior execution in the EU/ROW markets, we expect 11%/18%/24% sales/EBITDA/ PAT over FY25-27. **Reiterate BUY.**

Operating leverage outweighs segmental mix, driving margins YoY

- GNP's 4QFY25 revenue grew 6.3% YoY to INR32.6b (vs. est. INR33.3b).
- Europe generics' revenue increased 20% YoY to INR7.3b (23% of sales). Rest of World (RoW) sales rose 4.9% YoY to INR7.9b (24% of sales).
- DF grew 0.4% YoY to INR9.4b (29% of sales). NA revenue decreased 5.4% YoY to INR7.1b (22% of sales).
- Gross margin (GM) dipped 90bp YoY to 66.6% due to a change in segment mix.
- EBITDA margin, at 17.2%, was up 70bp YoY due to better operating leverage. EBITDA came in at INR5.6b (vs. est. INR5.9b), up 11.2% YoY.
- There were one-time exceptional items of INR3.8b associated with: 1) g-Zetia litigation and associated legal costs, as well as 2) closure of the manufacturing facility at Chaux-de-Fonds.
- Adj. PAT came in at INR2.9b (vs. est. INR3.5b), up 75% YoY.
- In FY25, revenue/EBITDA grew 13%/82% to INR133.2b/INR23.7b. The Adj. PAT was INR13.5b for FY25 vs. INR701m for FY24.

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Highlights from the management commentary

- GNP guided a revenue growth of 10-12% YoY with an EBITDA margin of 19-20% for FY26. GNP intends to generate cash of INR3b-INR4b in FY26, after interest and dividend payments.
- GNP is in advanced talks with MNC pharma companies to partner on ISB2001. The deal is expected to be transformational for GNP on an overall basis.
- Monroe will be inspected soon by USFDA
- From USD80m sales of Ryaltris, GNP expects to scale the business from this product to USD100m in FY26. The regulatory approval for the Chinese market is expected in FY26.
- The target action date for g-Flovent is 2QFY26. The 110mg strength is expected to be filed in 1HFY26 with an additional strength to be filed in 2HFY26.

Quarterly performance (INR m)

Y/E March	FY24				FY25				FY24	FY25	Estimate	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	% Var
Net Revenues (Core)	**30,361**	**32,074**	**25,067**	**30,630**	**32,442**	**34,338**	**33,876**	**32,562**	**118,131**	**133,217**	**33,273**	**-2.1**
YoY Change (%)	9.3	6.3	-19.1	2.1	6.9	7.1	35.1	6.3	2.0	12.8	8.6	
EBITDA	**4,374**	**5,053**	**-1,444**	**5,043**	**6,102**	**6,019**	**6,002**	**5,610**	**13,025**	**23,734**	**5,917**	**-5.2**
YoY Change (%)	-7.5	-3.2	-130.5	26.7	39.5	19.1	-515.5	11.2	-20.3	82.2	17.3	
Margins (%)	14.4	15.8	-5.8	16.5	18.8	17.5	17.7	17.2	11.0	17.8	17.8	
Depreciation	1,420	1,415	1,471	1,513	1,178	1,203	1,227	1,252	5,819	4,860	1,251	
EBIT	**2,953**	**3,638**	**-2,915**	**3,530**	**4,924**	**4,816**	**4,775**	**4,358**	**7,206**	**18,874**	**4,666**	
YoY Change (%)	-9.4	-3.3	-190.4	34.3	66.7	32.4	-263.8	23.5	-32.4	161.9	32.2	
Margins (%)	9.7	11.3	-11.6	11.5	15.2	14.0	14.1	13.4	6.1	14.2	14.0	
Interest	1,116	1,215	1,343	1,486	396	485	523	667	5,160	2,071	479	
Other Income	197	17	454	7,732	315	324	311	117	8,400	1,067	299	
PBT before EO Expense	**2,034**	**2,441**	**-3,805**	**9,776**	**4,843**	**4,656**	**4,563**	**3,808**	**10,447**	**17,870**	**4,486**	**-15.1**
One-off loss/(gain)	520	3,684	1,409	4,468	220	-70	0	3,728	10,082	3,878	1,850	
PBT after EO Expense	**1,514**	**-1,244**	**-5,214**	**5,308**	**4,623**	**4,726**	**4,563**	**80**	**364**	**13,992**	**2,636**	**-97.0**
Tax	1,137	559	-718	17,695	1,221	1,181	1,083	36	18,673	3,521	553	
Rate (%)	75.1	-45.0	13.8	333.3	26.4	25.0	23.7	45.0	5,123.0	25.2	21.0	
Reported PAT	**377**	**-1,803**	**-4,496**	**-12,386**	**3,402**	**3,545**	**3,480**	**44**	**-18,309**	**10,471**	**2,083**	**-97.9**
Minority Interest	232	204	206	40	0	3	1	-3	681	0	42	
Reported PAT after MI	**145**	**-2,007**	**-4,701**	**-12,427**	**3,403**	**3,542**	**3,480**	**47**	**-18,990**	**10,471**	**2,041**	
Adj PAT	**1,111**	**1,397**	**-3,486**	**1,680**	**3,565**	**3,490**	**3,480**	**2,932**	**701**	**13,466**	**3,503**	**-16.3**
YoY Change (%)	-34.0	-39.9	NA	247.6	220.9	149.8	NA	74.6	-81.2	NA	108.6	
Margins (%)	3.7	4.4	-13.9	5.5	11.0	10.2	10.3	9.0	0.6	10.1	10.5	

Key performance Indicators

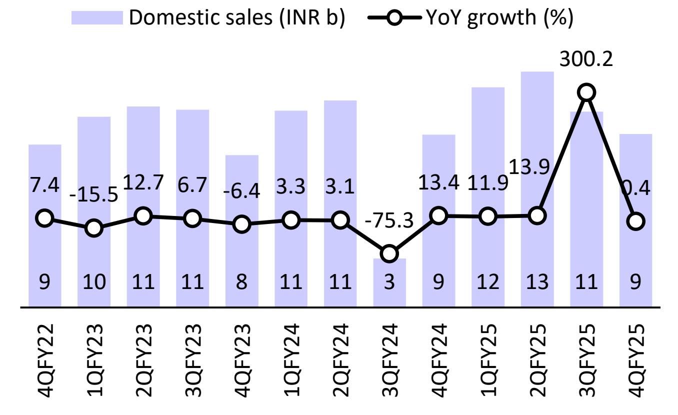
Y/E March	FY24				FY25				FY24	FY25	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE
India formulations	10,693	11,252	2,658	9,391	11,962	12,817	10,637	9,430	33,994	44,846	9,796
YoY Change (%)	3.3	3.1	-75.3	13.4	11.9	13.9	300.2	0.4	-15.6	31.9	10.7
US	8,183	7,498	7,705	7,557	7,808	7,405	7,813	7,146	30,943	30,172	7,740
YoY Change (%)	23.5	-0.5	-8.0	-11.2	-4.6	-1.2	1.4	-5.4	-0.3	-2.5	4.9
ROW+LatAm	5,528	7,339	7,271	7,528	5,708	7,041	7,491	7,898	27,666	28,138	8,164
YoY Change (%)	30.8	19.3	11.2	9.8	3.3	-4.1	3.0	4.9	16.4	1.7	49.0
Europe	5,732	5,997	6,357	6,118	6,957	6,874	7,297	7,335	24,204	28,463	7,434
YoY Change (%)	73.7	58.4	28.9	0.7	21.4	14.6	14.8	19.9	33.8	17.6	49.6
Cost Break-up											
RM Cost (% of Sales)	39.1	37.3	41.2	32.5	34.2	31.2	32.0	33.4	37.4	32.7	31.8
Staff Cost (% of Sales)	22.4	22.8	30.0	22.9	21.9	22.9	23.3	22.6	24.3	22.7	22.7
R&D Expenses(% of Sales)	9.3	10.1	12.3	10.0	7.4	7.2	6.6	7.3	10.3	7.1	7.2
Other Cost (% of Sales)	14.7	13.9	22.2	18.2	17.6	21.2	20.4	19.4	17.0	19.7	20.6
Gross Margin (%)	60.9	62.7	58.8	67.5	65.8	68.8	68.0	66.6	62.6	67.3	68.2
EBITDA Margin (%)	14.4	15.8	-5.8	16.5	18.8	17.5	17.7	17.2	11.0	17.8	17.8
EBIT Margin (%)	9.7	11.3	-11.6	11.5	15.2	14.0	14.1	13.4	6.1	14.2	14.0

Highlights from the management commentary

- There is one litigation pending for g-Zetia.
- One more MDI would be filed in 2HFY26. 2-3 nasal sprays will be filed in FY26.
- USD150m investment to be done for injectable line and related utilities at Monroe plant. All the injectable filings are expected from Monroe.
- The increased competition in remogliflozin/teneligliptin (~60% of anti-diabetes sales in the DF segment) impacted anti-diabetes growth for the quarter. Improved traction in Liraglutide and the recently launched fixed dose combination of Empagliflozin would drive near-term recovery in this segment. Further, GNP is also gearing up to launch Semaglutide in the DF segment in the first wave of branded generic market formation.
- GNP garnered INR850m in sales in the consumer care business, up 23.5% YoY.
- The net working capital days stood at 104 in FY25 and GNP is putting efforts to further optimize the same.
- The tangible asset addition for 4QFY25 was INR2.3b. The intangible asset addition was INR870m for 4QFY25.
- The ETR is expected to 21-22% for FY26.

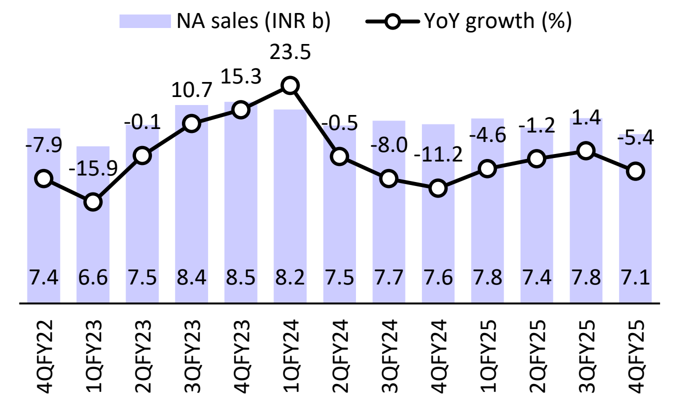
Key exhibits (including GLS revenue)

Exhibit 1: DF sales flat YoY



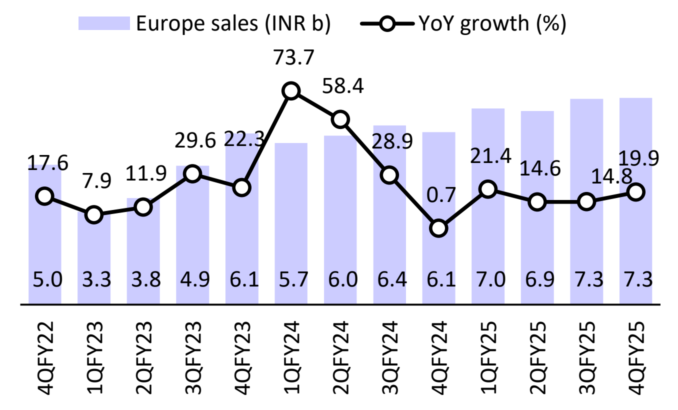
Source: MOFSL, Company

Exhibit 2: NA sales declined 5.4% YoY



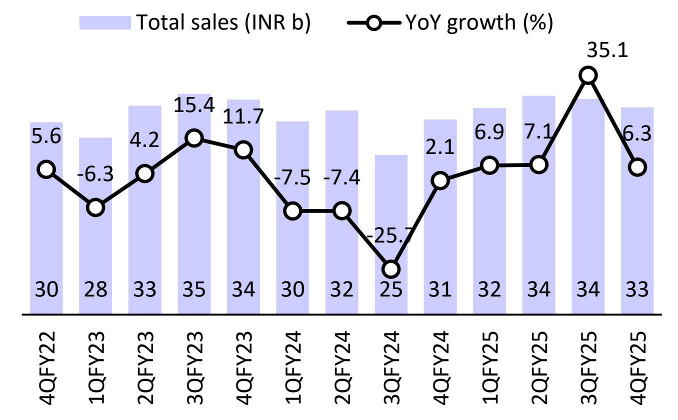
Source: MOFSL, Company

Exhibit 3: EU sales up 20% YoY



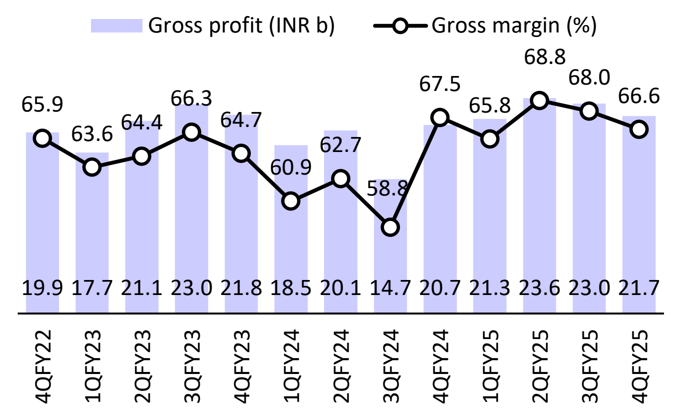
Note: Sales includes GLS; Source: Company, MOFSL

Exhibit 4: Total revenue up 6.3% YoY



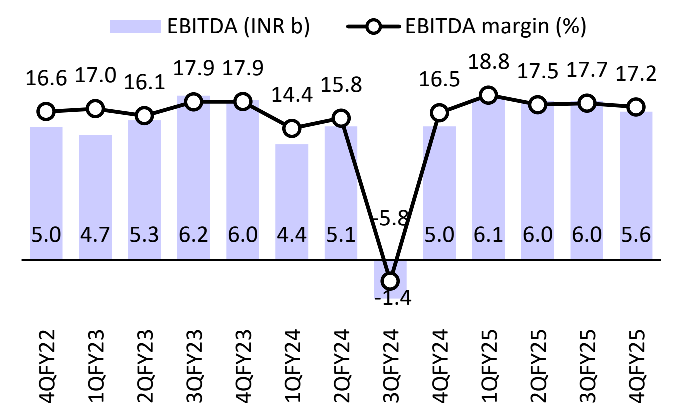
Note: Sales includes GLS; Source: Company, MOFSL

Exhibit 5: Gross margin down 90bp



Note: Sales includes GLS; Source: Company, MOFSL

Exhibit 6: EBITDA margin expanded 70bp YoY in 4QFY25



Note: Sales includes GLS; Source: Company, MOFSL

Valuation and view

DF: Newer introductions to offset competitive pressures and revive growth

- GNP's DF sales grew 31.9% YoY to INR44.8b in FY25 due to market share gains in cardiac, derma, and respiratory. However, sales in 4Q were impacted by the weak growth in the acute respiratory market and the highly competitive diabetes market, offset by the discontinuation of non-core, low-margin brands.
- GNP is preparing itself not only to offset the impact of competition in the anti-diabetes portfolio but also to grow the overall DF segment. GNP is enhancing its offering in the anti-diabetes space through improved traction in Liraglutide and recently launched the Empagliflozin combination along with the launch of novel therapies such as Jabryus, offering incremental upsides. Further, GNP is also gearing up to launch Semaglutide in the DF segment in the first wave of branded generic market formation.
- GNP's consumer care (GCC) primary sales grew 23.5% YoY in 4Q, driven largely by core brands such as the Scalpe portfolio and Candid powder.
- Overall, we expect a 10% CAGR in DF sales to INR54.3b over FY25-27.

US: Building respiratory and nasal spray pipeline to improve prospects

- In FY25, its US sales decreased 2.5% YoY to INR30.2b (CC: up 2% to USD376m) due to the lack of new product launches. However, GNP expects an uptick in the business from FY26 onwards on the back of potential launches in the respiratory and injectable segments.
- GNP awaits USFDA inspection at the Monroe site. It has further plans to invest USD150m for injectable product manufacturing at Monroe.
- In FY25, Glenmark received eight ANDA approvals and filed four new ANDAs with the USFDA. Further, GNP awaits approval of 51 pending applications, indicating a strong pipeline.
- We expect a 7% CAGR in US sales to reach USD34.3b over FY25-27.

EU: Consistent superior execution to sustain the growth momentum

- In FY25, GNP's EU sales jumped 17.6% YoY to INR28.5b, driven by strong growth in the branded market. Further, this was supported by double-digit growth across both Central & Eastern Europe (CEE) and Western Europe.
- There has been a strong uptick in the branded respiratory and dermatology portfolio.
- Ryaltris continued to gain market share across all countries where the product has been launched.
- GNP received MHRA approval to market WINLEVI in the UK, with a launch planned in FY26 to strengthen its dermatology portfolio.
- Consequently, we expect a 16% sales CAGR to INR38.6b over FY25-27.

RoW – Strengthening the respiratory franchise

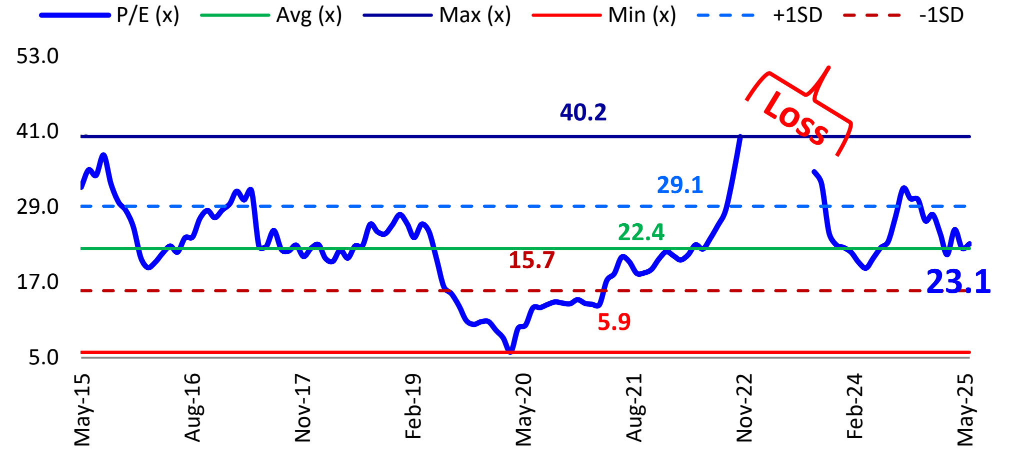
- In FY25, RoW sales inched up 1.7% to INR28.2b. Slower growth was due to adverse currency movements in some of the key markets.
- Further, Ryaltris is a leading nasal spray in markets like South Africa and is witnessing a strong pickup after the launch in key markets in the region.
- In LATAM, the respiratory is the key growth contributor. GNP is witnessing good traction in the first generic of Salmeterol + Fluticasone MDI for Brazil. Further, RYALTRIS continued to drive significant outperformance in the Australian market.

- With new product launches in Dermatology and Respiratory, we expect a 12% sales CAGR to reach INR35b over FY25-27.

Reiterate BUY

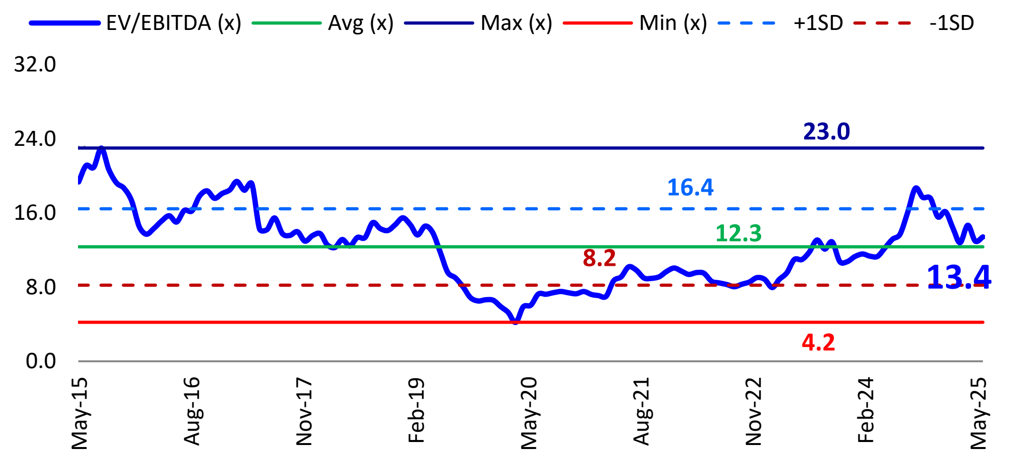
- We reduce our earnings estimate by 5%/1% for FY26/FY27, factoring in 1) reduced business of non-core hospital and trade generics in DF, 2) currency impact in ROW markets, and a gradual uptick in US business. We value GNP at 25x 12M forward earnings to arrive at our TP of INR1,690.
- On the innovation front, the potential for ISB2001 continues to improve with fast-track designation for relapsed/refractory Multiple Myeloma (MM). GNP delivered considerable margin expansion (780bp YoY) in FY25, aided by healthy growth in the European business and a reduction in R&D spending. GNP strengthened its differentiated offerings in the US generics segment with products like g-Flovent. With the gradual recovery in DF and superior execution in the EU/ROW markets, we expect 11%/18%/24% sales/EBITDA/ PAT over FY25-27. **Reiterate BUY.**

Exhibit 7: P/E chart



Source: MOFSL, Company, Bloomberg

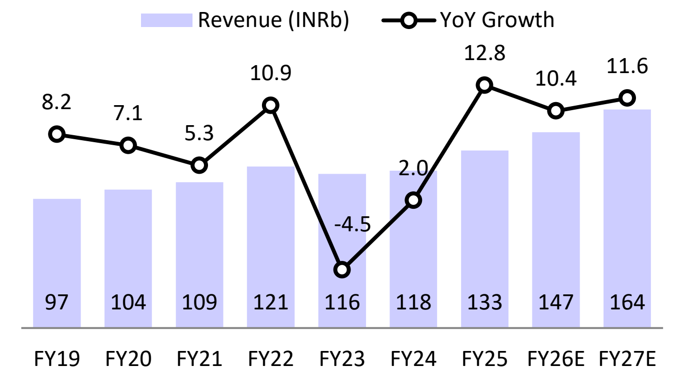
Exhibit 8: EV/EBITDA chart



Source: MOFSL, Company, Bloomberg

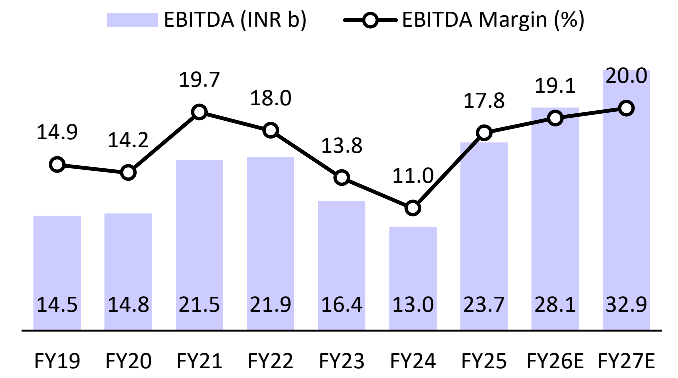
Story in charts

Exhibit 9: Expect sales CAGR of 11% over FY25-27



Source: Company, MOFSL

Exhibit 10: EBITDA margin to expand 220bp over FY25-27



Source: Company, MOFSL

Exhibit 11: R&D spending as a percentage of sales to remain stable over FY25-27

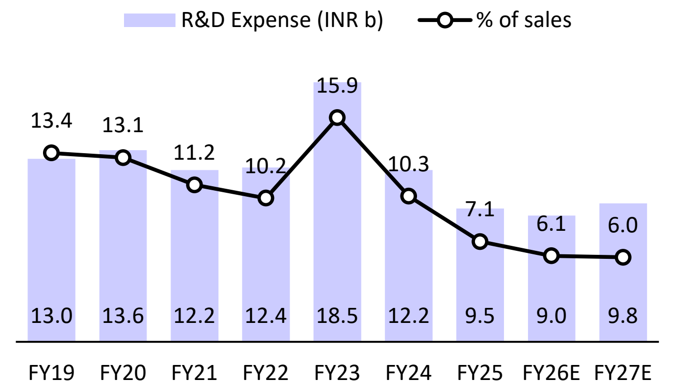
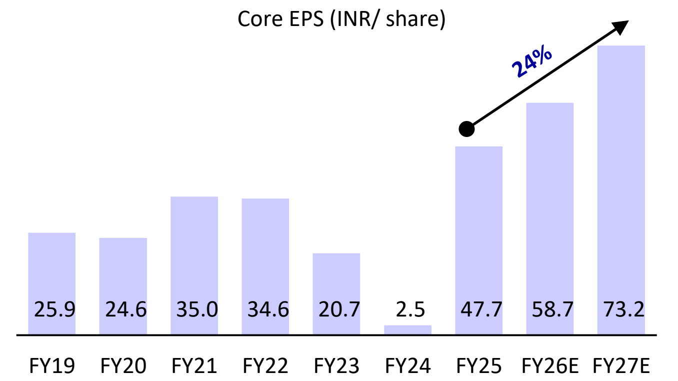
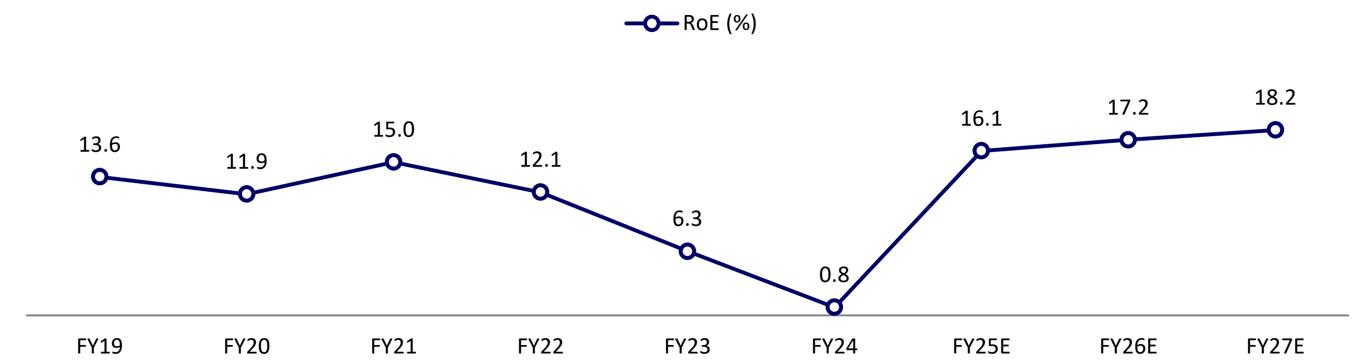


Exhibit 12: Low base to drive strong EPS growth over FY25-27



Source: Company, MOFSL

Exhibit 13: RoE to improve over FY25-27



Source: Company, MOFSL

Note: Above Charts excludes GLS consolidation

Financials and valuations

Income Statement

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Net Sales	**97,051**	**1,03,972**	**1,09,439**	**1,21,339**	**1,15,832**	**1,18,131**	**1,33,217**	**1,47,032**	**1,64,038**
Change (%)	8.2	7.1	5.3	10.9	-4.5	2.0	12.8	10.4	11.6
EBITDA	**14,504**	**14,793**	**21,544**	**21,881**	**16,350**	**13,025**	**23,734**	**28,149**	**32,875**
Change (%)	-2.3	2.0	45.6	1.6	-25.3	-20.3	82.2	18.6	16.8
Margin (%)	14.9	14.2	19.7	18.0	14.1	11.0	17.8	19.1	20.0
Depreciation	3,259	4,172	4,436	4,867	5,692	5,819	4,860	5,181	5,536
EBIT	**11,245**	**10,622**	**17,108**	**17,014**	**10,658**	**7,206**	**18,874**	**22,968**	**27,340**
Interest	3,346	3,773	3,531	2,981	3,490	5,160	2,071	1,122	381
OI & forex gains/losses	2,105	2,623	501	617	2,889	8,400	1,067	390	410
PBT before EO Expense	**10,004**	**9,472**	**14,078**	**14,650**	**10,057**	**10,447**	**17,870**	**22,236**	**27,369**
Change (%)	-10.6	-5.3	48.6	4.1	-31.3	3.9	71.1	24.4	23.1
Extra Ordinary Expense	-3,002	-1,489	255	237	7,659	10,082	3,878	0	0
PBT after EO Exp.	**13,006**	**10,961**	**13,824**	**14,412**	**2,398**	**364**	**13,992**	**22,236**	**27,369**
Tax	3,756	3,201	4,124	4,476	3,294	18,673	3,521	5,670	6,705
Tax Rate (%)	28.9	29.2	29.8	31.1	137.3	5123.0	25.2	25.5	24.5
Reported PAT	**9,250**	**7,760**	**9,700**	**9,417**	**-1,697**	**-18,990**	**10,471**	**16,566**	**20,663**
Minority Interest	0	0	0	519	802	681	45	0	0
Adj PAT from continuing ops.	**7,312**	**6,938**	**9,871**	**9,752**	**5,836**	**701**	**13,466**	**16,566**	**20,663**
Change (%)	-9.0	-5.1	42.3	-1.2	-40.2	-88.0	1,821.0	23.0	24.7
Margin (%)	7.5	6.7	9.0	8.0	5.0	0.6	10.1	11.3	12.6

Balance Sheet

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Equity Share Capital	282	282	282	282	282	282	282	282	282
Reserves	55,770	60,423	70,364	90,584	94,457	78,197	88,212	1,03,758	1,23,232
Net Worth	**56,052**	**60,705**	**70,646**	**90,866**	**94,739**	**78,479**	**88,494**	**1,04,041**	**1,23,514**
Minority Interest	-4	-4	-4	3,515	3,653	-4	-4	-4	-4
Loans	38,768	44,856	44,018	36,703	43,477	9,906	21,942	15,442	9,942
Deferred liabilities	-13830	-14393	-15059	-16546	-18054	-10494	-10655	-10654	-10653
Capital Employed	**80,986**	**91,164**	**99,602**	**1,14,538**	**1,23,816**	**77,887**	**99,777**	**1,08,825**	**1,22,799**
Gross Block	59,080	76,501	82,266	93,966	94,115	87,819	95,444	1,01,944	1,08,944
Less: Accum. Deprn.	20,732	24,903	29,339	34,206	39,898	45,717	50,577	55,758	61,294
Net Fixed Assets	**38,348**	**51,598**	**52,927**	**59,760**	**54,217**	**42,102**	**44,867**	**46,186**	**47,650**
Capital WIP	12,344	10,906	12,178	9,211	11,896	6,619	8,348	8,348	8,348
Investments	297	246	246	496	446	7,897	564	564	564
Intangibles (net)	17,370	21,821	23,349	22,854	22,925	10,920	11,674	11,674	11,674
Curr. Assets	**68,070**	**69,541**	**75,338**	**84,504**	**1,03,507**	**76,472**	**95,474**	**1,09,197**	**1,28,663**
Inventory	22,521	21,356	22,768	24,998	23,736	25,131	30,285	33,032	36,403
Account Receivables	21,946	24,090	25,721	31,011	36,652	18,584	33,419	37,866	43,144
Cash and Bank Balance	9,378	11,112	11,392	14,115	11,603	16,595	17,052	20,872	28,892
Others	14,226	12,982	15,457	14,379	31,516	16,163	14,717	17,424	20,224
Curr. Liability & Prov.	**38,072**	**41,127**	**41,087**	**39,433**	**46,251**	**55,202**	**49,477**	**55,470**	**62,425**
Account Payables	33,689	35,975	35,944	34,519	41,331	48,791	43,516	52,368	59,323
Provisions	4,384	5,152	5,143	4,914	4,920	6,411	5,961	3,102	3,102
Net Current Assets	**29,998**	**28,414**	**34,250**	**45,071**	**57,256**	**21,270**	**45,997**	**53,727**	**66,238**
Appl. of Funds	**80,986**	**91,164**	**99,602**	**1,14,538**	**1,23,816**	**77,887**	**99,776**	**1,08,825**	**1,22,799**

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Basic (INR)									
EPS (Fully diluted)*	**25.9**	**24.6**	**35.0**	**34.6**	**20.7**	**2.5**	**47.7**	**58.7**	**73.2**
Cash EPS	37.5	39.4	50.7	51.8	40.9	23.1	64.9	77.1	92.9
BV/Share	198.6	215.1	250.4	322.0	335.8	278.1	313.6	368.7	437.7
DPS	3.0	3.0	3.0	3.0	3.0	3.0	2.5	3.0	3.5
Payout (%)	11.0	9.0	7.3	10.8	60.0	-5.4	8.1	6.2	5.8
Valuation (x)									
P/E (Fully diluted)	53.6	56.5	39.7	40.2	67.2	559.1	29.1	23.7	19.0
Cash P/E	37.1	35.3	27.4	26.8	34.0	60.1	21.4	18.0	15.0
P/BV	7.0	6.5	5.5	4.3	4.1	5.0	4.4	3.8	3.2
EV/Sales	4.3	4.1	3.9	3.4	3.7	3.3	3.0	2.6	2.3
EV/EBITDA	29.1	28.8	19.7	19.0	25.9	29.6	16.7	13.7	11.3
Dividend Yield (%)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3
Return Ratios (%)									
RoE	13.6	11.9	15.0	12.1	6.3	0.8	16.1	17.2	18.2
RoCE	11.6	10.9	13.0	11.4	-4.2	-777.3	16.8	16.7	18.1
RoIC	17.3	15.3	17.8	15.3	2.2	-512.6	18.5	16.7	19.0
Working Capital Ratios									
Fixed Asset Turnover (x)	2.8	2.3	2.1	2.2	2.0	2.5	3.1	3.2	3.5
Debtor (Days)	83	85	86	93	115	57	92	94	96
Inventory (Days)	85	75	76	75	75	78	83	82	81
Working Capital (Days)	78	61	76	93	144	14	79	82	83
Leverage Ratio (x)									
Current Ratio	1.8	1.7	1.8	2.1	2.2	1.4	1.9	2.0	2.1
Net Debt/Equity	0.5	0.6	0.5	0.2	0.3	-0.1	0.1	-0.1	-0.2

Cash Flow Statement (INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Op. Profit/(Loss) before Tax	14,504	14,793	21,544	21,881	16,350	13,025	23,734	28,149	32,875
Interest/Dividends Recd.	2,105	2,623	501	617	2,889	8,400	1,067	390	410
Direct Taxes Paid	-4,383	-3,764	-4,791	-5,963	-4,802	-11,114	-3,681	-5,669	-6,704
(Inc)/Dec in WC	8,169	3,318	-5,557	-8,097	-14,698	40,978	-24,269	-3,908	-4,493
CF from Operations	**20,395**	**16,971**	**11,697**	**8,438**	**-260**	**51,290**	**-3,150**	**18,963**	**22,088**
EO Expense	-3,002	-1,489	255	237	7,659	10,082	3,878	0	0
CF frm Op.incl EO Exp.	**13,242**	**13,242**	**13,242**	**8,201**	**-7,919**	**41,208**	**-7,028**	**18,963**	**22,088**
(Inc)/Dec in FA	**-12,437**	**-15,984**	**-7,036**	**-8,733**	**-2,834**	**11,574**	**-9,355**	**-6,500**	**-7,000**
Free Cash Flow	**805**	**-2,742**	**6,205**	**-533**	**-10,753**	**52,781**	**-16,383**	**12,463**	**15,088**
(Pur)/Sale of Investments	-150	51	0	-250	50	-7,450	7,333	0	0
CF from Investments	**-6,990**	**-6,990**	**-6,990**	**-8,983**	**-2,784**	**4,123**	**-2,022**	**-6,500**	**-7,000**
Change in Networth	-3,814	-2,409	952	11,822	6,589	3,749	393	-1	-1
Inc/(Dec) in Debt	-5,601	6,088	-837	-3,797	6,912	-37,228	12,036	-6,500	-5,500
Interest Paid	-3,346	-3,773	-3,531	-2,981	-3,490	-5,160	-2,071	-1,122	-381
Dividend Paid	-1,019	-698	-710	-1,019	-1,019	-1,019	-849	-1,019	-1,189
CF from Fin. Activity	**-7,387**	**-7,387**	**-7,387**	**3,516**	**8,992**	**-39,658**	**9,509**	**-8,641**	**-7,070**
Inc/Dec of Cash	**-1,136**	**-1,136**	**-1,136**	**2,733**	**-1,711**	**5,673**	**459**	**3,821**	**8,017**
Add: Beginning Balance	12,347	9,378	11,112	11,392	14,115	11,603	16,595	17,052	20,875
Effect of exchange rate	-1,833	2,871	1,415	0	-802	-681	0	0	0
Closing Balance	**9,378**	**11,113**	**11,392**	**14,115**	**11,603**	**16,595**	**17,052**	**20,873**	**28,892**

NOTES

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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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