Grasim

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	GRASIM IN
Equity Shares (m)	681
M.Cap.(INRb)/(USDb)	1961.3 / 22.1
52-Week Range (INR)	2979 / 2276
1, 6, 12 Rel. Per (%)	0/1/5
12M Avg Val (INR M)	1725

Financial Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	386.6	442.4	496.6
EBITDA	15.6	25.6	34.2
Adj. PAT	4.9	13.5	22.3
EBITDA Margin (%)	4.0	5.8	6.9
S/A Adj. EPS (INR)	7.2	19.8	32.7
S/A EPS Gr. (%)	50.0	174.6	65.4
Consol EPS (INR)	84.4	105.4	127.0
BV/Sh. (INR)	834.4	864.4	890.1
Ratios			
Net D:E	0.1	0.1	0.1
RoE (%)	-4.3	-1.1	1.4
RoCE (%)	0.5	2.9	5.0
Valuations			
P/E (x)	85.3	31.1	18.8
EV/EBITDA (x)	2.9	2.2	1.5
Div. Yield (%)	0.2	0.2	0.2
FCF Yield (%)	(1.0)	(0.5)	0.5

Shareholding Pattern (%)

As of	Sep-25	Jun-25	Sep-24
Promoter	43.1	43.1	43.1
DII	17.5	17.9	17.8
FII	16.9	16.2	16.1
Others	22.5	22.7	23.0

FII includes depository receipts

CMP: INR2,882 TP: INR3,410 (+18%) Buy

Chemical-led beat on EBITDA; exit of Paints' CEO an overhang

Strong momentum in the Paints business in Sep-Oct'25

- GRASIM's 2QFY26 EBITDA was above our estimate, fueled by outperformance in the chemical business, while the VSF performance was in line. EBITDA increased ~13% YoY to INR3.7b (~14% beat). OPM contracted 50bp YoY to 3.8% (est. 3.5%). Adj. PAT grew ~6% YoY to INR8.0b (in line). However, Mr. Rakshit Hargave, CEO of the Paints business, who had joined GRASIM in Nov'21, has tendered his resignation after ~20 months of the launch of its paints brand "Birla Opus". This will be an overhang on the stock in the near term.
- GRASIM has also outperformed UTCEM in the last two months, and its HoldCo discount has been reduced to 39% vs. an average of 41% in 2QFY26. Revenue traction of the Paints segment and its losses would be the key monitorables for the next few quarters. Though we maintain our positive view on Grasim, considering the near-term headwinds for the Paints business, we raise our HoldCo discount to 40% from 35% earlier.
- Management highlighted that Birla Opus continues to grow its market share. Birla Opus hit its highest-ever monthly sale in Sep'25, and the brand saw an equally strong Oct'25. Management expects sequential growth in the Paints business to be in double digits in 3QFY26 and significantly higher on a YoY basis. GRASIM maintained its revenue guidance of INR100b and EBITDA break-even by FY28.
- We retain our EBITDA estimates for FY26-28. **We reiterate our BUY rating** with a revised TP of INR3,410 (earlier INR3,540) based on an SoTP valuation.

VSF margin dips 3.5pp YoY; chemical margin expands 1.9pp YoY

- GRASIM's standalone revenue/EBITDA/Adj. PAT was at INR96.1b/INR3.7b/INR8.1b (+26%/+13%/+6% YoY and +4%/+14%/+4% vs. our estimates) in 2QFY26. **VSF segment**: sales volume declined ~4% YoY, whereas realization rose ~5%. EBITDA declined ~29% YoY (up 9% QoQ) to INR3.5b. OPM dipped 3.5pp YoY (up 50bp QoQ) to ~8%. EBITDA/kg was at INR16 vs. INR21/INR15 in 2QFY25/1QFY26. **Chemical segment**: volume remained flat YoY, whereas realization rose ~17% YoY. EBITDA increased ~34% YoY to INR3.7b. OPM expanded 1.9pp YoY to ~15%. **The paints and B2B e-commerce** revenue (combined) grew ~8% YoY to INR26.5b. Loss in new high-growth businesses stood at INR3.2b vs. INR3.7b/INR3.0b in 2QFY25/1QFY26.
- In 1HFY26, revenue/EBITDA/Adj PAT stood at INR188.3b/INR7.5b/INR6.9b (+30%/+15%/-3% YoY). OPM dipped 50bp YoY to ~4%. OCF stood at INR10.7b vs. INR2.6b in 1HFY25. Capex stood at INR10.5b vs. INR20.1b. Net cash inflow stood at INR219m vs. net cash outflow at INR18.4b in 1HFY25.

Highlights from the management commentary

- Birla Opus continues to gain market share in the Indian decorative paints segment despite an overall industry slowdown, driven by rapid expansion of its distribution network, stronger secondary sales, enhanced brand visibility, and sustained product quality differentiation.

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- With the commissioning of its sixth paint plant at Kharagpur, West Bengal, Birla Opus' total installed capacity now stands at 1,332mlpa, making it India's second-largest decorative paint company with 24% industry capacity share.
- Phase 1 of the 55K TPA Lyocell project at Harihar, Karnataka, is progressing well and is targeted for commissioning by mid-2027. Long-lead items have been ordered, basic engineering has been completed, and other orders and contracts are currently in process.

Valuation and view

- GRASIM's 2Q profitability was above our estimates, led by better-than-expected performance in the chemical segment. The CEO of the Paints business has resigned, which may weigh on the stock performance in the near term. While we remain positive on the company, we raise the HoldCo discount to 40% from 35% amid short-term headwinds in the Paints segment. We will also closely monitor its revenue traction and losses.
- **We reiterate our BUY rating with a TP of INR3,410** as we value its: 1) holding in listed subsidiaries by assigning a discount of 40% on our TP for coverage companies, 2) standalone business at 6x Sep'27E EV/EBITDA, 3) paint business at 2x of investments, 4) B2B e-commerce at 1.5x of Sep'27E (TTM) revenue, and 5) renewable business at 10x EV/EBITDA.

Quarterly performance (S/A) **(INR b)**

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			1QE	(%)
Net Sales	**68.9**	**76.2**	**81.2**	**89.3**	**92.2**	**96.1**	**96.5**	**101.8**	**315.6**	**386.6**	**92.2**	4
YoY Change (%)	10.5	18.3	26.9	31.9	33.8	26.1	18.8	14.0	22.1	22.5	21.0	
EBITDA	**3.3**	**3.3**	**2.7**	**2.2**	**3.8**	**3.7**	**3.9**	**4.2**	**11.4**	**15.6**	**3.2**	14
YoY Change (%)	(51.7)	(45.2)	(48.2)	(58.1)	(50.7)	18.3	12.6	42.6	(50.7)	18.3	35.3	
Margins (%)	4.7	4.3	3.3	2.5	4.2	3.8	4.0	4.2	3.6	4.0	3.5	34
Depreciation	3.5	4.1	4.2	5.0	4.8	5.0	5.1	5.2	16.8	20.1	4.9	3
Interest	1.4	1.6	1.8	2.0	2.1	2.0	2.1	2.1	6.8	8.3	2.1	(2)
Other Income	0.9	12.9	1.0	2.3	1.4	14.2	1.7	2.0	17.2	19.3	14.0	2
PBT before EO Items	**-0.7**	**10.5**	**-2.3**	**-2.5**	**-1.6**	**10.8**	**-1.6**	**-1.0**	**5.0**	**6.6**	**10.2**	6
Extraordinary Inc/(Exp)	-	(0.5)	-	(1.1)	-	-	-	-	(1.6)	-	-	
PBT after EO Items	**-0.7**	**10.0**	**-2.3**	**-3.7**	**-1.6**	**10.8**	**-1.6**	**-1.0**	**3.3**	**6.6**	**10.2**	6
Tax	-0.2	2.8	-0.6	-0.8	-0.4	2.8	-0.4	-0.3	1.2	1.7	2.5	
Rate (%)	25.8	28.0	26.8	21.8	24.4	25.6	25.6	27.0	36.2	25.6	24.0	
Reported PAT	**-0.5**	**7.2**	**-1.7**	**-2.9**	**-1.2**	**8.0**	**-1.2**	**-0.7**	**2.1**	**4.9**	**7.8**	4
Prior period tax/DTL reversal	-	-	-	-	-	-	-	-	-	-	-	
Adj. PAT	**-0.5**	**7.6**	**-1.7**	**-2.1**	**-1.2**	**8.0**	**-1.2**	**-0.7**	**3.3**	**4.9**	**7.8**	4
Margins (%)	-0.8	9.9	-2.1	-2.4	-1.3	8.4	-1.3	-0.7	1.0	1.3	8.4	
YoY Change (%)	(114.7)	(4.7)	(171.4)	(191.6)	NM	6.2	NM	NM	(79.8)	50.0	2.6	

Segmental performance **(INR b)**

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			1QE	(%)
VSF Segment												
Sales Volume (ton)	222	230	216	218	219	220	216	227	886	883	226	(3)
YoY Change (%)	12.8	4.1	0.5	(0.3)	(1.1)	(4.2)	0.1	3.9	4.1	(0.4)	(1.6)	
Blended realization (INR/kg)	171	179	182	186	185	188	190	193	179	189	187	1
Net Sales (INR m)	37.9	41.3	39.3	40.5	40.4	41.5	41.2	43.8	159.0	166.9	42.4	(2)
YoY Change (%)	5.7	6.1	5.9	7.7	6.8	0.6	4.8	8.0	6.3	5.0	2.7	
EBITDA (INR m)	4.0	4.9	3.3	2.9	3.2	3.5	3.5	3.9	15.2	14.1	3.6	(3)
EBITDA (%)	10.7	12.0	8.4	7.2	8.0	8.4	8.6	8.8	9.6	8.5	8.5	(7)
EBITDA/kg (INR)	18.3	21.5	15.3	13.4	14.7	15.9	16.4	17.0	17.2	16.0	15.9	(0)
Chemical Segment												
Sales Volume (ton)	282	295	303	290	303	294	309	303	1,170	1,209	313	(6)
YoY Change (%)	(3.4)	(3.6)	1.3	(5.8)	7.4	(0.3)	2.0	4.6	(2.9)	3.4	6.0	
Blended realization (INR/kg)	73	70	73	79	79	82	77	78	73	79	66	23
Net Sales (INR m)	20.7	20.5	22.3	23.0	23.9	24.0	23.8	23.5	86.5	95.3	20.7	16
YoY Change (%)	(3.7)	3.3	11.5	10.5	15.7	16.8	7.1	2.2	5.3	10.2	0.7	
EBITDA (INR m)	3.1	2.7	3.3	3.0	4.2	3.7	3.3	3.4	12.1	14.6	2.9	26
EBITDA (%)	15.0	13.3	14.8	12.8	17.7	15.2	14.0	14.3	14.0	15.3	14.0	122

Key highlights from the management commentary

Paints Segment

- Despite a weak industry backdrop, Birla Opus outperformed peers and grew significantly YoY, even as the organized decorative paints industry grew in low single digits. Excluding Birla Opus, the industry was marginally negative YoY. On a sequential basis, while peers saw a double-digit decline due to prolonged monsoons, Birla Opus reported only a low single-digit dip, followed by a sharp rebound in Sept-Oct.
- Birla Opus continues to gain market share in the Indian decorative paints segment despite an overall industry slowdown, driven by rapid expansion of its distribution network, stronger secondary sales, enhanced brand visibility, and sustained product quality differentiation. Premium and luxury paints contributed ~65% of revenues, covering emulsions, enamels, wood finishes, and waterproofing.
- With the commissioning of the Kharagpur plant in Oct'25, total installed capacity has reached 1,332MLPA, translating to an estimated ~24% industry capacity share, which is the second largest in India's decorative paints market.
- Demonstrating confidence in its product quality, the company launched 'Opus Assurance', an industry-first offer of free repainting (including labor), and rolled out PaintCraft, its premium service through dealers and franchisees, featuring EMI options and GST-compliant invoices. These initiatives, along with the successful 'Opus Boy' campaign, have received strong customer response, helping Birla Opus emerge as India's No. 2 decorative paints brand in top-of-mind recall.
- The distribution network has expanded to over 10,000 towns (vs. earlier guidance of 8,500) and 50,000 dealers, with growing depth in Tier-2/3 towns. The product portfolio has grown to 191 products with over 1,750 SKUs across six decorative paint categories, including 13 new product launches. About ~30% of dealers now handle 40–80 SKUs, indicating improved engagement and throughput.
- The total capex of the paints business stood at INR97.3b as of Sept'25.

- Management reiterated its medium-term goal of becoming India's No.2 decorative paint brand by revenue and profitability within 3 years of full-scale operations. The recent leadership transition will not alter its strategy.

B2B E-commerce

- Birla Pivot sustained its growth momentum, posting double-digit sequential revenue growth driven by new customer additions, strong repeat orders, and higher contribution from categories such as Non-ferrous, Bitumen, Chemicals, and Tiles & Ply.
- The business remains on track to achieve its revenue target of INR85b (USD 1 billion) by FY27, while continuously strengthening its value proposition across the three e-commerce pillars being Price, Assortment, and Experience.
- It is expanding its digital ecosystem with solutions that enhance convenience and user experience, supported by a wide portfolio across 35+ categories and 40,000+ SKUs sourced from over 300+ global and domestic brands, offering unmatched choice and driving customer engagement and loyalty.

VSF Segment

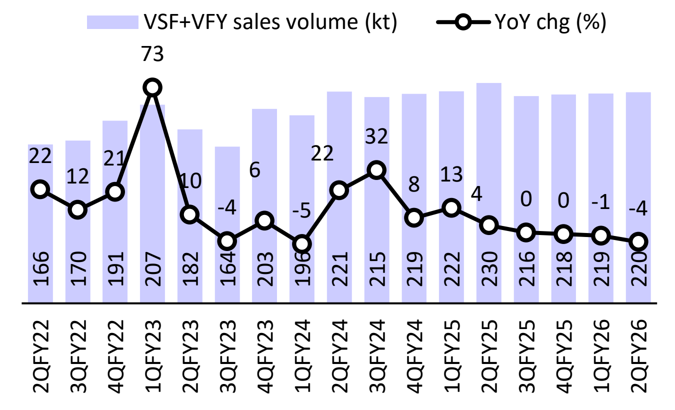
- The Cellulosic fiber business saw a decline of ~5% YoY due to logistics disruptions at the Vilayat plant, which have since been resolved. Specialty fiber volumes, however, grew ~53% YoY, driven by higher exports, with their share rising to ~24% in Q2FY26 from ~21% in Q2FY25.
- The Cellulosic Fashion Yarn segment grew ~3% YoY, supported by festive demand; however, realizations remained under pressure due to aggressive pricing by Chinese producers in the Indian market.
- Phase 1 of the 55K TPA Lyocell project at Harihar, Karnataka, is progressing well and is targeted for commissioning by mid-2027. Long-lead items have been ordered, basic engineering has been completed, and other orders and contracts are currently in process.
- China's operating rates stood at 89% in Q2FY26 vs. ~86%/82% in Q2FY25/Q1FY26. However, the average inventory holding increased to 15 days in Q1FY26 compared to an average of 8/20 days for Q2FY25/Q1FY26. CSF prices declined to USD 1.51/kg in Q2FY26 from USD 1.52/kg in Q1FY26, as prices remained stable due to INR depreciation.

Chemical Business

- Caustic soda's international average spot prices (CFR-SEA) for 2QFY26 were down 5% YoY at USD449/ton. Domestic caustic sales volume was flat YoY, as production was impacted by constrained power availability. Specialty Chemicals volumes rose ~34% YoY, driven by improving utilization at the recently commissioned plant. However, elevated input costs continued to weigh on segment profitability.
- The segment added 11TPA of aluminum chloride capacity, increasing total chlorine integration to ~64%, which is expected to reach ~70% upon completion of ongoing projects. Key upcoming projects, including ECH and CPVC (in partnership with Lubrizol), remain on schedule with completion targeted by Q3FY26 and contribution expected from Q1FY27. It is advancing its sustainability agenda, with ~25% of its power sourced from renewables, aiming to increase this share to ~40% over the next 3 years, subject to state regulatory approvals.

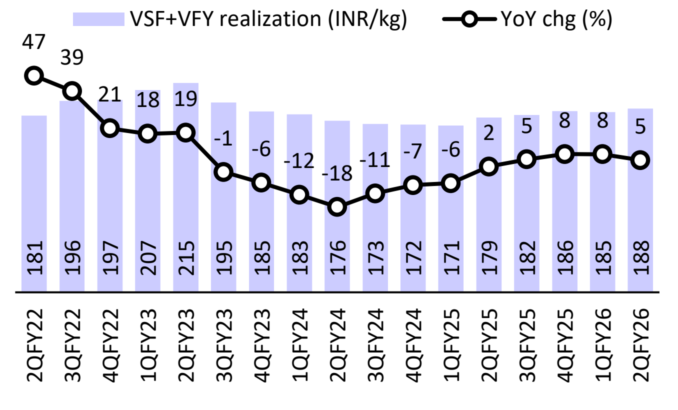
Story in charts

Exhibit 1: Volume of the VSF segment declined 4% YoY



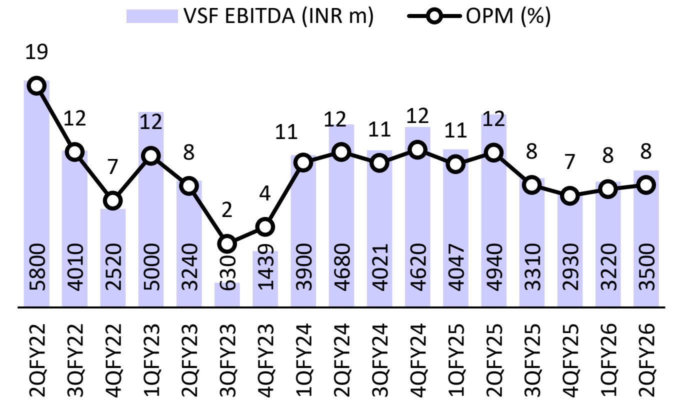
Source: Company, MOFSL

Exhibit 2: Blended realization of VSF rose 5% YoY



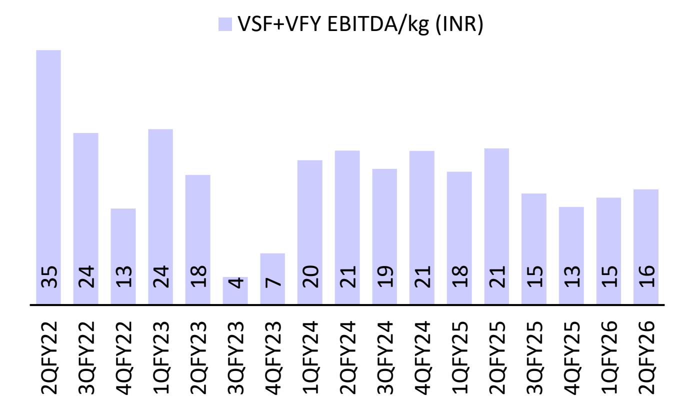
Source: Company, MOFSL

Exhibit 3: OPM of the VSF segment contracted 3.5pp YoY



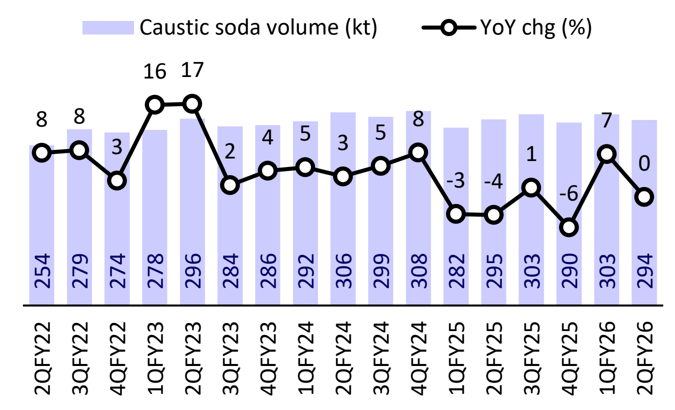
Source: Company, MOFSL

Exhibit 4: EBITDA/kg at INR15.9 (vs. INR21.5 in 2QFY25)



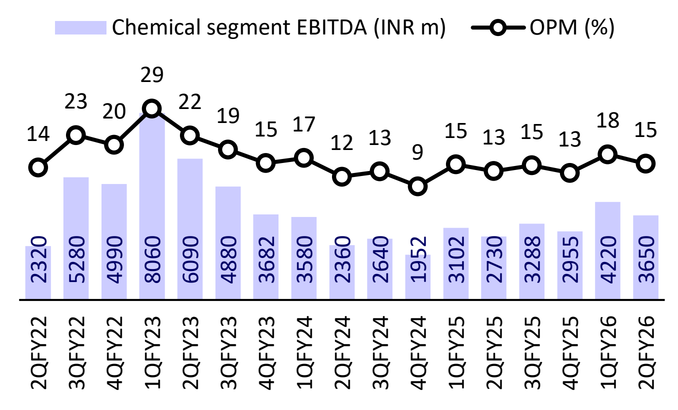
Source: Company, MOFSL

Exhibit 5: Caustic soda volume remained flat YoY



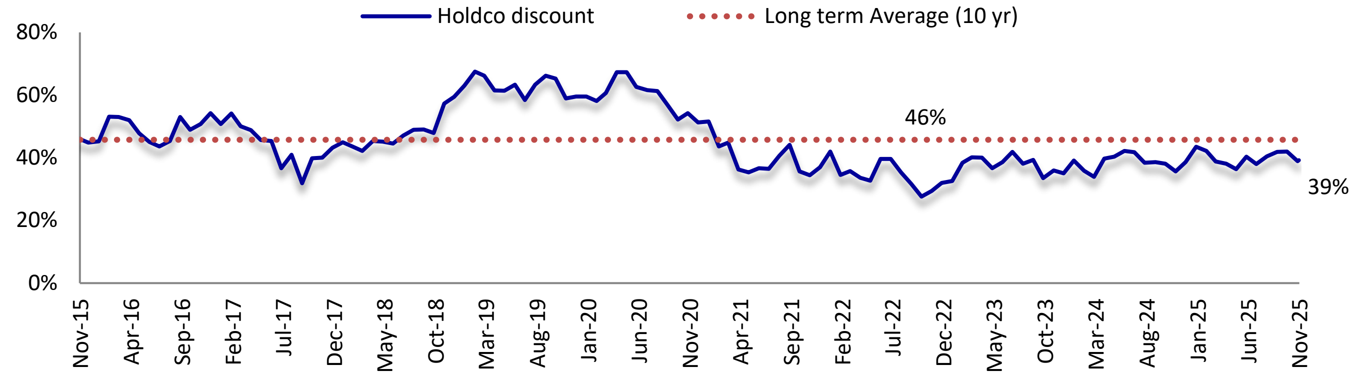
Source: Company, MOFSL

Exhibit 6: Chemical segment's OPM expanded 1.9pp YoY



Source: Company, MOFSL

Exhibit 7: Holding company discount at 39%, below the long-term average



Source: Company, MOFSL

Exhibit 8: Our SoTP valuation

Particulars	Valuation method	Unit	Sep'27E	INR/share
UTCEM's m-cap based on TP		INR b	4,186	
Holding company discount		%	40	
GRASIM's stake		%	57	
Value of its cement stake		**INR b**	**1,438**	
Value/share	**40% HoldCo discount to our TP**	**INR**		**2,114**
Value of standalone business (excluding Paints)		INR b	220	
Value/share	**6x for the standalone business**			**324**
Value of listed investments		INR b	114	
Holding company discount		%	40	
Assigned value to listed investments		**INR b**	**68**	
Value/share	**40% HoldCo discount on the CMP**	**INR**		**100**
Standalone net debt		INR b	50	
Value/share		**INR**		**77**
ABCAP		INR b	783	
Holding company discount		%	40	
GRASIM's stake		%	53	
Value of ABCAP's stake in GRASIM		**INR b**	**267**	
Value/share	**40% HoldCo discount on the CMP**	**INR**		**393**
Paint Business	**2.0x of invested capital**	INR b	207	
Value/share		**INR**		**304**
B2B e-commerce	**1.5x of Revenue**	INR b	142	
Value/share		**INR**		**208**
Renewable Business	**10x EV/EBITDA**	INR b	30	
Value/share				**44**
SoTP-based TP		**INR**		**3,410**

Source: MOFSL, Company

Financials and valuations

Standalone Income Statement								(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	**1,23,864**	**2,08,568**	**2,68,397**	**2,58,473**	**3,15,632**	**3,86,579**	**4,42,386**	**4,96,593**
Change (%)	*(33.4)*	*68.4*	*28.7*	*(3.7)*	*22.1*	*22.5*	*14.4*	*12.3*
Total Expenditure	1,08,220	1,76,407	2,36,598	2,35,313	3,04,218	3,70,966	4,16,774	4,62,391
EBITDA	**15,643**	**32,162**	**31,799**	**23,160**	**11,415**	**15,613**	**25,612**	**34,202**
Change (%)	*(32.3)*	*105.6*	*(1.1)*	*(27.2)*	*(50.7)*	*36.8*	*64.0*	*33.5*
Margin (%)	*12.6*	*15.4*	*11.8*	*9.0*	*3.6*	*4.0*	*5.8*	*6.9*
Depreciation	8,282	9,140	10,973	12,151	16,762	20,088	22,073	23,233
EBIT	**7,362**	**23,022**	**20,826**	**11,010**	**-5,347**	**-4,475**	**3,539**	**10,969**
Int. and Finance Charges	2,360	2,472	3,677	4,404	6,837	8,278	7,882	6,947
Other Income - Rec.	5,137	8,953	10,183	12,566	17,151	19,340	22,049	25,270
PBT & EO Items	**10,139**	**29,503**	**27,333**	**19,172**	**4,967**	**6,588**	**17,706**	**29,292**
Change (%)	*(39.8)*	*191.0*	*(7.4)*	*(29.9)*	*(74.1)*	*32.6*	*168.8*	*65.4*
Extra Ordinary (income)/expense	810	691	880	7,156	1,640	0	0	0
PBT but after EO Items	**9,329**	**28,812**	**26,452**	**12,016**	**3,327**	**6,588**	**17,706**	**29,292**
Tax	1,224	1,857	5,215	2,562	1,206	1,686	4,249	7,030
Tax Rate (%)	*12.1*	*6.3*	*19.1*	*13.4*	*24.3*	*25.6*	*24.0*	*24.0*
Reported PAT	**8,105**	**26,955**	**21,237**	**9,454**	**2,121**	**4,901**	**13,457**	**22,262**
PAT Adj for EO items	**8,817**	**22,306**	**20,933**	**16,157**	**3,267**	**4,901**	**13,457**	**22,262**
Change (%)	*(43.6)*	*153.0*	*(6.2)*	*(22.8)*	*(79.8)*	*50.0*	*174.6*	*65.4*
Margin (%)	*7.1*	*10.7*	*7.8*	*6.3*	*1.0*	*1.3*	*3.0*	*4.5*

Standalone Balance Sheet								(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	1,316	1,317	1,317	1,328	1,361	1,361	1,361	1,361
Employee Stock options outstanding	567	708	708	708	708	708	708	708
Reserves	4,27,595	4,84,133	4,67,524	5,19,110	5,41,907	5,65,764	5,86,147	6,03,646
Net Worth	**4,29,479**	**4,86,158**	**4,69,549**	**5,21,146**	**5,43,976**	**5,67,834**	**5,88,216**	**6,05,715**
Loans	41,634	41,208	52,542	94,529	1,11,214	95,729	89,729	73,729
Deferred liabilities	17,339	18,414	15,348	22,971	22,992	22,992	22,992	22,992
Capital Employed	**4,88,452**	**5,45,779**	**5,37,440**	**6,38,646**	**6,78,182**	**6,86,555**	**7,00,937**	**7,02,436**
Gross Block	1,48,940	1,95,985	2,20,577	2,41,611	3,24,623	3,68,071	3,93,071	4,08,071
Less: Accum. Deprn.	39,302	47,435	58,408	70,559	87,321	1,07,409	1,29,482	1,52,715
Net Fixed Assets	**1,09,637**	**1,48,549**	**1,62,169**	**1,71,052**	**2,37,302**	**2,60,662**	**2,63,589**	**2,55,356**
Capital WIP	40,334	17,428	29,257	71,310	27,848	8,000	5,000	5,000
Non-Current Investments /Strategic	3,05,230	3,39,418	3,08,412	3,62,918	3,58,887	3,58,887	3,58,887	3,58,887
Current - Financial	41,553	47,490	30,556	29,204	37,466	29,466	29,466	29,466
Curr. Assets	**46,827**	**73,477**	**91,378**	**1,06,895**	**1,18,305**	**1,38,435**	**1,62,284**	**1,83,085**
Inventory	21,790	39,408	44,928	52,150	60,514	69,259	81,761	92,612
Account Receivables	13,120	16,904	15,973	19,743	25,539	28,858	34,067	38,588
Cash and Bank Balance	1,327	2,253	4,744	3,096	1,937	1,660	2,217	2,226
Others	10,590	14,912	25,734	31,905	30,314	38,658	44,239	49,659
Curr. Liability & Prov.	**55,130**	**80,583**	**84,332**	**1,02,732**	**1,01,626**	**1,08,895**	**1,18,288**	**1,29,357**
Account Payables	27,069	46,507	47,112	54,826	48,313	55,792	62,456	70,745
Provisions	3,250	3,419	3,866	8,385	7,837	5,799	6,636	7,449
Other Liabilities	24,811	30,656	33,353	39,521	45,475	47,304	49,196	51,163
Net Current Assets	**-8,303**	**-7,105**	**7,046**	**4,163**	**16,680**	**29,540**	**43,996**	**53,728**
Appl. of Funds	**4,88,452**	**5,45,779**	**5,37,440**	**6,38,646**	**6,78,182**	**6,86,555**	**7,00,937**	**7,02,436**

Financials and valuations

Standalone Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share price								
EPS	**13.4**	**33.9**	**31.8**	**24.3**	**4.8**	**7.2**	**19.8**	**32.7**
Cash EPS	26.0	47.8	48.5	42.6	29.4	36.7	52.2	66.9
BV/Share	652.6	738.4	713.1	784.9	799.3	834.4	864.4	890.1
DPS	9.0	10.0	10.0	10.0	10.0	6.5	7.0	7.0
Valuation								
P/E	49.9	15.0	19.0	43.2	197.1	85.3	31.1	18.8
Cash P/E	23.6	12.9	12.7	14.4	20.9	16.7	11.8	9.2
P/BV	4.4	3.9	4.0	3.7	3.6	3.5	3.3	3.2
EV/Sales*	0.3	0.1	0.2	0.4	0.3	0.3	0.2	0.2
EV/EBITDA*	2.2	0.7	1.5	3.0	3.5	2.9	2.2	1.5
Dividend Yield (%)	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2
Return Ratios (%)								
RoE*	4.9	11.5	9.0	5.7	-4.3	-4.3	-1.1	1.4
RoCE*	5.3	12.9	11.0	6.6	0.4	0.5	2.9	5.0
Working Capital Ratios								
Debtor (Days)	31	37	24	27	32	30	30	30
Asset Turnover (x)	0.3	0.4	0.5	0.4	0.5	0.6	0.6	0.7
Leverage Ratio								
Debt/Equity	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.1

*calculated for standalone business

Standalone Cash Flow Statement (INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	9,329	28,812	26,452	12,016	3,327	6,588	17,706	29,292
Depreciation	8,282	9,140	10,973	12,151	16,762	20,088	22,073	23,233
Interest & Finance Charges	(421)	(4,552)	(4,184)	(5,260)	(7,271)	(5,103)	(8,036)	(12,014)
Direct Taxes Paid	(1,786)	(6,502)	(4,071)	(573)	3,366	(1,686)	(4,249)	(7,030)
(Inc)/Dec in WC	9,350	132	(5,426)	(5,965)	(16,692)	(13,138)	(13,898)	(9,723)
CF from Operations	**24,754**	**27,029**	**23,744**	**12,368**	**(507)**	**6,748**	**13,595**	**23,758**
Others	(780)	(467)	(556)	5,408	253	-	-	-
CF from Operating incl EO	**23,974**	**26,562**	**23,188**	**17,776**	**(254)**	**6,748**	**13,595**	**23,758**
(Inc)/Dec in FA	(11,932)	(25,382)	(40,225)	(55,260)	(38,350)	(23,600)	(22,000)	(15,000)
Free Cash Flow	**12,041**	**1,181**	**(17,036)**	**(37,484)**	**(38,604)**	**(16,852)**	**(8,405)**	**8,758**
(Pur)/Sale of Investments	102	66	111	271	4,714	-	-	-
Others	(10,249)	(9,541)	18,211	(874)	4,802	21,381	15,918	18,961
CF from Investments	**(22,079)**	**(34,857)**	**(21,902)**	**(55,863)**	**(28,834)**	**(2,219)**	**(6,082)**	**3,961**
Issue of Shares	126	(425)	(902)	9,376	29,464	23,380	11,690	-
Inc/(Dec) in Debt	(9,384)	(583)	11,306	42,023	16,693	(15,485)	(6,000)	(16,000)
Interest Paid	(3,241)	(843)	(5,478)	(6,419)	(10,512)	(8,278)	(7,882)	(6,947)
Dividend Paid	(2,622)	(5,915)	(6,574)	(6,577)	(6,686)	(4,423)	(4,764)	(4,764)
Others	-	-	-	-	-	-	-	-
CF from Fin. Activity	**(15,120)**	**(7,766)**	**(1,648)**	**38,404**	**28,959**	**(4,806)**	**(6,956)**	**(27,711)**
Inc/Dec of Cash	**(13,226)**	**(16,061)**	**(362)**	**317**	**(130)**	**(277)**	**557**	**8**
Opening Balance	510	692	5,106	2,779	2,067	1,937	1,660	2,217
Add: Cash on amalgamation	13,408	15,895	-	-	-	-	-	-
Closing Balance	**692**	**527**	**4,744**	**3,096**	**1,937**	**1,660**	**2,217**	**2,226**

Explanation of Investment Rating	
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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