

13 August 2024

India | Equity Research | Q1FY25 results review

**PCBL**

Speciality Chemicals

**Expects volumes and efficiency gains to drive consistent earnings growth**

PCBL's Q1FY25 volume growth accelerated with new capacity addition alongside spreads remaining favourable. The company expects volumes to grow at a CAGR of 11–12% p.a. over the next five years; and plans for large capex to capture the opportunity. It also anticipates EBITDA/kg to enhance by INR 4–5/kg in 4–5 years on better product mix and efficiency gains. Aquapharm also plans to grow revenue by 15–20% p.a. over the next few years, as it expands market share in phosphonates in conjunction with a sharp rise in capacities in green chelates and other products. PCBL expects to increase net profit to INR 25bn (5x) in next five years; which is ambitious, in our view. We cut our FY25E EPS by 1.5%, but raise FY26E EPS by 19%, factoring in management optimism. Our target price is increased to INR 375 (from INR 290), as we raise FY26E PE multiple to 20x (from 18x). Downgrade to **HOLD** (from Buy).

**Carbon black volume rose 25% YoY/8% QoQ to 154kte**

PCBL's carbon black volume benefited from the commissioning of its Chennai facility, where capacity utilisation jumped to 85% (28kte). The company expects volume growth to sustain at 11–12% p.a. over the next five years aided by Europe banning Russian carbon black; and China has disadvantage in cost of raw material and operating expenses – both put together were 80% of international trade. PCBL has invested in capacity, and improved efficiency, which will help grab higher market share globally.

India volume grew 9.9% YoY to 90kte and export volume was up 55.5% YoY to 63kte in Q1FY25. Specialty volume rose a strong 33% YoY to 15.7kte and now accounts for 10.2% of total volume. PCBL added 20ktpa specialty carbon black capacity in Mundra during Q4FY24. These capacities, along with its Chennai facility, shall aid volume growth in FY25. We see strong opportunity in Europe, arising from the complete ban on Russian carbon black, effective Jul'24 (from a quota of 752kte). PCBL is planning another green field capacity expansion to reach its targeted capacity of 1mn tpa in carbon black.

**INR 35.8/kg gross profit, up 7% YoY/ down 2.5% QoQ**

Over the years, PCBL has improved its margins based on cost and production efficiencies. The company expects gross profit/kg to improve by INR 4–5/kg in the next five years driven by better product mix, and further improvement in efficiencies.

**Financial Summary**

Y/E March (INR mn)	FY23A	FY24A	FY25E	FY26E
Net Revenue	57,741	64,198	86,323	93,577
EBITDA	7,312	10,373	14,184	17,364
EBITDA Margin (%)	12.7	16.2	16.4	18.6
Net Profit	4,422	4,911	4,934	7,478
EPS (INR)	11.7	13.0	13.1	19.0
EPS % Chg YoY	3.6	4.8	25.8	20.8
P/E (x)	33.1	31.5	25.1	20.8
EV/EBITDA (x)	21.1	18.3	13.4	10.9
RoCE (%)	12.8	9.6	8.7	10.1
RoE (%)	16.2	15.2	16.9	17.7

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**Market Data**

Market Cap (INR)	146bn
Market Cap (USD)	1,739mn
Bloomberg Code	PCBL IN
Reuters Code	PCBL BO
52-week Range (INR)	420 /153
Free Float (%)	46.0
ADTV-3M (mn) (USD)	24.1

Price Performance (%)	3m	6m	12m
Absolute	53.2	30.8	145.1
Relative to Sensex	43.8	19.5	123.2

Earnings Revisions (%)	FY25E	FY26E
Revenue	0.0	1.1
EBITDA	2.3	12.5
EPS	(1.6)	19.1

**Previous Reports**28-05-2024: [Q4FY24 results review](#)16-01-2024: [Q3FY24 results review](#)

### Aquapharm sailing through challenging time

Aquapharm's revenue was consolidated wef Jan 31, '24, and Q1FY25 is its first full quarter of operations under consolidation. The company has reported revenue/EBITDA of INR 3.6bn/INR 550mn in Q1FY25. This is significantly lower due to the weakness in the underlying market. It anticipates EBITDA run rate to jump to INR 0.8–1bn by Q4FY25. The company is running its plant at 75% utilisation.

Aquapharma is in the process of introducing more products that will likely have higher margins. Within phosphonate, the company has a global market share of 24%; it is working to furthering market share. The company has significantly lower market share in O&G chemicals, and green chelates, where it is building large capacities, capabilities, and enhancing its product portfolio. The company is in the process of adding 38ktpa capacity on a base of 130ktpa in the next 2–3 quarters – it has already spent INR 1.65bn in capex and may need an additional spend of INR 500mn. The company plans to add another 100ktpa capacity in the next 4–5 years with an investment of ~INR 4–5bn.

### EBITDA at INR 3.6bn, up 70% YoY

PCBL's consolidated financials are incomparable due to the integration of Aquapharm since 31 Jan'24. Revenue rose 59.1% YoY to INR 21bn on the back of strong volume growth in carbon black, and slightly higher realisation, which was up 5.9% YoY (down 2.4% QoQ) to INR 113/kg. Aquapharm added INR 3.6bn to revenue. Gross profit was up 69% YoY, at INR 7bn, on better spreads in carbon black (up 7% YoY). Employee cost rose 91% YoY and other expenses were up 58.5% YoY with the commissioning of its Chennai facility and integration of Aquapharm. Finance cost increased 5.3x YoY (11.9% QoQ) to INR 1.2bn on capitalisation of the Chennai facility and acquisition debt. Net profit rose 8.1% YoY/6.1% QoQ to INR 1.2bn and was impacted by higher depreciation and finance cost.

### Capex plan of INR 33bn and PAT rise by ~5x over 4–5 years

- In FY25, PCBL plans to expand its specialty carbon black facility by 20ktpa in Mudra, and add more capacities at its recently commissioned plant in Chennai in two phases, by total 90ktpa. Phase-1 will add 30ktpa, which will likely be commissioned in Q3FY25, and 60ktpa in Q2FY26. Total capex will be INR 5–5.5bn. PCBL is also looking to add another 400ktpa capacity over the next 4–5 years, with total capex of INR 20–22bn. The company expects carbon black volumes to grow at a CAGR 11–12% over the next five years. It also expects EBITDA/kg to grow by INR 4–5/kg during the same period
- Aquapharm is in the process of adding 38ktpa capacity in the next 2–3 quarters – it has already spent INR 1.65bn and requires another INR 500mn to complete the expansion. The company aims to add another 100ktpa in the next 4–5 years with a total capex of INR 4–5bn.
- PCBL also expects to expand operations in silicon anode material with potential to generate revenues of INR 10–12bn in the next 4–5 years. It expects the first plant to be commissioned in 18 months.
- The company expects total cashflow generation of INR 100bn in the next five years, which will fund growth capex; and also deleverage balance sheet.

### Other highlights

- Europe sales grew to 21% of export volume in Q1FY25 vs. 14% in FY23.
- Aquapharm has 24% market share in phosphonate; and the company expects this to progressively grow as it plans to significantly faster vs industry. Though Chinese

producers are aggressive, but ADD by US will limit Chinese aggression in developed markets.

- Yellow phosphorous is only 7–8 % of total raw material cost. The company is working to backward-integrate into phosphorus; but it has to choose a location where power availability is at reasonable price to be competitive. Presently, it is largely sourced from Kazakhstan.

## Risks

**Downside risks:** Downturn in carbon black business, and delay in turnaround of Aquapharm.

**Upside risks:** Faster-than-expected growth in Aquapharm, and faster growth in carbon black volumes.

### Exhibit 1: PCBL consolidated (incl. Aquapharma)

INR mn	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	QoQ (%)	YoY (%)
Revenue	13,475	14,867	16,568	19,288	21,436	11.1	59.1
COGS	9,353	10,483	11,645	13,177	14,491	10.0	54.9
<b>Gross profit</b>	<b>4,122</b>	<b>4,384</b>	<b>4,923</b>	<b>6,111</b>	<b>6,945</b>	<b>13.7</b>	<b>68.5</b>
GPM (%)	30.6	29.5	29.7	31.7	32.4		
Employee cost	524	560	610	810	1,001	23.5	90.9
% of revenue	3.9	3.8	3.7	4.2	4.7		
Other expenses	1,490	1,443	1,524	2,205	2,361	7.1	58.5
% of revenue	11.1	9.7	9.2	11.4	11.0		
<b>Total expenses</b>	<b>2,014</b>	<b>2,003</b>	<b>2,134</b>	<b>3,016</b>	<b>3,362</b>	<b>11.5</b>	<b>66.9</b>
<b>EBITDA</b>	<b>2,108</b>	<b>2,381</b>	<b>2,789</b>	<b>3,095</b>	<b>3,583</b>	<b>15.8</b>	<b>70.0</b>
EBITDA (%)	15.6	16.0	16.8	16.0	16.7		
Depreciation	412	482	527	752	845	12.3	105.1
<b>EBIT</b>	<b>1,696</b>	<b>1,899</b>	<b>2,263</b>	<b>2,343</b>	<b>2,738</b>	<b>16.8</b>	<b>61.4</b>
Other income	40	27	72	232	109	(53.1)	173.4
Finance cost	193	210	324	1,082	1,211	11.9	529.1
<b>PBT</b>	<b>1,543</b>	<b>1,716</b>	<b>2,011</b>	<b>1,493</b>	<b>1,636</b>	<b>9.5</b>	<b>6.0</b>
Tax	450	488	531	384	457	18.9	1.5
ETR (%)	29.1	28.4	26.4	25.7	27.9		
Exceptional item	-	-	-	-	-		
Minority Interest	2	2	1	(3)	(1)		
<b>Net profit</b>	<b>1,092</b>	<b>1,226</b>	<b>1,479</b>	<b>1,113</b>	<b>1,180</b>	<b>6.1</b>	<b>8.1</b>
Net profit (%)	8.1	8.2	8.9	5.8	5.5		
EPS (INR)	2.9	3.2	3.9	2.9	3.1	6.1	8.1

Source: I-Sec research, Company data

**Exhibit 2: PCBL – standalone financials**

INR mn	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	QoQ (%)	YoY (%)
Revenue	12,973	13,983	14,853	14,935	14,910	(0.2)	14.9
COGS	8,992	9,779	10,405	10,277	10,065	(2.1)	11.9
<b>Gross profit</b>	<b>3,981</b>	<b>4,204</b>	<b>4,447</b>	<b>4,657</b>	<b>4,846</b>	4.0	21.7
GPM (%)	29.5	28.3	26.8	24.1	22.6		
Employee cost	503	504	553	490	569	16.2	13.2
% of revenue	3.9	3.6	3.7	3.3	3.8		
Other expenses	1,368	1,354	1,349	1,504	1,602	6.5	17.1
% of revenue	10.5	9.7	9.1	10.1	10.7		
<b>Total expenses</b>	<b>1,871</b>	<b>1,857</b>	<b>1,902</b>	<b>1,994</b>	<b>2,171</b>	<b>8.9</b>	<b>16.1</b>
<b>EBITDA</b>	<b>2,111</b>	<b>2,347</b>	<b>2,545</b>	<b>2,663</b>	<b>2,674</b>	<b>0.4</b>	<b>26.7</b>
EBITDA (%)	16.3	16.8	17.1	17.8	17.9		
Depreciation	346	378	385	397	379	(4.7)	9.5
<b>EBIT</b>	<b>1,765</b>	<b>1,969</b>	<b>2,161</b>	<b>2,266</b>	<b>2,296</b>	<b>1.3</b>	<b>30.1</b>
Other income	29	14	39	229	73	(68.3)	151.7
Finance cost	176	172	224	691	727	5.2	313.9
<b>PBT</b>	<b>1,618</b>	<b>1,811</b>	<b>1,976</b>	<b>1,804</b>	<b>1,641</b>	<b>(9.0)</b>	<b>1.4</b>
Tax	437	488	531	420	478	14.0	9.4
ETR (%)	28.3	28.4	26.4	28.1	29.2		
Exceptional item							
Minority Interest							
<b>Net profit</b>	<b>1,181</b>	<b>1,324</b>	<b>1,445</b>	<b>1,384</b>	<b>1,163</b>	<b>(16.0)</b>	<b>(1.5)</b>
Net profit (%)	8.8	8.9	8.7	7.2	5.4		
EPS (INR)	3.1	3.5	3.8	3.7	3	(16.0)	(1.5)

Source: I-Sec research, Company data

**Exhibit 3: PCBL consol. – standalone (incl. Chennai plant carbon black and Aquapharm)**

INR mn	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	QoQ (%)	YoY (%)
Revenue	502	884	1,715	4,353	6,525	49.9	
COGS	362	704	1,239	2,900	4,426	52.6	
<b>Gross profit</b>	<b>141</b>	<b>180</b>	<b>476</b>	<b>1,453</b>	<b>2,099</b>	<b>44.4</b>	
GPM (%)	28.0	20.4	27.7	33.4	32.2		
Employee cost	22	56	56	321	432	34.8	
% of revenue	4.3	6.4	3.3	7.4	6.6		
Other expenses	122	89	175	701	759	8.3	
% of revenue	24.3	10.1	10.2	16.1	11.6		
<b>Total expenses</b>	<b>144</b>	<b>146</b>	<b>231</b>	<b>1,022</b>	<b>1,191</b>	<b>16.6</b>	
<b>EBITDA</b>	<b>(3)</b>	<b>35</b>	<b>244</b>	<b>432</b>	<b>908</b>	<b>110.4</b>	
EBITDA (%)	(0.6)	3.9	14.3	9.9	13.9		
Depreciation	66	105	142	355	466	31.5	
<b>EBIT</b>	<b>(69)</b>	<b>(70)</b>	<b>102</b>	<b>77</b>	<b>442</b>	<b>473.4</b>	
Other income	11	13	33	4	36	937.1	
Finance cost	17	38	100	391	484	23.8	
<b>PBT</b>	<b>(75)</b>	<b>(95)</b>	<b>35</b>	<b>(310)</b>	<b>(6)</b>		
Tax	13			(36)	(22)		
ETR (%)	0.8			(2.4)	(1.3)		
Exceptional item							
Minority Interest							
<b>Net profit</b>	<b>(87)</b>	<b>(95)</b>	<b>35</b>	<b>(275)</b>	<b>16</b>		
Net profit (%)	(0.6)	(0.6)		(1.4)	0.1		

Source: I-Sec research, Company data

**Exhibit 4: India volume grew 9.9% YoY; exports grew 55.5% YoY in Q1FY25**

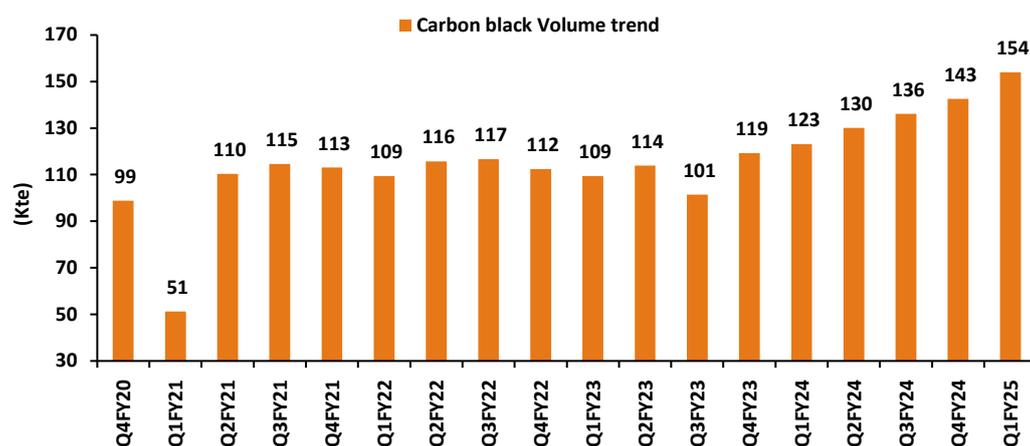
	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	QoQ (%)	YoY (%)
<b>Sales volume (te)</b>	<b>1,23,086</b>	<b>1,30,111</b>	<b>1,36,108</b>	<b>1,42,545</b>	<b>1,53,918</b>	<b>8.0</b>	<b>25.0</b>
of which							
Standard	1,11,306	1,14,537	1,21,673	1,27,087	1,38,247	8.8	24.2
Specialty	11,780	15,574	14,435	15,458	15,671	1.4	33.0
Domestic	82,274	82,276	78,427	88,264	90,438	2.5	9.9
Exports	40,812	47,835	57,681	54,281	63,480	16.9	55.5
<b>Mix (%)</b>							
Standard	90.4	88.0	89.4	89.2	89.8		
Specialty	9.6	12.0	10.6	10.8	10.2		
Domestic	30.7	30.1	29.9	61.9	58.8		
Exports	69.3	69.9	70.1	38.1	41.2		

Source: I-Sec research, Company data

**Exhibit 5: Carbon black gross profit per kg increased 7% YoY/down 2.5% QoQ**

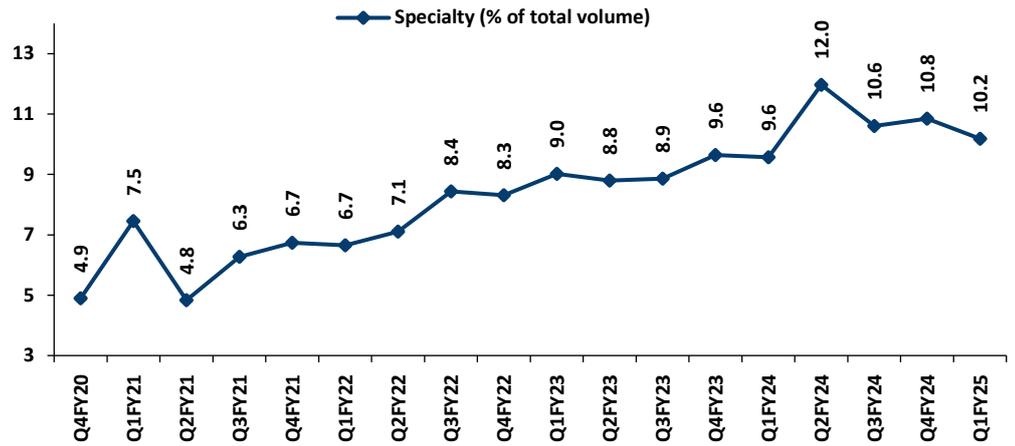
INR mn	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	QoQ (%)	YoY (%)
Revenue	13,093	14,426	16,150	16,460	17,343	5.4	32.5
COGS	8,971	10,042	11,227	11,220	11,827	5.4	31.8
<b>Gross profit</b>	<b>4,122</b>	<b>4,384</b>	<b>4,923</b>	<b>5,241</b>	<b>5,516</b>	<b>5.2</b>	<b>33.8</b>
GPM (%)	31.5	30.4	30.5	31.8	31.8		
EBIT	1,985	1,991	2,524	2,595	3,043	17.3	53.3
EBIT (%)	15.2	13.8	15.6	15.8	17.5		
<b>INR/kg</b>							
Revenue	106.4	110.9	118.7	115.5	112.7	(2.4)	5.9
COGS	72.9	77.2	82.5	78.7	76.8	(2.4)	5.4
Gross profit	33.5	33.7	36.2	36.8	35.8	(2.5)	7.0

Source: I-Sec research, Company data

**Exhibit 6: Carbon black volume trend**


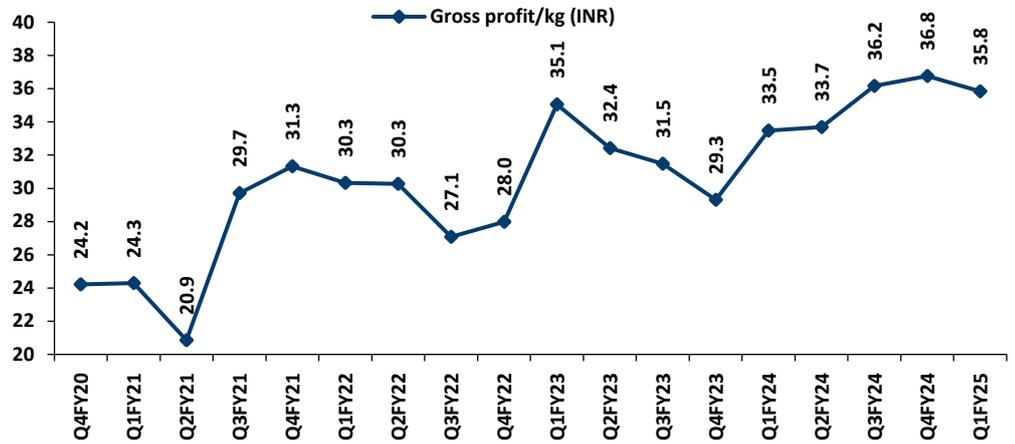
Source: I-Sec research, Company data

**Exhibit 7: Specialty products, as a percentage of total volume**



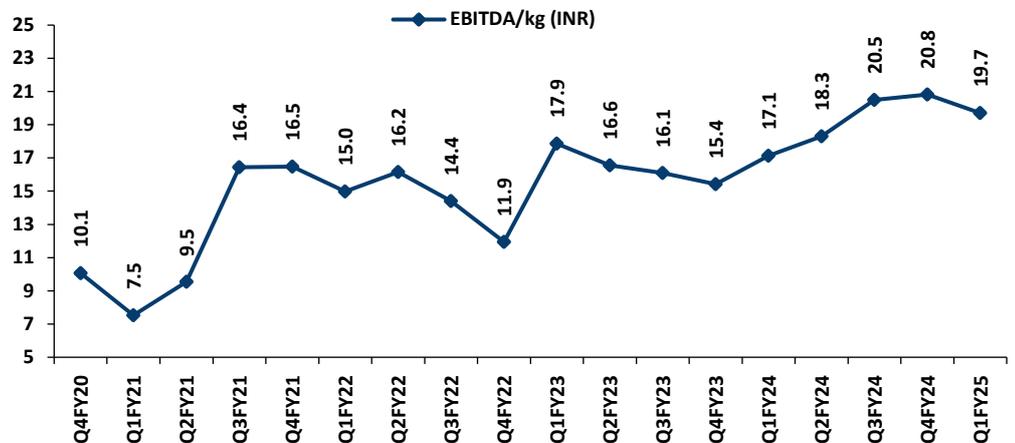
Source: I-Sec research, Company data

**Exhibit 8: Gross profit per kg trend**



Source: I-Sec research, Company data

**Exhibit 9: EBITDA per kg trend**



Source: I-Sec research, Company data

**Exhibit 10: Power EBIT rose 72.4% YoY**

INR mn	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	QoQ (%)	YoY (%)
Revenue	568	639	656	707	813	15.0	43.1
Units (mn)	156	167	169	181	194	7.2	24.4
<b>Realisation (INR/unit)</b>	<b>3.64</b>	<b>3.82</b>	<b>3.88</b>	<b>3.91</b>	<b>4.19</b>	<b>7.3</b>	<b>15.1</b>
Elimination	185	197	238	270	294	8.7	58.6
Net revenue	383	441	418	437	519	18.8	35.7
<b>EBIT</b>	<b>321</b>	<b>416</b>	<b>415</b>	<b>471</b>	<b>553</b>	<b>17.5</b>	<b>72.4</b>
EBIT (%)	56.5	65.1	63.3	66.6	68.1		

Source: I-Sec research, Company data

**Exhibit 11: Aquapharm financials**

INR mn	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	QoQ (%)	YoY (%)
Revenue				2,391	3,574		
<b>EBITDA</b>					<b>550</b>		
EBITDA (%)					15.4		
EBIT				(82)	158		
EBIT (%)				(3.4)	4.4		

Source: I-Sec research, Company data

**Exhibit 12: Earnings revision**

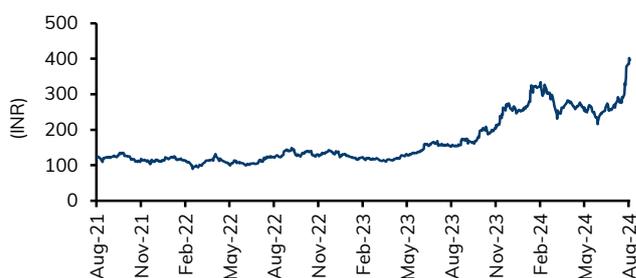
INR mn	Revised		Earlier		Change (%)	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
<b>Volume (te)</b>	<b>6,11,628</b>	<b>6,85,023</b>	<b>5,95,672</b>	<b>6,67,153</b>	<b>2.7</b>	<b>2.7</b>
Realisation (INR/kg)	110.8	105.3	110.8	105.3		
Revenue	86,323	93,577	86,301	92,562	0.0	1.1
Gross profit	27,515	31,780	26,776	29,394	2.8	8.1
GPM (%)	31.9	34.0	31.0	31.8		
<b>EBITDA</b>	<b>14,184</b>	<b>17,364</b>	<b>13,867</b>	<b>15,429</b>	<b>2.3</b>	<b>12.5</b>
EBITDA (%)	16.4	18.6	16.1	16.7		
PAT	4,932	7,476	5,010	6,274	(1.5)	19.2
<b>EPS (INR)</b>	<b>13.1</b>	<b>19.0</b>	<b>13.3</b>	<b>15.9</b>	<b>(1.6)</b>	<b>19.1</b>

Source: I-Sec research, Company data

**Exhibit 13: Shareholding pattern**

%	Dec '23	Mar'24	Jun'24
Promoters	51.4	51.4	51.4
Institutional investors	13.6	12.3	11.6
MFs and others	4.8	4.3	5.0
FIs/Banks	0.6	0.0	0.0
Insurance	1.1	1.0	1.2
FIIIs	7.1	7.0	5.4
Others	35.0	36.3	37.0

Source: Bloomberg

**Exhibit 14: Price chart**

Source: Bloomberg

## Financial Summary

### Exhibit 15: Profit & Loss

(INR mn, year ending March)

	FY23A	FY24A	FY25E	FY26E
Net Sales	57,741	64,198	86,323	93,577
<b>Operating Expenses</b>	<b>50,428</b>	<b>53,824</b>	<b>72,139</b>	<b>76,213</b>
EBITDA	7,312	10,373	14,184	17,364
<b>EBITDA Margin (%)</b>	<b>12.7</b>	<b>16.2</b>	<b>16.4</b>	<b>18.6</b>
Depreciation & Amortization	1,367	2,173	3,555	3,800
EBIT	5,945	8,201	10,629	13,564
Interest expenditure	534	1,808	4,670	4,430
Other Non-operating Income	406	370	385	424
Recurring PBT	5,817	6,763	6,345	9,558
<b>Profit / (Loss) from Associates</b>	-	-	-	-
<b>Less: Taxes</b>	<b>1,395</b>	<b>1,852</b>	<b>1,411</b>	<b>2,080</b>
PAT	4,422	4,911	4,934	7,478
Less: Minority Interest	4	2	2	2
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	4,418	4,909	4,932	7,476
<b>Net Income (Adjusted)</b>	<b>4,422</b>	<b>4,911</b>	<b>4,934</b>	<b>7,478</b>

Source Company data, I-Sec research

### Exhibit 16: Balance sheet

(INR mn, year ending March)

	FY23A	FY24A	FY25E	FY26E
Total Current Assets	20,124	34,019	37,078	45,503
of which cash & cash eqv.	956	3,848	1,505	7,111
Total Current Liabilities & Provisions	13,161	21,677	26,632	28,691
<b>Net Current Assets</b>	<b>6,962</b>	<b>12,342</b>	<b>10,447</b>	<b>16,812</b>
Investments	2,338	4,330	3,962	3,962
Net Fixed Assets	30,189	38,201	40,645	42,846
ROU Assets	736	1,731	1,731	1,731
Capital Work-in-Progress	11,300	4,330	4,330	4,330
Total Intangible Assets	52	33,321	33,321	33,321
Other assets	875	1,337	2,992	3,414
Deferred Tax Assets	-	-	-	-
<b>Total Assets</b>	<b>54,328</b>	<b>1,12,954</b>	<b>1,19,751</b>	<b>1,30,800</b>
<b>Liabilities</b>				
<b>Borrowings</b>	<b>9,430</b>	<b>48,197</b>	<b>45,197</b>	<b>43,397</b>
<b>Deferred Tax Liability</b>	<b>2,561</b>	<b>8,710</b>	<b>8,710</b>	<b>8,710</b>
Provisions	38	157	552	649
Other Liabilities	745	1,709	2,387	2,588
Equity Share Capital	378	378	378	394
Reserves & Surplus	27,924	32,089	35,857	46,332
<b>Total Net Worth</b>	<b>28,302</b>	<b>32,467</b>	<b>36,235</b>	<b>46,725</b>
Minority Interest	91	37	39	41
<b>Total Liabilities</b>	<b>54,328</b>	<b>1,12,954</b>	<b>1,19,751</b>	<b>1,30,800</b>

Source Company data, I-Sec research

### Exhibit 17: Quarterly trend

(INR mn, year ending March)

	Sep-23	Dec-23	Mar-24	Jun-24
Net Sales	14,867	16,568	19,288	21,436
% growth (YOY)	(8.7)	21.5	40.4	59.1
EBITDA	2,381	2,789	3,095	3,583
Margin %	16.0	16.8	16.0	16.7
Other Income	27	72	232	109
Extraordinaries	-	-	-	-
Adjusted Net Profit	1,226	1,479	1,113	1,180

Source Company data, I-Sec research

### Exhibit 18: Cashflow statement

(INR mn, year ending March)

	FY23A	FY24A	FY25E	FY26E
<b>Operating Cashflow</b>	<b>5,772</b>	<b>8,135</b>	<b>12,774</b>	<b>15,283</b>
Working Capital Changes	(731)	2,919	(1,037)	(886)
Capital Commitments	(8,959)	(42,437)	(6,000)	(6,000)
<b>Free Cashflow</b>	<b>(3,918)</b>	<b>(31,383)</b>	<b>5,737</b>	<b>8,398</b>
<b>Other investing cashflow</b>	<b>3,440</b>	<b>296</b>	<b>754</b>	<b>424</b>
Cashflow from Investing Activities	3,440	296	754	424
Issue of Share Capital	-	-	-	4,480
Interest Cost	(534)	(1,655)	(4,670)	(4,430)
Inc (Dec) in Borrowings	2,590	38,029	(3,000)	(1,800)
Dividend paid	(2,076)	(2,076)	(1,164)	(1,466)
Others	(286)	(491)	-	-
Cash flow from Financing Activities	(306)	33,808	(8,834)	(3,215)
<b>Chg. in Cash &amp; Bank balance</b>	<b>(784)</b>	<b>2,721</b>	<b>(2,343)</b>	<b>5,606</b>
Closing cash & balance	402	3,123	1,505	7,111

Source Company data, I-Sec research

### Exhibit 19: Key ratios

(Year ending March)

	FY23A	FY24A	FY25E	FY26E
<b>Per Share Data (INR)</b>				
Reported EPS	11.7	12.3	15.4	18.6
Adjusted EPS (Diluted)	11.7	13.0	13.1	19.0
Cash EPS	15.3	17.9	21.3	24.8
Dividend per share (DPS)	5.5	5.5	3.1	3.7
Book Value per share (BV)	75.2	86.1	96.1	118.8
Dividend Payout (%)	47.0	44.9	20.0	20.0
<b>Growth (%)</b>				
Net Sales	29.9	11.2	34.5	8.4
EBITDA	12.0	41.9	36.7	22.4
EPS (INR)	3.6	4.8	25.8	20.8
<b>Valuation Ratios (x)</b>				
P/E	33.1	31.5	25.1	20.8
P/CEPS	25.2	21.6	18.1	15.6
P/BV	5.1	4.5	4.0	3.3
EV / EBITDA	21.1	18.3	13.4	10.9
EV/SALES	2.7	3.0	2.2	2.0
Dividend Yield (%)	1.4	1.4	0.8	1.0
<b>Operating Ratios</b>				
Gross Profit Margins (%)	24.6	30.4	31.9	34.0
EBITDA Margins (%)	12.7	16.2	16.4	18.6
Effective Tax Rate (%)	24.0	27.4	22.2	21.8
Net Profit Margins (%)	7.7	7.6	5.7	8.0
NWC / Total Assets (%)	17.5	13.6	11.7	17.2
Net Debt / Equity (x)	0.3	1.4	1.2	0.8
Net Debt / EBITDA (x)	1.2	4.2	3.1	2.1
<b>Profitability Ratios</b>				
RoCE (%)	12.8	9.6	8.7	10.1
RoE (%)	16.2	15.2	16.9	17.7
RoC (%)	13.9	10.0	9.0	10.7
Fixed Asset Turnover (x)	2.3	1.5	1.8	1.7
Inventory Turnover Days	36.1	59.0	63.4	64.0
Receivables Days	70.2	101.0	106.8	109.6
Payables Days	60.5	106.4	114.8	116.5

Source Company data, I-Sec research

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