

16 November 2024

India | Equity Research | Q2FY25 results review

Century Plyboards

Wood Panel

Healthy revenue growth but margins remain under pressure

In Q2FY25, Century Plyboards (CPBI) reported consol. revenue growth of 18.7% YoY driven by better-than-expected vol. growth of 19.3%/75.2% YoY (5-year CAGR of 12.7%/23.1%) in plywood/MDF and allied segments, while laminates volume declined 9.2% YoY (flat 5-year CAGR). Segmental revenue grew 20.9%/36.4%/-5.9% YoY for plywood/MDF/laminates. Consol. OPM contracted 507bps YoY to 9.4% (-165bps QoQ) as RM pressure continued (GM down 340bps YoY/145bps QoQ), resulting in EBITDA / APAT decline of 22.9% / 58.7% YoY. Plywood margin expanded 170bps YoY (due to better product mix, price hike and operating leverage), while laminates/MDF OPM shrunk 640bps/19.5ppt YoY due to higher marketing cost and RM cost. Management has guided for plywood/MDF/laminates consol. revenue growth of 12% / >40% / 10% YoY and standalone OPM of 12-14% / 15% / 10-12%, respectively, in H2FY25. We tweak EBITDA by -3%/1%/1% for FY25-27E and maintain **HOLD** with a rolled over Sep'25E revised TP of INR 712 (earlier: INR 687).

Revenue growth of 18.7% YoY driven by plywood and MDF

CPBI reported YoY revenue growth of 18.7% YoY with plywood / MDF / laminates and allied segments reporting growth of 20.9% / 36.4% / -5.9% YoY. Plywood / MDF / laminates and allied volumes were 19.3% / 75.2% / -9.2% YoY (5-year CAGR of 12.7% / 23.1% / flat). Plywood vol was driven by market share gains whereas MDF vol growth was aided by commissioning of new MDF plant in Q4FY24. In laminates, the company lost market share and has taken corrective steps such as launch of new catalogues and adding more sales force on ground. Management stated that market conditions were tepid in Q2 but is hopeful of good times ahead led by healthy housing market. For H2FY25, company has guided for consol revenue growth of 12% YoY in plywood, 10% in laminates and >40% in MDF (on low base). NWC in Q2FY25 improved by ~4 days QoQ to 62 (due to inventory and debtor days being lower by 2 days QoQ each).

Margin deteriorates YoY on continued RM pressure

In Q2FY25, CPBI's consol OPM declined 507bps YoY/165bps QoQ to 9.4% as GM fell 340bps YoY (-145bps QoQ). Plywood OPM was up 170bps YoY (+60bps QoQ) driven by improved product mix, price hikes (~2% in Aug'24) and operating leverage. Laminates OPM fell 640bps YoY (-520bps QoQ) due to higher marketing cost and lower utilisation of A.P. plant. MDF OPM contracted 19.5ppt YoY (-140bps QoQ) due to higher RM cost (GM down 21.6ppt YoY/680bps QoQ). Management indicated timber prices are stable for plywood, but continue to rise for MDF. It has guided for standalone OPM of 12-14%/15%/10-12% in plywood/MDF/laminates for H2FY25. We believe elevated timber prices could be partially negated with operating leverage, better product mix, price hike and have modelled blended OPM of 12.6-15.7% for FY25-27E.

Financial Summary

Y/E March (INR mn)	FY24A	FY25E	FY26E	FY27E
Net Revenue	38,860	44,188	52,008	59,371
EBITDA	5,320	5,557	7,561	9,301
EBITDA %	13.7	12.6	14.5	15.7
Net Profit	3,226	2,829	4,394	5,833
EPS (INR)	14.5	12.7	19.7	26.2
EPS % Chg YoY	(14.5)	(12.3)	55.3	32.7
P/E (x)	51.6	58.9	37.9	28.6
EV/EBITDA (x)	32.5	31.4	22.6	17.8
RoCE (%)	12.4	9.4	12.4	14.6
RoE (%)	15.7	12.1	16.4	18.6

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Market Data

Market Cap (INR)	166bn
Market Cap (USD)	1,969mn
Bloomberg Code	CPBI IN
Reuters Code	CNTP.BO
52-week Range (INR)	939 /614
Free Float (%)	27.0
ADTV-3M (mn) (USD)	2.9

Price Performance (%)	3m	6m	12m
Absolute	2.5	12.9	17.3
Relative to Sensex	4.4	6.8	(2.2)

ESG Score	2022	2023	Change
ESG score	NA	67.0	NA
Environment	NA	43.8	NA
Social	NA	70.3	NA
Governance	NA	78.6	NA

Note - Score ranges from 0 - 100 with a higher number indicating a higher ESG score.

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY25E	FY26E	FY27E
Revenue	2.2	2.4	2.3
EBITDA	(2.9)	0.5	1.4
EPS	(13.4)	(-5.0)	(0.2)

Previous Reports

08-08-2024: [Q1FY25 results review](#)

28-05-2024: [Q4FY24 results review](#)

Valuation and view

CPBI's Q2FY25 operational performance was below our estimates and the company continues to face near-term margin headwinds due to high timber prices. However, we continue to like CPBI led by its comprehensive wood panel product portfolio, wide distribution network and strong brand. We believe it may be a major beneficiary of the uptick in housing market. Maintain **HOLD** with rolled over revised target price of INR 712 (earlier: INR 687), set at an unchanged 31x P/E Sep'26E (in-line with the historical 5-year average, 1-year forward PER).

Exhibit 1: Q2FY25 consolidated result review

INR mn	Q2FY25	Q2FY24	YoY(%)	Q1FY25	QoQ(%)	H1FY25	H1FY24	YoY(%)
Total revenues	11,836	9,968	18.7%	10,054	17.7%	21,890	18,878	16.0%
Raw Material	6,508	5,142	26.6%	5,382	20.9%	11,890	9,743	22.0%
% of sales	55.0%	51.6%	340 bps	53.5%	145 bps	54.3%	51.6%	271 bps
Employee cost	1,733	1,343	29.0%	1,596	8.6%	3,329	2,653	25.5%
% of sales	14.6%	13.5%	117 bps	15.9%	-123 bps	15.2%	14.1%	115 bps
Other expense	2,482	2,040	21.7%	1,964	26.4%	4,446	3,707	19.9%
% of sales	21.0%	20.5%	51 bps	19.5%	143 bps	20.3%	19.6%	67 bps
Total expenditure	10,723	8,525	25.8%	8,942	19.9%	19,665	16,104	22.1%
% of sales	90.6%	85.5%	507 bps	88.9%	165 bps	89.8%	85.3%	453 bps
EBIDTA	1113	1443	-22.9%	1112	0.1%	2,225	2,775	-19.8%
% of sales	9.4%	14.5%	-507 bps	11.1%	-165 bps	10.2%	14.7%	-453 bps
Depreciation	336	234	43.8%	336	-0.1%	672	464	44.7%
EBIT	777	1,209	-35.7%	776	0.2%	1,553	2,310	-32.8%
% of sales	6.6%	12.1%	-557 bps	7.7%	-115 bps	7.1%	12.2%	-514 bps
Interest cost	172	61	180.0%	150	15.1%	322	123	161.6%
Other income	-25	146	-116.9%	84	-129.3%	59	267	-77.8%
PBT	580	1,294	-55.1%	710	-18.2%	1,290	2,455	-47.4%
Taxes	181	322	-44.0%	235	-23.3%	416	612	-32.1%
PAT before MI/Extraordinaries	400	971	-58.8%	474	-15.7%	874	1,842	-52.5%
Less: Extrarodinary items	0	0	nm	(133)	nm	(133)	0	nm
Less: Minority interest	(0.2)	(2.6)	nm	3.2	nm	3.0	(4.6)	-165.6%
Reported PAT	400	969	-58.7%	344	16.1%	744	1,838	-59.5%
Adjusted PAT	400	969	-58.7%	433	-7.8%	834	1,838	-54.6%

Source: I-Sec research, Company data

Exhibit 2: Q2FY25 consolidated segmental result review

INR mn	Q2FY25	Q2FY24	YoY(%)	Q1FY25	QoQ(%)	H1FY25	H1FY24	YoY(%)
Revenue								
Plywood & Allied products	6,652	5,504	20.9%	5,679	17.1%	12,330	10,475	17.7%
Laminates	1,615	1,717	-5.9%	1,540	4.9%	3,156	3,275	-3.7%
MDF	2,684	1,968	36.4%	2,095	28.1%	4,779	3,637	31.4%
Particle Board	401	384	4.4%	367	9.3%	767	778	-1.4%
Container Freight Station	344	264	30.0%	246	39.8%	589	479	23.1%
Others	156	145	8.0%	140	11.8%	296	265	11.6%
Total	11,851	9,982	18.7%	10,066	17.7%	21,918	18,910	15.9%
Less: Inter Segment revenue	15	13	14.2%	12	23.1%	28	32	-12.4%
Net revenues	11,836	9,968	18.7%	10,054	17.7%	21,890	18,878	16.0%
EBIT								
Plywood & Allied products	910	722	25.9%	860	5.8%	1,769	1,376	28.6%
Laminates	13	186	-93.2%	106	-88.0%	119	326	-63.6%
MDF	-56	452	-112.3%	31	-280.1%	-25	856	-102.9%
Particle Board	12	81	-84.7%	61	-79.8%	74	166	-55.4%
Container Freight Station	53	-10	-639.6%	33	60.3%	85	9	827.4%
Others	-16	20	-180.2%	9	-276.9%	-7	31	-122.3%
Total	916	1,451	-36.9%	1,100	-16.7%	2,016	2,763	-27.0%
EBIT Margin (%)								
Plywood & Allied products	13.7%	13.1%	55 bps	15.1%	-146 bps	14.3%	13.1%	121 bps
Laminates	0.8%	10.8%	-1003 bps	6.9%	-609 bps	3.8%	10.0%	-619 bps
MDF	-2.1%	23.0%	-2506 bps	1.5%	-356 bps	-0.5%	23.5%	-2405 bps
Particle Board	3.1%	21.2%	-1806 bps	16.8%	-1366 bps	9.6%	21.3%	-1165 bps
Container Freight Station	15.3%	-3.7%	1899 bps	13.3%	196 bps	14.5%	1.9%	1256 bps

Source: I-Sec research, Company data

Exhibit 3: Q2FY25 standalone result review

INR mn	Q2FY25	Q2FY24	YoY(%)	Q1FY25	QoQ(%)	H1FY25	H1FY24	YoY(%)
Total revenues	10,632	9,617	10.6%	9,522	11.7%	20,154	18,233	10.5%
Raw Material	6,150	5,197	18.3%	5,405	13.8%	11,555	9,844	17.4%
% of sales	57.8%	54.0%	381 bps	56.8%	109 bps	57.3%	54.0%	334 bps
Employee cost	1,495	1,268	17.9%	1,428	4.7%	2,923	2,509	16.5%
% of sales	14.1%	13.2%	88 bps	15.0%	-94 bps	14.5%	13.8%	74 bps
Other expense	1,763	1,754	0.5%	1,499	17.6%	3,262	3,224	1.2%
% of sales	16.6%	18.2%	-166 bps	15.7%	84 bps	16.2%	17.7%	-150 bps
Total expenditure	9,408	8,219	14.5%	8,332	12.9%	17,740	15,576	13.9%
% of sales	88.5%	85.5%	302 bps	87.5%	99 bps	88.0%	85.4%	259 bps
EBIDTA	1,224	1,398	-12.4%	1,190	2.8%	2,414	2,656	-9.1%
% of sales	11.5%	14.5%	-302 bps	12.5%	-99 bps	12.0%	14.6%	-259 bps
Depreciation	217	203	7.1%	212	2.5%	429	398	7.7%
EBIT	1,007	1,195	-15.8%	978	2.9%	1,985	2,258	-12.1%
% of sales	9.5%	12.4%	-296 bps	10.3%	-81 bps	9.8%	12.4%	-254 bps
Interest cost	96	54	78.9%	82	17.3%	178	108	65.4%
Other income	109	88	24.6%	139	-21.3%	248	187	32.8%
PBT	1,019	1,229	-17.0%	1,035	-1.5%	2,054	2,337	-12.1%
Taxes	262	310	-15.4%	296	-11.3%	558	595	-6.2%
PAT before extraordinary	757	918	-17.6%	739	2.4%	1,496	1,742	-14.1%
Less: extraordinary items	0	0	nm	0	nm	0	0	nm
Reported PAT	757	918	-17.6%	739	2.4%	1,496	1,742	-14.1%
Adjusted PAT	757	918	-17.6%	739	2.4%	1,496	1,742	-14.1%

Source: I-Sec research, Company data

Exhibit 4: Q2FY25 standalone segmental result review

INR mn	Q2FY25	Q2FY24	YoY(%)	Q1FY25	QoQ(%)	H1FY25	H1FY24	YoY(%)
Revenue								
Plywood & Allied products	6,557	5,416	21.1%	5,615	16.8%	12,171	10,301	18.2%
Laminates	1,608	1,717	-6.4%	1,511	6.4%	3,120	3,275	-4.8%
MDF	1,913	1,967	-2.7%	1,895	1.0%	3,809	3,635	4.8%
Particle Board	401	384	4.4%	367	9.3%	767	778	-1.4%
Others	156	145	8.0%	140	11.8%	296	265	11.6%
Total	10,635	9,628	10.5%	9,527	11.6%	20,163	18,256	10.4%
Less: Inter Segment revenue	3	11	-69.6%	5	-34.0%	9	23	-63.5%
Net revenues	10,632	9,617	10.6%	9,522	11.7%	20,154	18,233	10.5%
EBIT								
Plywood & Allied products	895	696	28.6%	849	5.3%	1,744	1,331	31.0%
Laminates	78	186	-58.0%	169	-53.8%	247	326	-24.2%
MDF	175	469	-62.6%	207	-15.5%	383	850	-55.0%
Particle Board	12	81	-84.7%	61	-79.8%	74	166	-55.4%
Others	-5	20	-124.4%	13	-138.7%	8	31	-75.3%
Total	1,155	1,452	-20.4%	1,300	-11.1%	2,455	2,704	-9.2%
EBIT Margin (%)								
Plywood & Allied products	13.6%	12.8%	80 bps	15.1%	-148 bps	14.3%	12.9%	141 bps
Laminates	4.9%	10.8%	-596 bps	11.2%	-633 bps	7.9%	10.0%	-204 bps
MDF	9.2%	23.8%	-1468 bps	10.9%	-179 bps	10.0%	23.4%	-1334 bps
Particle Board	3.1%	21.2%	-1806 bps	16.8%	-1366 bps	9.6%	21.3%	-1165 bps

Source: I-Sec research, Company data

Takeaways from Q2FY25 earnings conference call

- Plywood segment:** Plywood segment OPM improved due to operating leverage, improved product mix and price hikes (~2% in Aug'24). While volume growth in Q2 was healthy, management expects it to moderate in H2FY25. RM prices have stabilised due to availability of cheaper import substitutes. Management believes timber prices may soften further if ocean freight rates decline.
- MDF segment:** MDF segment continued to face margin pressure due to high timber prices and lower utilisation of new A.P. plant. Management indicated that MDF A.P. plant is expected to turn EBITDA positive in Q3FY25 and expects double-digit OPM by end-Q4FY25. A.P. plant started production of VAP MDF, and thus, is expected to yield better margins going forward. It currently runs at utilisation of 55-60% and is expected to reach ~80% in FY26. Management indicated domestic realisation of both its North and South MDF plants is at parity, but since South plant also does MDF exports, there is difference of 5-10% in overall realisation of North and South plants. It has taken blended price hike of 3% in Nov'24.

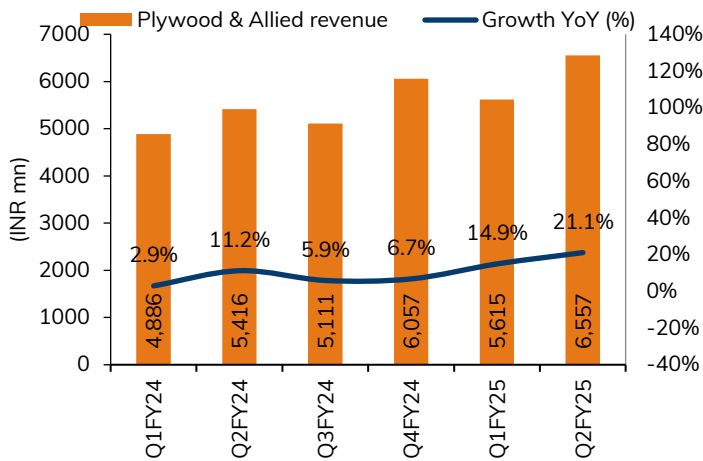
Timber prices for MDF continue to rise and are expected to maintain pressure for another 9-18 months. While supply from plantations will also improve, demand is growing at a faster pace. Management does not expect any significant capacity addition in industry as the expected RoCE has significantly declined. Going forward, as demand improves (which is expected to grow at 15-20% YoY), it will lead to better industry capacity utilisation. MDF imports slightly improved in Oct'24 but are still subdued.

- Laminates segment:** Laminates OPM declined due to lower utilisation of new A.P. plant and higher marketing expenses (as the company has launched new catalogues, enhanced supply chain and distribution). Laminates realisation was down QoQ due to adverse product mix. The A.P. unit is taking time to ramp-up utilisation as the plant is more export focused which takes time to acquire customers. However, management is hopeful of turning OPM positive in H2FY25 for new A.P. plant. Management indicated domestic competitive intensity remains

high and the company has lost market share in Q2, but it is hopeful of regaining it led by its marketing initiatives.

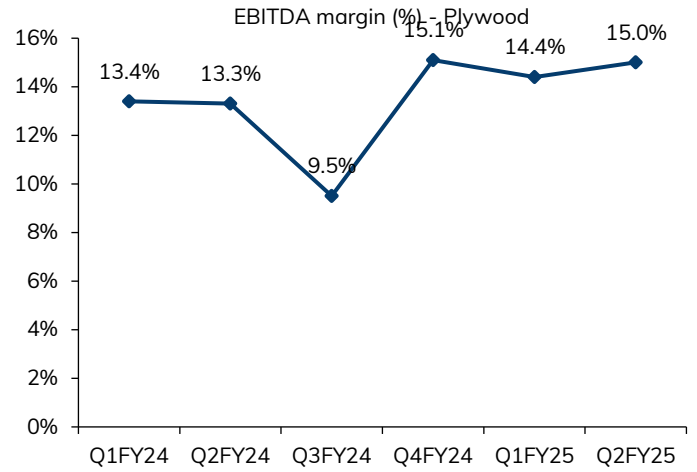
- **Particle board (PB) segment:** Management indicated PB segment continues to face intense domestic competition (leading to pricing pressure) and high RM cost. Management is hopeful of much better operating margins in the 1st year of operations from the new PB plant and expects to reach 50% utilisation. The new particle board is expected to commence production in Q4FY25.
- **Guidance (FY24):** Management has guided for plywood/MDF/laminates consolidated revenue growth of 12% / >40% / 10% YoY and standalone OPM of 12-14% / 15% / 10-12% in H2FY25, respectively. It has guided for ~10% consolidated MDF OPM in H2FY25.
- **Capacity expansion:** Management indicated new particle board capacity of 800CBM/day is expected to commission by end-Q4FY25. CPBI will then shutdown the existing 250CBM/day existing capacity for FY26, resuming it later in FY27. CPBI is also planning to extend MDF capacity at A.P. plant in H2FY25 taking total capacity to ~24,000CBM/month. The company is also planning to announce plywood capacity expansion within a year.
- **Capex:** CPBI has stated capex of ~INR 2.4bn in H2FY25 and ~INR 1bn in FY26.
- Company's debt to peak out by FY25 end, post which management expects gradual QoQ reduction in debt going forward.

Exhibit 5: Quarterly plywood revenue (standalone)



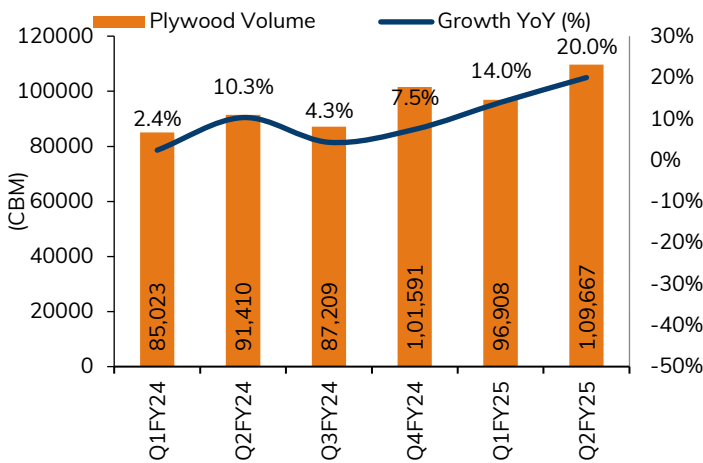
Source: I-Sec research, Company data

Exhibit 6: Quarterly plywood EBITDA margin



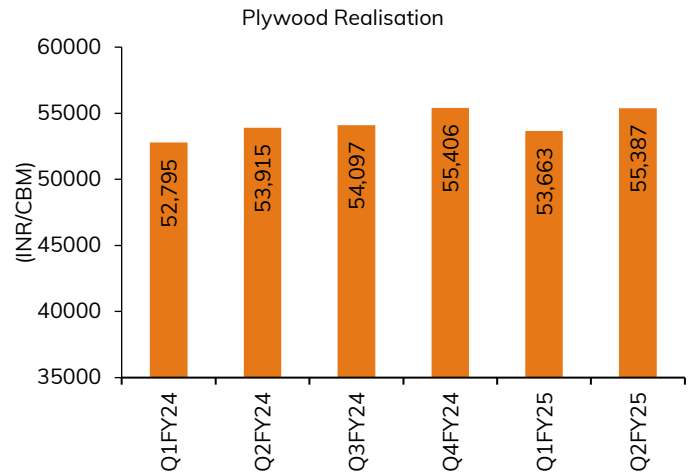
Source: I-Sec research, Company data

Exhibit 7: Quarterly plywood volume



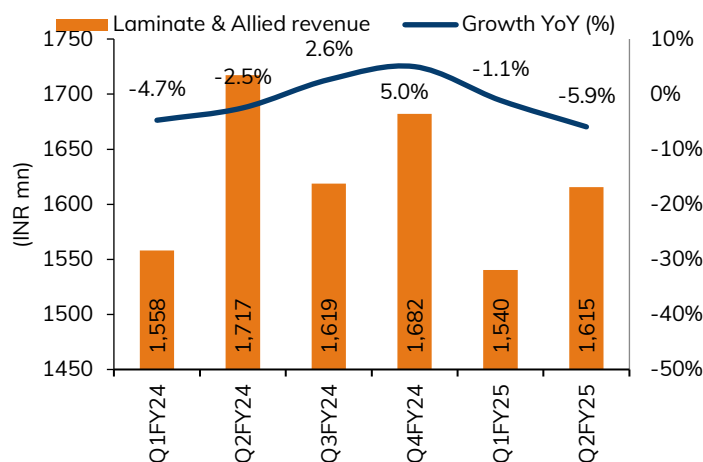
Source: I-Sec research, Company data

Exhibit 8: Quarterly plywood realisation



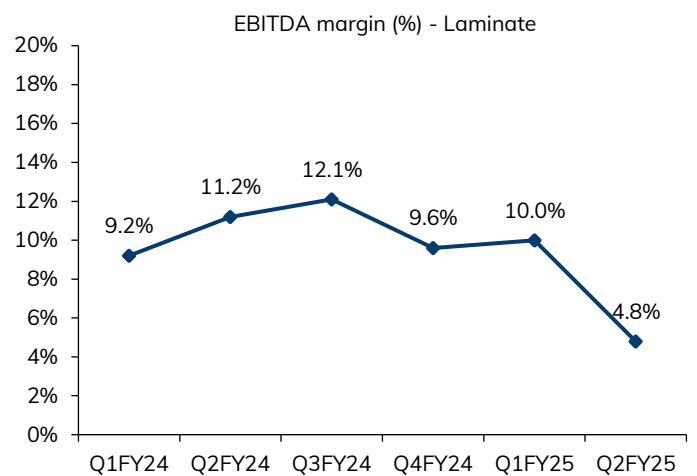
Source: I-Sec research, Company data

Exhibit 9: Quarterly laminate revenue (consolidated)



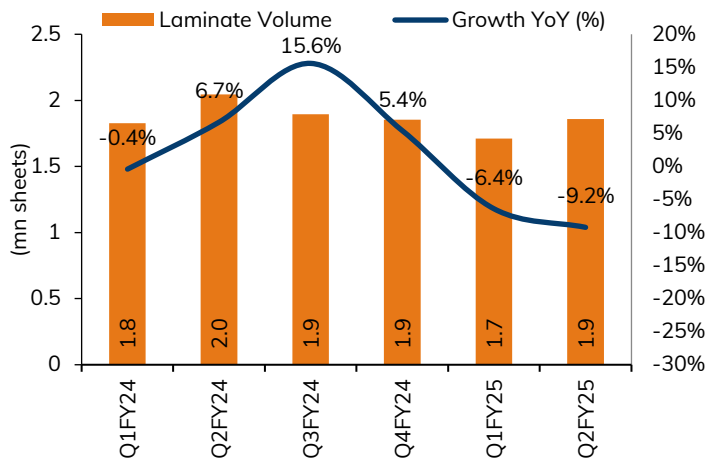
Source: I-Sec research, Company data

Exhibit 10: Quarterly laminate EBITDA margin



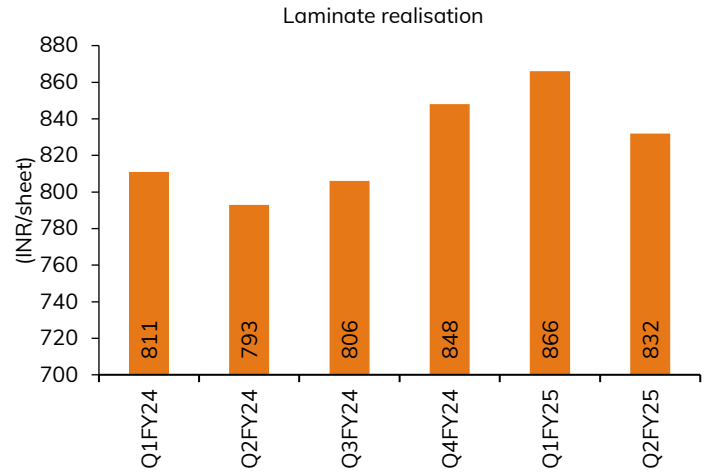
Source: I-Sec research, Company data

Exhibit 11: Quarterly laminate volume



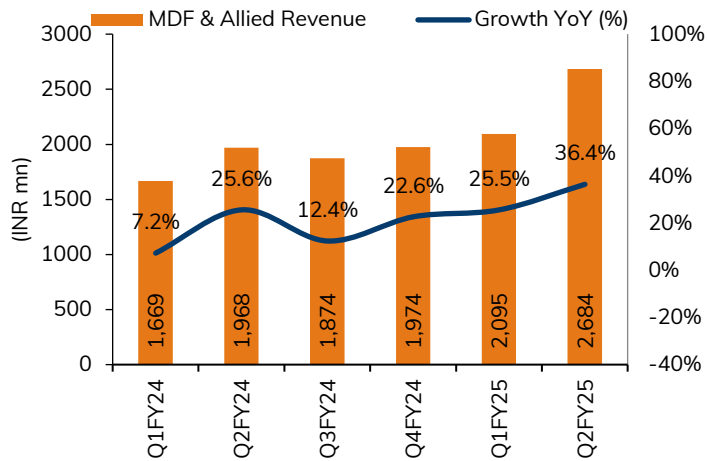
Source: I-Sec research, Company data

Exhibit 12: Quarterly laminate realisation



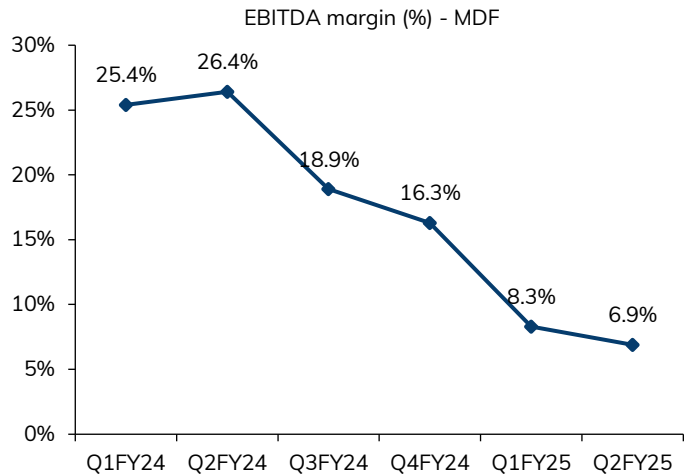
Source: I-Sec research, Company data

Exhibit 13: Quarterly MDF revenue (consolidated)



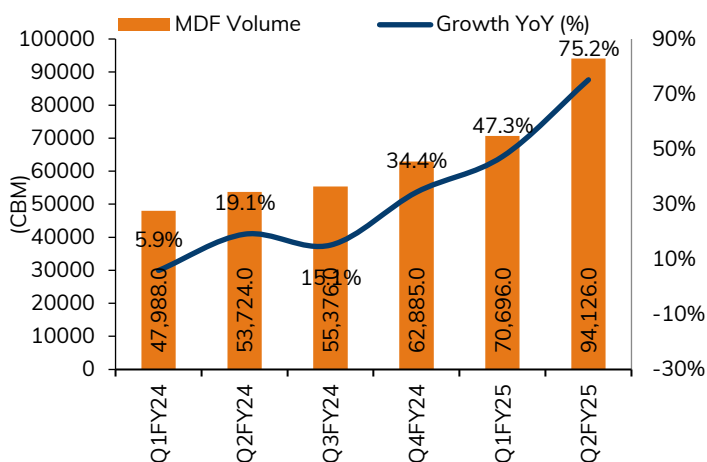
Source: I-Sec research, Company data

Exhibit 14: Quarterly MDF EBITDA margin



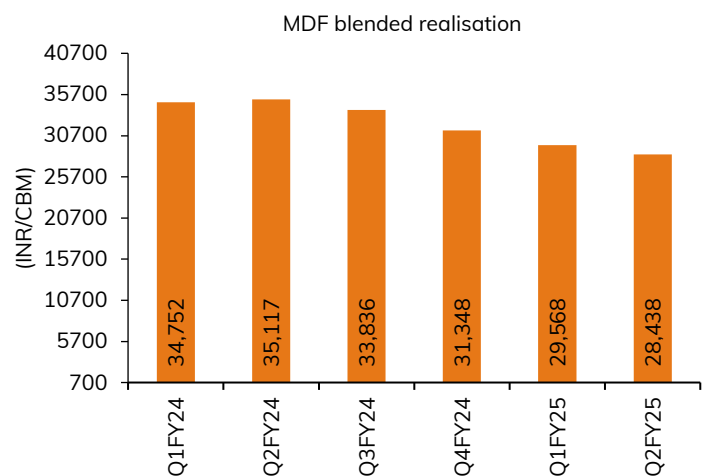
Source: I-Sec research, Company data

Exhibit 15: Quarterly MDF blended volume



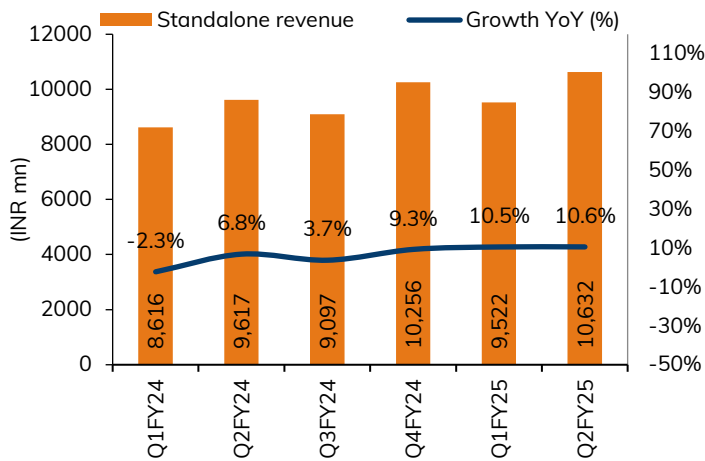
Source: I-Sec research, Company data

Exhibit 16: Quarterly MDF blended realisation



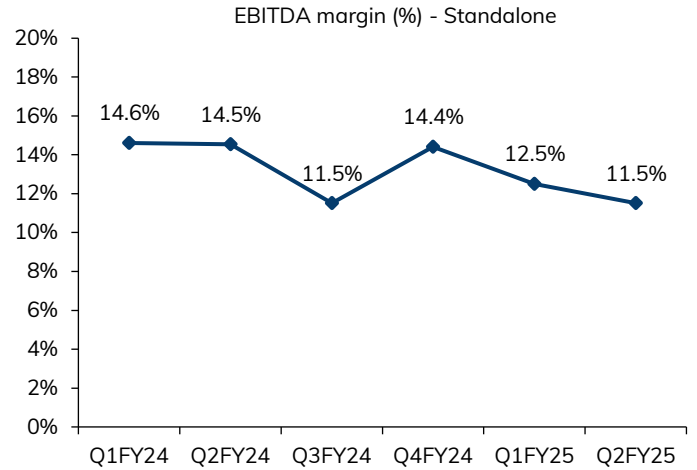
Source: I-Sec research, Company data

Exhibit 17: Quarterly standalone revenue



Source: I-Sec research, Company data

Exhibit 18: Quarterly standalone EBITDA margin



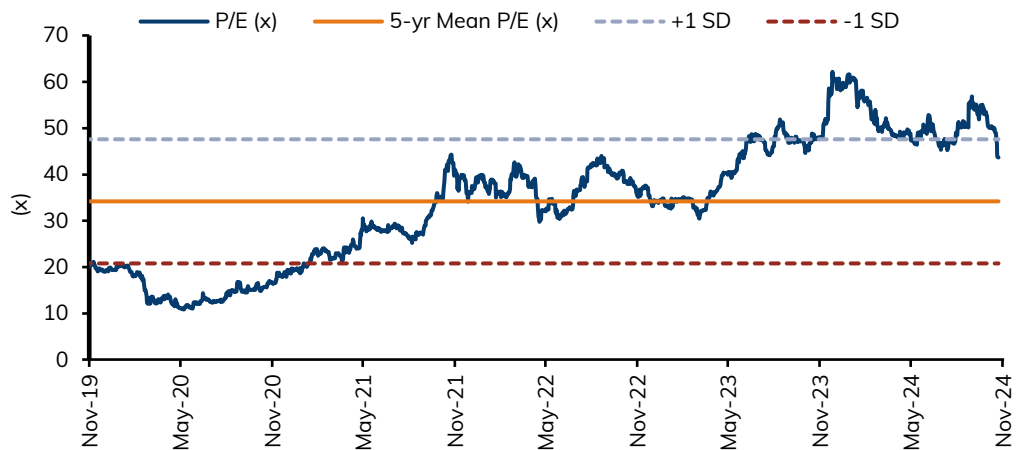
Source: I-Sec research, Company data

Valuation

CPBI is a play on the growing interior infrastructure market in India. With its comprehensive product portfolio, strong brand and wide distribution, the company is well placed to capitalise on demand uptick in the housing sector.

It is likely to witness revenue / EBITDA CAGR of 15.2% / 20.5% over FY24-FY27E with a healthy balance sheet and reasonable return ratios (FY26E RoE at 16.4%). We maintain **HOLD** on the stock with a rolled-over Sep'25E target price of INR 712 (earlier: INR 687), set at unchanged 31x Sep'26E P/E.

Exhibit 19: 1-year forward P/E band



Source: I-Sec research, Company data

Key downside risks

- **Regulatory concerns on raw material sourcing:** Wood is a key raw material for plywood and MDF manufacturing. Any regulatory restriction on the sourcing of wood or face veneer will affect the company's profitability.
- **Sharp rise in raw material prices:** Higher raw material prices and inability to pass on these to consumers may hurt profitability.
- **Prolonged slowdown in housing market:** A continued slowdown in housing market would hit growth prospects.
- **MDF imports:** Due to unexpected slowdown in global economies, there is a risk of MDF being dumped in Indian markets, thus, hampering growth prospects of domestic manufacturers.
- **Investment in non-core businesses:** Any further fresh capital allocation in non-core businesses may result in derating of the stock.

Key upside risks

- **Significant improvement in housing market:** A better than expected demand scenario from housing market would result in higher-than-modelled growth for the company.
- **Sharp fall in raw material prices:** Lower than expected raw material prices may result in better-than-modelled profitability.
- **Faster than expected ramp-up in MDF segment:** If demand in MDF segment grows faster than anticipated then profitability may be better than expected.

Exhibit 20: Shareholding pattern

%	Mar'24	Jun'24	Sep'24
Promoters	72.6	72.6	72.6
Institutional investors	20.8	20.9	21.4
MFs and others	13.3	15.8	15.9
FIs/Banks	-	-	0.3
Insurance	1.1	0.8	0.8
FIIIs	6.4	4.3	4.4
Others	6.6	6.5	6.0

Source: Bloomberg

Exhibit 21: Price chart



Source: Bloomberg

Financial Summary

Exhibit 22: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Net Sales	38,860	44,188	52,008	59,371
Operating Expenses	33,540	38,630	44,447	50,070
EBITDA	5,320	5,557	7,561	9,301
EBITDA Margin (%)	13.7	12.6	14.5	15.7
Depreciation & Amortization	947	1,359	1,579	1,677
EBIT	4,372	4,198	5,982	7,624
Interest expenditure	308	683	700	630
Other Non-operating Income	272	275	333	460
Recurring PBT	4,336	3,791	5,616	7,454
Less: Taxes	(1,134)	(970)	(1,235)	(1,640)
PAT	3,202	2,820	4,380	5,814
Profit / (Loss) from Associates	-	-	-	-
Less: Minority Interest	11	9	14	18
Extraordinaries (Net)	51	-	-	-
Net Income (Reported)	3,264	2,829	4,394	5,833
Net Income (Adjusted)	3,226	2,829	4,394	5,833

Source Company data, I-Sec research

Exhibit 23: Balance sheet

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Assets				
Inventories	6,456	7,091	8,159	9,191
Cash & cash eqv.	671	3,508	5,611	9,461
Sundry Debtors	4,168	4,116	4,560	4,880
Other Current Assets	2,320	2,542	2,992	3,416
Trade payables	2,861	3,272	3,853	4,356
Other Current Liabilities	2,486	2,852	3,298	3,731
Net Current Assets	8,268	11,133	14,171	18,860
Investments	89	89	89	89
Net Fixed Assets	20,469	24,444	23,865	22,788
Other Non Current Assets	1,348	1,348	1,348	1,348
Total Assets	30,174	37,014	39,473	43,085
Liabilities				
Borrowings	7,184	11,400	9,800	8,200
Other Non Current Liabilities	925	925	925	925
Total Liabilities	8,108	12,325	10,725	9,125
Equity Share Capital	223	223	223	223
Reserves & Surplus	21,894	24,526	28,599	33,830
Total Net Worth	22,117	24,749	28,822	34,053
Minority Interest	(51)	(60)	(74)	(92)
Total Liabilities & Net Worth	30,174	37,014	39,473	43,085

Source Company data, I-Sec research

Exhibit 24: Quarterly trend

(INR mn, year ending March)

	Dec-23	Mar-24	Jun-24	Sep-24
Net Sales	9,374	10,607	10,054	11,836
% growth (YOY)	6.1	9.9	12.8	18.7
EBITDA	1,061	1,483	1,112	1,113
Margin %	11.3	14.0	11.1	9.4
Other Income	93	78	84	-25
Extraordinaries	0	-115	-133	0
Adjusted Net Profit	631	881	433	400

Source Company data, I-Sec research

Exhibit 25: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Operating Cashflow	3,428	4,160	5,039	6,670
Working Capital Changes	(780)	(29)	(934)	(839)
Capital Commitments	(9,323)	(5,334)	(1,000)	(600)
Free Cashflow	(5,895)	(1,174)	4,039	6,070
Other investing cashflow	(27)	-	-	-
Cashflow from Investing Activities	(9,350)	(5,334)	(1,000)	(600)
Issue of Share Capital	-	-	-	-
Inc (Dec) in Borrowings	4,049	4,216	(1,600)	(1,600)
Dividend paid	(225)	(188)	(308)	(583)
Others	(13)	(18)	(28)	(37)
Cash flow from Financing Activities	3,812	4,010	(1,935)	(2,220)
Chg. in Cash & Bank balance	(2,111)	2,836	2,103	3,850
Closing cash & balance	671	3,508	5,611	9,461

Source Company data, I-Sec research

Exhibit 26: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Reported EPS	14.7	12.7	19.7	26.2
Adjusted EPS (Diluted)	14.5	12.7	19.7	26.2
Cash EPS	18.8	18.8	26.8	33.7
Dividend per share (DPS)	1.0	0.8	1.4	2.6
Book Value per share (BV)	99.4	111.2	129.5	153.0
Dividend Payout (%)	6.9	6.7	7.0	10.0
Growth (%)				
Net Sales	6.6	13.7	17.7	14.2
EBITDA	(9.0)	4.5	36.1	23.0
EPS (INR)	(14.5)	(12.3)	55.3	32.7
Valuation Ratios (x)				
P/E	51.6	58.9	37.9	28.6
P/CEPS	39.9	39.8	27.9	22.2
P/BV	7.5	6.7	5.8	4.9
EV / EBITDA	32.5	31.4	22.6	17.8
EV / Sales	4.5	3.9	3.3	2.8
Dividend Yield (%)	0.1	0.1	0.2	0.4
Operating Ratios				
Gross Profit Margins (%)	47.6	47.0	48.0	48.5
EBITDA Margins (%)	13.7	12.6	14.5	15.7
Effective Tax Rate (%)	26.2	25.6	22.0	22.0
Net Profit Margins (%)	8.3	6.4	8.4	9.8
NWC / Total Assets (%)	21.4	17.7	18.4	18.4
Net Debt / Equity (x)	0.3	0.3	0.1	0.0
Net Debt / EBITDA (x)	1.2	1.4	0.6	(0.1)
Profitability Ratios				
RoCE (%)	12.4	9.4	12.4	14.6
RoE (%)	15.7	12.1	16.4	18.6
Cash Conversion Cycle (on net sales)				
Inventory Turnover Days	61	59	57	57
Receivables Days	39	34	32	30
Payables Days	27	27	27	27

Source Company data, I-Sec research

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