

25 April 2025

India | Equity Research | Results Update

Supreme Industries

Plastic

Tepid quarter, guiding for improvement in FY26

Supreme Industries (SI) reported Q4FY25 blended plastics volume growth of 2.3% YoY (6-year CAGR of 9.8%) with pipes segment reporting modest 2.2% YoY volume growth (6-year CAGR of 11.7%) on a high base YoY. Blended EBIT/kg contracted 23.1% YoY to INR16.5 (+19.2% QoQ) as pipes EBIT/kg fell 27.8% YoY to INR 13.3 (+22.3% QoQ), partly due to inventory losses. Management guides for pipes volume growth of 3–4%, better than industry's growth (~6–7%) and consol. OPM of 14.5–15.5% for FY26. We cut our FY26–27E EBIDTA by ~4.5–5.9% and believe SI's near-term profitability shall remain tepid due to slack in demand and increased competition. Maintain **HOLD** with a rolled-over SoTP-based Mar'26E TP of INR 3,441 (vs. INR 4,015) set at a core business target P/E of 35x (~10% premium vs. 20% earlier to 10-year avg. 1-year forward P/E).

Blended plastics volume growth of 2.3% YoY on high base

SI reported blended plastics volume growth of 2.3% YoY (6-year CAGR of 9.8%) on a high base with muted 2.2% YoY growth in pipes (6-year CAGR of 11.7%), 6.3% YoY dip in industrial products, +10.8% YoY packaging products and +10.6% YoY consumer products. For FY25, SI's pipe segment volume has grown at 6% YoY. Consolidated revenue was flat YoY in Q4 while blended realisation declined 1.3% YoY (-1.8% QoQ). Management stated demand was muted due to channel destocking, as PVC prices were on a falling trend during the quarter. Management believes that PVC prices are near bottom and expects a healthy uptick in pipes demand. For FY26, it guides for plastic pipes volume growth of 3–4% YoY, above industry's growth (6–7%). We have modelled a blended volume CAGR of 10.1% and a plastic pipe vol. CAGR of 11% over FY25–27E driven by a low base of FY25 and partly due to benefit of acquisition of Wavin Industries, which is expected to be completed by Jun'25.

Profitability partly impacted due to inventory loss

Blended EBIT/kg declined 23.1% YoY to INR 16.5/kg (+19.2% QoQ) with plastic pipes EBIT/kg contracting 27.8% YoY (+22.3% QoQ, on low base) to INR13.3/kg, partly due to inventory losses (~INR 1,500mn in FY25), resulting in EBIDTA fall of 15.2% YoY. Management guides for pipes OPM of 14.5–15.5% in FY26 driven by operating leverage and stable RM prices (Wavin Industries acquisition to have OPM of ~15% too). We model blended plastics EBIT/kg of ~INR 17.7–18/kg and plastic pipes EBIT/kg of ~INR 15.5–16/kg for FY26–27E.

Financial Summary

| Y/E March (INR mn) | FY24A | FY25A | FY26E | FY27E |
|--------------------|----------|----------|----------|----------|
| Net Revenue | 1,01,134 | 1,04,463 | 1,17,570 | 1,30,258 |
| EBITDA | 15,386 | 14,317 | 17,307 | 19,282 |
| EBITDA % | 15.2 | 13.7 | 14.7 | 14.8 |
| Net Profit | 10,283 | 9,609 | 11,681 | 13,016 |
| EPS (INR) | 81.0 | 75.6 | 92.0 | 102.5 |
| EPS % Chg YoY | 21.2 | (6.6) | 21.6 | 11.4 |
| P/E (x) | 43.4 | 46.4 | 38.2 | 34.3 |
| EV/EBITDA (x) | 28.2 | 30.5 | 25.3 | 22.5 |
| RoCE (%) | 18.7 | 14.7 | 16.2 | 16.5 |
| RoE (%) | 21.6 | 17.8 | 19.6 | 19.8 |

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Market Data

| | |
|---------------------|--------------|
| Market Cap (INR) | 446bn |
| Market Cap (USD) | 5,229mn |
| Bloomberg Code | SI IN |
| Reuters Code | SUPI.BO |
| 52-week Range (INR) | 6,482 /3,020 |
| Free Float (%) | 51.0 |
| ADTV-3M (mn) (USD) | 10.3 |

| Price Performance (%) | 3m | 6m | 12m |
|-----------------------|--------|--------|--------|
| Absolute | (7.7) | (19.7) | (17.4) |
| Relative to Sensex | (12.4) | (19.3) | (25.4) |

| ESG Score | 2023 | 2024 | Change |
|-------------|------|------|--------|
| ESG score | 71.9 | 69.6 | (2.3) |
| Environment | 54.6 | 53.4 | (1.2) |
| Social | 73.5 | 75.2 | 1.7 |
| Governance | 83.3 | 81.1 | (2.2) |

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

Source: SES ESG, I-sec research

| Earnings Revisions (%) | FY26E | FY27E |
|------------------------|-------|-------|
| Revenue | (4.2) | (5.6) |
| EBITDA | (4.5) | (5.9) |
| EPS | (5.6) | (7.4) |

Previous Reports

21-01-2024: [Q3FY25 results review](#)23-10-2024: [Q2FY25 results review](#)

Acquisition of Wavin Industries

SI has agreed to acquire Wavin Industries' pipes and fittings business in India with a capacity of 73,052MT (PVC 39,884MT, CPVC 16,608MT, HDPE pipes 13,764MT, PPR Pipes 1,815MT, other products 981MT) and manufacturing plants located in three locations of Banmore, (MP), Hyderabad (Telagana) and Neemrana (Rajasthan). The company would also have exclusive access to Orbia Wavin's (Netherland), leading piping technologies in India and SAARC countries. The acquisition is being done for a transaction of USD 30mn (plus net working capital on the closing date) and is expected to be completed by Jun'25. The operating performance shall reflect in SI's consolidated financials for the remaining 9MFY26. Revenue from Wavin Industries' plastic pipes division was ~INR 5bn in CY24 and the company was reporting operating losses due to low utilisation. Management believes it would be able to ramp up utilisation to ~70% for the period Jul'25–Mar'26 for Wavin with OPM of 15%.

Valuation and view

SI's operational performance in Q4 has been lower than expectation; thus, we cut our EBIDTA estimates by 4.5% to 5.9% for FY26E–27E. We believe SI may see near-term profitability headwinds due to increased competition and tepidness in demand. Maintain **HOLD** with a rolled-over Mar'26E SoTP-based target price of INR 3,441, set at a revised core business target P/E of 35x (~10% premium vs. ~20% earlier to 10-year average 1-year forward P/E).

Exhibit 1: Q4FY25 consolidated result review

| INR mn | Q4FY25 | Q4FY24 | YoY(%) | Q3FY25 | QoQ(%) | FY25 | FY24 | YoY(%) |
|------------------------------|---------------|---------------|----------------|---------------|--------------|-----------------|-----------------|----------------|
| Total revenues | 30,271 | 30,079 | 0.6% | 25,099 | 20.6% | 1,04,463 | 1,01,343 | 3.1% |
| Raw Materials | 21,332 | 20,262 | 5.3% | 17,289 | 23.4% | 71,465 | 68,584 | 4.2% |
| % of sales | 70.5% | 67.4% | 311 bps | 68.9% | 158 bps | 68.4% | 67.7% | 74 bps |
| Employee expense | 1,310 | 1,233 | 6.3% | 1,152 | 13.7% | 4,873 | 4,422 | 10.2% |
| % of sales | 4.3% | 4.1% | 23 bps | 4.6% | -26 bps | 4.7% | 4.4% | 30 bps |
| Power & fuel expense | 843 | 863 | (2.3%) | 895 | (5.9%) | 3,425 | 3,288 | 4.1% |
| % of sales | 2.8% | 2.9% | -8 bps | 3.6% | -78 bps | 3.3% | 3.2% | 3 bps |
| Other expense | 2,623 | 2,815 | (6.8%) | 2,674 | (1.9%) | 10,384 | 9,576 | 8.4% |
| % of sales | 8.7% | 9.4% | -69 bps | 10.7% | -199 bps | 9.9% | 9.4% | 49 bps |
| Total expenditure | 26,108 | 25,172 | 3.7% | 22,011 | 18.6% | 90,146 | 85,869 | 5.0% |
| % of sales | 86.2% | 83.7% | 256 bps | 87.7% | -145 bps | 86.3% | 84.7% | 156 bps |
| EBIDTA | 4,163 | 4,907 | (15.2%) | 3,088 | 34.8% | 14,317 | 15,473 | (7.5%) |
| EBITDA margin (%) | 13.8% | 16.3% | -256 bps | 12.3% | 145 bps | 13.7% | 15.3% | -156 bps |
| Depreciation/Amortisation | 914 | 772 | 18.4% | 913 | 0.1% | 3,586 | 2,984 | 20.2% |
| EBIT | 3,249 | 4,135 | (21.4%) | 2,175 | 49.4% | 10,730 | 12,490 | (14.1%) |
| EBIT Margin (%) | 10.7% | 13.7% | -301 bps | 8.7% | 207 bps | 10.3% | 12.3% | -205 bps |
| Net Interest Expenses | 30 | 77 | (61.5%) | 30 | (0.3%) | 119 | 161 | (26.2%) |
| Other non-operating income | 125 | 181 | (31.2%) | 89 | 39.9% | 578 | 657 | (12.0%) |
| PBT | 3,344 | 4,239 | (21.1%) | 2,235 | 49.6% | 11,190 | 12,985 | (13.8%) |
| Income Tax Expense | 732 | 1,097 | (33.3%) | 584 | 25.3% | 2,782 | 3,357 | (17.1%) |
| PAT before associates | 2,612 | 3,141 | (16.9%) | 1,650 | 58.3% | 8,408 | 9,629 | (12.7%) |
| Share of profit of associate | 328 | 407 | (19.5%) | 220 | 49.2% | 1,201 | 1,069 | 12.4% |
| Reported PAT | 2,939 | 3,548 | (17.2%) | 1,870 | 57.2% | 9,609 | 10,697 | (10.2%) |
| Adjusted PAT | 2,939 | 3,548 | (17.2%) | 1,870 | 57.2% | 9,609 | 10,697 | (10.2%) |

Source: I-Sec research, Company data

Exhibit 2: Q4FY25 segmental result review

| INR mn | Q4FY25 | Q4FY24 | YoY(%) | Q3FY25 | QoQ(%) | FY25 | FY24 | YoY(%) |
|----------------------------|-----------------|-----------------|---------------|-----------------|--------------|-----------------|-----------------|---------------|
| Segment revenue | | | | | | | | |
| Plastic Piping Products | 20,741 | 21,525 | -3.6% | 16,649 | 24.6% | 70,353 | 69,316 | 1.5% |
| Industrial Products | 3,464 | 3,516 | -1.5% | 3,324 | 4.2% | 13,127 | 13,078 | 0.4% |
| Packaging Products | 4,261 | 3,764 | 13.2% | 3,982 | 7.0% | 15,923 | 14,057 | 13.3% |
| Consumer Products | 1,361 | 1,184 | 15.0% | 1,064 | 27.9% | 4,436 | 4,410 | 0.6% |
| Others | 444 | 90 | 391.0% | 79 | 459.8% | 624 | 482 | 29.5% |
| Total | 30,271 | 30,079 | 0.6% | 25,099 | 20.6% | 1,04,463 | 1,01,343 | 3.1% |
| EBIT | | | | | | | | |
| Plastic Piping Products | 2,159 | 2,926 | -26.2% | 1,377 | 56.9% | 7,353 | 9,002 | -18.3% |
| Industrial Products | 352 | 395 | -11.0% | 272 | 29.4% | 1,101 | 1,133 | -2.9% |
| Packaging Products | 571 | 678 | -15.9% | 441 | 29.3% | 1,846 | 1,877 | -1.6% |
| Consumer Products | 226 | 205 | 10.0% | 169 | 33.5% | 723 | 753 | -4.0% |
| Others | 8 | -3 | -361.3% | 3 | 145.5% | 10 | -9 | -204.4% |
| Total | 3,316 | 4,202 | -21% | 2,262 | 46.6% | 11,032 | 12,756 | -13.5% |
| EBIT margin (%) | | | | | | | | |
| Plastic Piping Products | 10.4% | 13.6% | -318 bps | 8.3% | 214 bps | 10.5% | 13.0% | -253 bps |
| Industrial Products | 10.2% | 11.2% | -108 bps | 8.2% | 198 bps | 8.4% | 8.7% | -28 bps |
| Packaging Products | 13.4% | 18.0% | -462 bps | 11.1% | 231 bps | 11.6% | 13.4% | -176 bps |
| Consumer Products | 16.6% | 17.3% | -75 bps | 15.9% | 69 bps | 16.3% | 17.1% | -79 bps |
| Segment volume (te) | | | | | | | | |
| Plastic Piping Products | 1,62,227 | 1,58,795 | 2.2% | 1,26,515 | 28.2% | 5,31,133 | 5,01,001 | 6.0% |
| Industrial Products | 15,812 | 16,871 | -6.3% | 15,472 | 2.2% | 61,357 | 61,936 | -0.9% |
| Packaging Products | 16,681 | 15,051 | 10.8% | 16,281 | 2.5% | 64,272 | 58,507 | 9.9% |
| Consumer Products | 5,145 | 4,652 | 10.6% | 4,465 | 15.2% | 17,748 | 18,257 | -2.8% |
| Total | 1,99,865 | 1,95,369 | 2.3% | 1,62,733 | 22.8% | 6,74,510 | 6,39,701 | 5.4% |
| EBIT/kg (INR/kg) | | | | | | | | |
| Plastic Piping Products | 13.3 | 18.4 | -27.8% | 10.9 | 22.3% | 13.8 | 18.0 | -22.9% |
| Industrial Products | 22.3 | 23.4 | -5.0% | 17.6 | 26.6% | 17.9 | 18.3 | -2.0% |
| Packaging Products | 34.2 | 45.1 | -24.1% | 27.1 | 26.2% | 28.7 | 32.1 | -10.5% |
| Consumer Products | 43.9 | 44.1 | -0.5% | 37.9 | 15.8% | 40.7 | 41.3 | -1.3% |
| Total | 16.5 | 21.5 | -23.1% | 13.9 | 19.2% | 16.3 | 20.0 | -18.1% |

Source: I-Sec research, Company data

Takeaways from Q4FY25 earnings conference call

- **Industry:** Management indicated the plastic pipes industry to be 4.29mn te in FY25 which is expected to grow slightly better than the India GDP growth in FY26. The plastic pipe industry has witnessed degrowth of ~6% in volume terms in FY25.
- **Demand:** Demand for plastic pipes was impacted in Q4 and FY25 due to PVC price volatility, which also led to severe channel destocking. Management sees demand green shoots for housing and agri segments going forward.

Jal Jivan Mission (JJM) also saw muted demand in FY25 due to slowdown in orders from Maharashtra government.

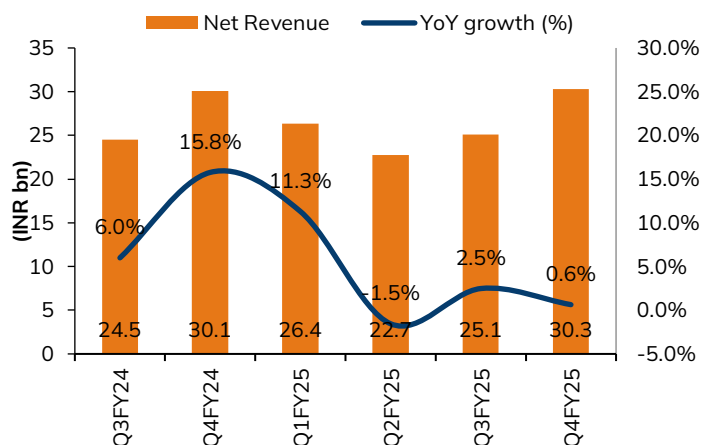
Cross laminated film and products registered about 11% YoY volume and 12% YoY value growth in FY25 driven by growing recognition of the product's superior quality and reliability.

Furniture business did not show any growth both in value and volume terms due to stagnant industry demand.

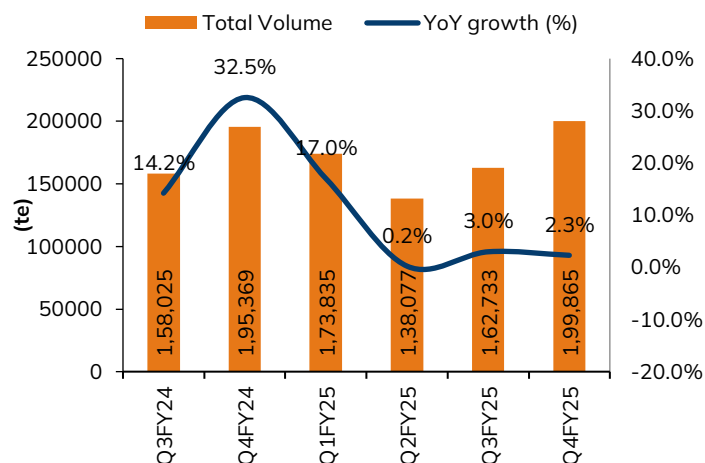
Protective packaging division grew 12% YoY in volume and 16% YoY in value terms in FY25.

- **CPVC** segment has grown 21% YoY in volume terms in FY25.
- Management indicated **inventory loss of ~INR 1.5bn** in FY25.

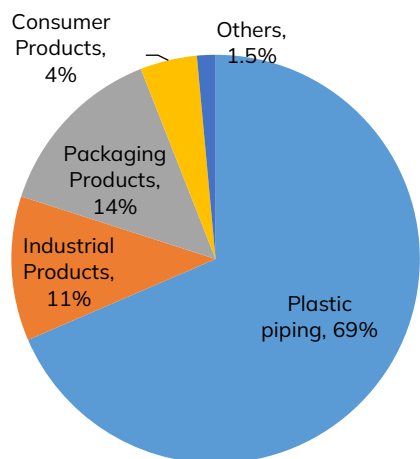
- **Pricing:** Management indicated that PVC prices have largely bottomed out and are expected to stabilise.
- **Guidance:** Management has guided for consolidated revenue of INR 120bn in FY26. It has guided to grow the pipes segment volumes at 3–4% YoY better than industry's growth (which is expected to grow slightly better than the India GDP growth in FY26) and has guided for consolidated OPM of 14.5–15.5% in FY26.
- **Capacity expansion:**
 - Total plastic pipes capacity is expected to reach 1mn te by end FY26 (vs 870,000 te as on FY25).
 - Company has agreed to acquire Wavin Industries pipes and fittings business in India and shall have exclusive access to Orbia Wavin's leading Piping technologies in India and SAARC countries. This would result in increasing the capacity of the Piping Division by 73,000 te p.a. at three manufacturing sites situated at Banmore (MP), Hyderabad (Telangana) and Neemrana (Rajasthan). The acquisition is expected to complete by Jun'25 and shall reflect in consolidated financials for the remaining 9MFY26. Revenue from Wavin Industries plastic pipes division was ~INR 5bn in CY24.
 - The PVC window plant in Kanpur (UP) is expected to commission in Jul'25 and will initially cater to customers in UP, Uttarakhand and the NCR. This plant would have capacity of 5,000te p.a.
 - Company has plans to increase O-PVC Pipe manufacturing capacity at Sangli and also put up O-PVC Pipe manufacturing capacity at Jadcherla and Cuttack plant, which will be operational by 2028.
 - It is in the process of setting up a new facility in Gadegaon for making PP silent piping SWR system for low noise requirement.
 - Company has plans to set up new facility for Protective Packaging Products in Maharashtra both for domestic and export market
- **Capex:** Company capex commitment of INR 11bn going forward, including acquisition of Wavin Industries. All capex to be funded internally.
- **New product introduction:**
 - The company has 45 Plastic Piping Systems and plans to add five more systems in FY26.
 - The company has launched Electrofusion Olefins fittings and compression molded fitting with a portfolio of 639 SKUs and plans to increase the range by adding another 75 SKUs during FY26.
 - PP silent pipe system via technical license from Poloplast GmbH, Austria is under trials and is expected to launch Jun'25.
 - Company introduced 20 new models during FY25 for the furniture segment and plans to launch 8 new models in Q1FY26.
- **Distribution:** Total distributors increased from 5,060 in FY24 to 5,600 in FY25 and pipe retailers increased more than 200,000 for FY25.

Exhibit 3: Quarterly consolidated revenue

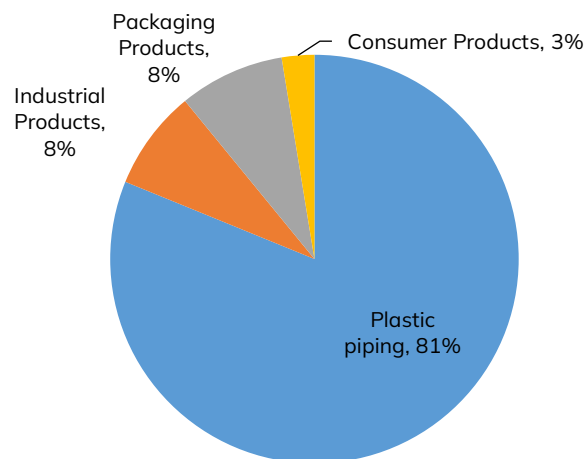
Source: Company data, I-Sec research

Exhibit 4: Quarterly blended plastics sales volume

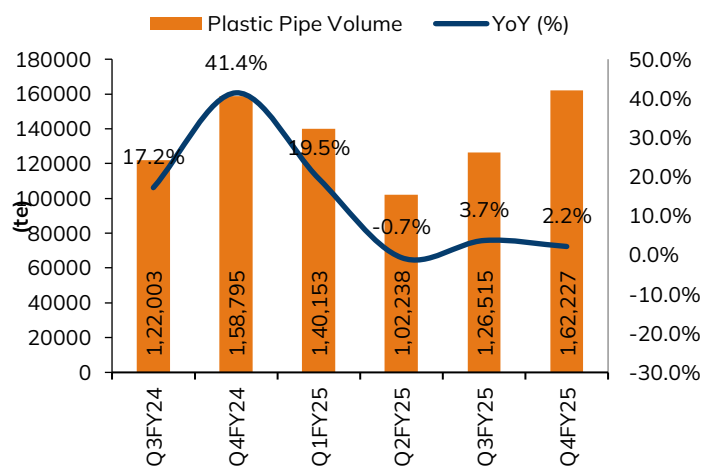
Source: Company data, I-Sec research

Exhibit 5: Quarterly revenue breakup

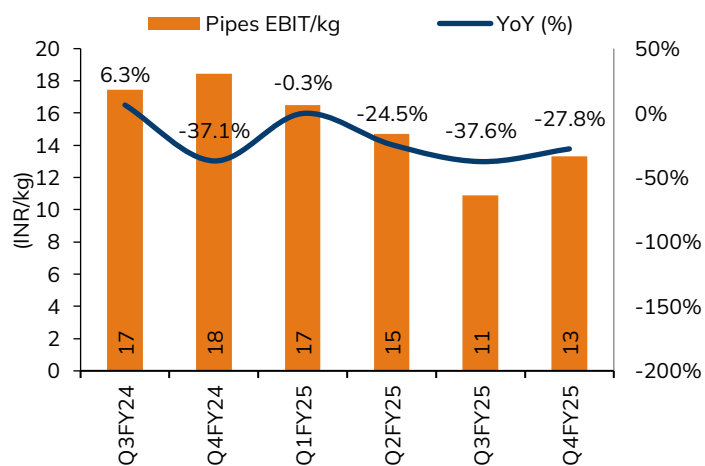
Source: Company data, I-Sec research

Exhibit 6: Quarterly sales volume breakup

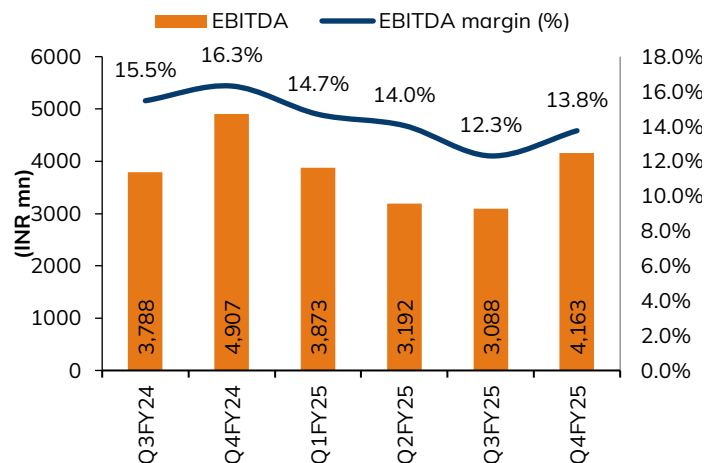
Source: Company data, I-Sec research

Exhibit 7: Quarterly plastic pipes sales volumes

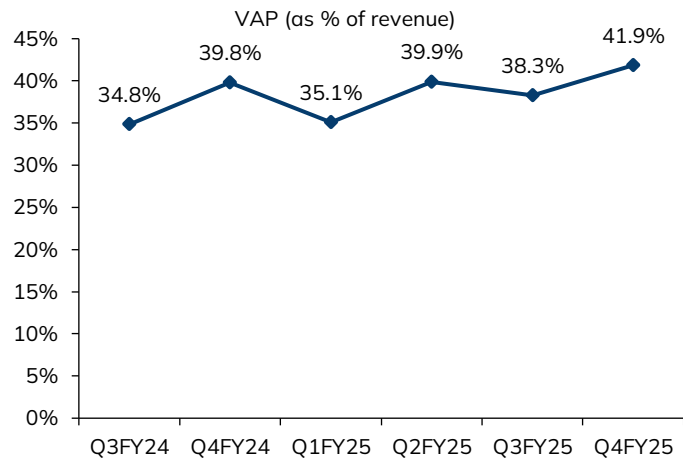
Source: Company data, I-Sec research

Exhibit 8: Quarterly plastic pipes EBIT/kg

Source: Company data, I-Sec research

Exhibit 9: Quarterly EBITDA and margin

Source: Company data, I-Sec research

Exhibit 10: Share of value-added products

Source: Company data, I-Sec research

Valuation and view

SI is a play on India's growing housing and consumer market, backed by a strong brand, comprehensive product portfolio and wide distribution reach. The company has a healthy operating margin profile, impressive return ratios (RoE of 19.8% in FY27E) and a balance sheet free of net debt.

We value SI on SoTP basis considering its 1) core operations; and 2) stake in associate, Supreme Petrochem Ltd.

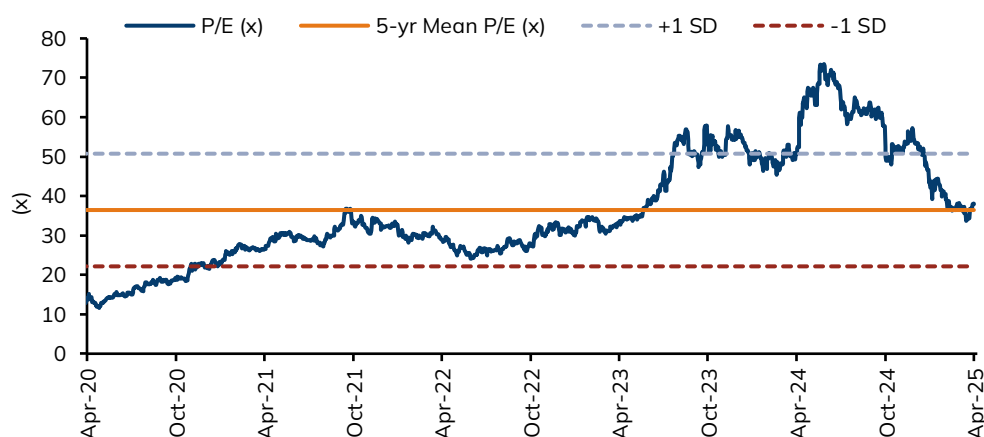
Exhibit 11: SI's SoTP valuation table

| | | |
|--|-----|-----------|
| A) Valuation of SI's core operations on P/E basis | | |
| Standalone FY27E EPS (INR/share) | | 90 |
| Target P/E (x) | | 35 |
| Value per share (INR/share) | (A) | 3,149 |
| B) Value of SI's stake in Supreme Petrochem | | |
| Supreme Petrochem Market capitalisation (INR mn) | | 1,20,750 |
| Supreme Industries holding (%) | | 31% |
| Value of holding (INR mn) | | 37,167 |
| Total No of equity shares (mn) | | 127 |
| SI's value per share (INR/share) | (B) | 293 |
| C) SoTP Valuation of SI | | |
| Value per share of SI's core operation | | INR 3,149 |
| Value of SI's stake in Supreme Petrochem | | INR 292 |
| Target Price (A) + (B) | | INR 3,441 |

Source: I-Sec research, Company data

Maintain **HOLD** with rolled over Mar'26E SoTP-based target price of INR 3,441 (earlier INR 4,015).

Exhibit 12: One-year forward P/E band



Source: I-Sec research, Company data, Bloomberg

Key downside risks

- **Slowdown in housing market:** Any unexpected demand slowdown in housing market will adversely affect growth in the pipes segment.
- **Sharp fall in PVC resin prices:** A sharp and sudden fall in PVC resin prices will adversely affect the profitability of the company.
- **Significant increase in competitive activity:** Any sudden significant increase in competitive scenario may adversely the profitability of the company.

Key upside risks

- Better-than-expected demand from housing segment.
- Surge in PVC prices will lead to inventory gains.

Exhibit 13: Shareholding pattern

| % | Sep'24 | Dec'24 | Mar'25 |
|-------------------------|--------|--------|--------|
| Promoters | 48.9 | 48.9 | 48.9 |
| Institutional investors | 36.4 | 36.6 | 36.0 |
| MFs and other | 9.1 | 10.0 | 10.5 |
| FIs/ Banks | 0.0 | 0.1 | 0.1 |
| Insurance Cos. | 1.4 | 1.8 | 2.5 |
| FII's | 25.9 | 24.7 | 22.9 |
| Others | 14.7 | 14.5 | 15.1 |

Source: Bloomberg, I-Sec research

Exhibit 14: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 15: Profit & Loss

(INR mn, year ending March)

| | FY24A | FY25A | FY26E | FY27E |
|--|-----------------|-----------------|-----------------|-----------------|
| Net Sales | 1,01,134 | 1,04,463 | 1,17,570 | 1,30,258 |
| Operating Expenses | 85,747 | 90,146 | 1,00,262 | 1,10,976 |
| EBITDA | 15,386 | 14,317 | 17,307 | 19,282 |
| EBITDA Margin (%) | 15.2 | 13.7 | 14.7 | 14.8 |
| Depreciation & Amortization | 2,984 | 3,586 | 4,199 | 4,549 |
| EBIT | 12,402 | 10,730 | 13,109 | 14,732 |
| Interest expenditure | 161 | 119 | 100 | 90 |
| Other Non-operating Income | 177 | 578 | 762 | 636 |
| Recurring PBT | 12,418 | 11,190 | 13,771 | 15,278 |
| Less: Taxes | (3,357) | (2,782) | (3,470) | (3,850) |
| PAT | 9,061 | 8,408 | 10,300 | 11,428 |
| Profit / (Loss) from Associates | 1,069 | 1,201 | 1,381 | 1,588 |
| Less: Minority Interest | - | - | - | - |
| Extraordinaries (Net) | 567 | - | - | - |
| Net Income (Reported) | 10,697 | 9,609 | 11,681 | 13,016 |
| Net Income (Adjusted) | 10,283 | 9,609 | 11,681 | 13,016 |

Source Company data, I-Sec research

Exhibit 16: Balance sheet

(INR mn, year ending March)

| | FY24A | FY25A | FY26E | FY27E |
|--|---------------|---------------|---------------|---------------|
| Assets | | | | |
| Inventories | 13,586 | 13,337 | 14,833 | 16,418 |
| Cash & cash eqv. | 11,873 | 9,525 | 7,950 | 12,163 |
| Sundry Debtors | 5,114 | 5,401 | 6,120 | 6,781 |
| Other Current Assets | 3,892 | 5,460 | 5,798 | 6,424 |
| Trade payables | 10,156 | 8,934 | 10,019 | 11,092 |
| Other Current Liabilities | 2,802 | 4,507 | 5,162 | 5,715 |
| Net Current Assets | 21,507 | 20,281 | 19,520 | 24,977 |
| Investments | 6,381 | 7,196 | 7,196 | 7,196 |
| Net Fixed Assets | 23,238 | 29,036 | 35,837 | 36,788 |
| Other Non Current Assets | 1,472 | 1,724 | 1,724 | 1,724 |
| Total Assets | 52,599 | 58,237 | 64,278 | 70,686 |
| Liabilities | | | | |
| Borrowings | - | - | 200 | 100 |
| Other Non Current Liabilities | 1,511 | 1,633 | 1,633 | 1,633 |
| Total Liabilities | 1,511 | 1,633 | 1,833 | 1,733 |
| Equity Share Capital | 254 | 254 | 254 | 254 |
| Reserves & Surplus | 50,834 | 56,350 | 62,191 | 68,699 |
| Total Net Worth | 51,088 | 56,604 | 62,445 | 68,953 |
| Minority Interest | - | - | - | - |
| Total Liabilities & Net Worth | 52,599 | 58,237 | 64,278 | 70,686 |

Source Company data, I-Sec research

Exhibit 17: Quarterly trend

(INR mn, year ending March)

| | Jun-24 | Sep-24 | Dec-24 | Mar-25 |
|---------------------|--------|--------|--------|--------|
| Net Sales | 26,364 | 22,730 | 25,099 | 30,271 |
| % growth (YOY) | 11.3 | -1.5 | 2.5 | 0.6 |
| EBITDA | 3,873 | 3,192 | 3,088 | 4,163 |
| Margin % | 14.7 | 14.0 | 12.3 | 13.8 |
| Other Income | 214 | 151 | 89 | 125 |
| Extraordinaries | - | - | - | - |
| Adjusted Net Profit | 2,734 | 2,066 | 1,870 | 2,939 |

Source Company data, I-Sec research

Exhibit 18: Cashflow statement

(INR mn, year ending March)

| | FY24A | FY25A | FY26E | FY27E |
|--|----------------|-----------------|-----------------|----------------|
| Operating Cashflow | 13,757 | 10,787 | 13,685 | 14,733 |
| Working Capital Changes | 1,093 | (1,122) | (814) | (1,245) |
| Capital Commitments | (6,191) | (9,307) | (11,000) | (5,500) |
| Free Cashflow | 7,567 | 1,480 | 2,685 | 9,233 |
| Other investing cashflow | (608) | (815) | - | - |
| Cashflow from Investing Activities | (6,799) | (10,122) | (11,000) | (5,500) |
| Issue of Share Capital | 0 | - | - | - |
| Inc (Dec) in Borrowings | - | - | 200 | (100) |
| Dividend paid | (3,811) | (4,319) | (5,841) | (6,508) |
| Others | 1,264 | 1,306 | 1,381 | 1,588 |
| Cash flow from Financing Activities | (2,547) | (3,013) | (4,260) | (5,020) |
| Chg. in Cash & Bank balance | 4,412 | (2,348) | (1,575) | 4,213 |
| Closing cash & balance | 11,873 | 9,525 | 7,950 | 12,163 |

Source Company data, I-Sec research

Exhibit 19: Key ratios

(Year ending March)

| | FY24A | FY25A | FY26E | FY27E |
|---|-------|-------|-------|-------|
| Per Share Data (INR) | | | | |
| Reported EPS | 84.2 | 75.6 | 92.0 | 102.5 |
| Adjusted EPS (Diluted) | 81.0 | 75.6 | 92.0 | 102.5 |
| Cash EPS | 104.4 | 103.9 | 125.0 | 138.3 |
| Dividend per share (DPS) | 30.0 | 34.0 | 46.0 | 51.2 |
| Book Value per share (BV) | 402.2 | 445.6 | 491.6 | 542.8 |
| Dividend Payout (%) | 37.1 | 44.9 | 50.0 | 50.0 |
| Growth (%) | | | | |
| Net Sales | 10.1 | 3.3 | 12.5 | 10.8 |
| EBITDA | 28.1 | (7.0) | 20.9 | 11.4 |
| EPS (INR) | 21.2 | (6.6) | 21.6 | 11.4 |
| Valuation Ratios (x) | | | | |
| P/E | 43.4 | 46.4 | 38.2 | 34.3 |
| P/CEPS | 33.6 | 33.8 | 28.1 | 25.4 |
| P/BV | 8.7 | 7.9 | 7.1 | 6.5 |
| EV / EBITDA | 28.2 | 30.5 | 25.3 | 22.5 |
| EV / Sales | 4.3 | 4.2 | 3.7 | 3.3 |
| Dividend Yield (%) | 0.9 | 1.0 | 1.3 | 1.5 |
| Operating Ratios | | | | |
| Gross Profit Margins (%) | 32.2 | 31.6 | 32.4 | 32.4 |
| EBITDA Margins (%) | 15.2 | 13.7 | 14.7 | 14.8 |
| Effective Tax Rate (%) | 27.0 | 24.9 | 25.2 | 25.2 |
| Net Profit Margins (%) | 10.2 | 9.2 | 9.9 | 10.0 |
| NWC / Total Assets (%) | 14.7 | 15.0 | 14.6 | 14.6 |
| Net Debt / Equity (x) | (0.2) | (0.2) | (0.1) | (0.2) |
| Net Debt / EBITDA (x) | (0.8) | (0.7) | (0.4) | (0.6) |
| Profitability Ratios | | | | |
| RoCE (%) (post-tax) | 18.7 | 14.7 | 16.2 | 16.5 |
| RoE (%) | 21.6 | 17.8 | 19.6 | 19.8 |
| Cash Conversion Cycle (on net sales) | | | | |
| Inventory Days | 49 | 47 | 46 | 46 |
| Receivables Days | 18 | 19 | 19 | 19 |
| Payables Days | 37 | 31 | 31 | 31 |

Source Company data, I-Sec research

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