

Astral Limited

Demerger to create near term volatility as investors comprehend each business separately, profitable growth aggression will be key valuation driver

CMP Rs 1,487	Target Price Rs 1,980 Jun 2027
Rating LONG	Upside 33% (↑)

Demerger might create near term overhang as investors decide on the multiples for each segment, valuations will depend on pace of growth + profitability of each business: We believe that demerger will create a near term overhang on stock's performance as investors try to gauge what multiples each individual business will command post listing. Plumbing business will command premium multiple vs. listed peers due to industry leading operating profitability, growth aggression and backward integration into CPVC Resin manufacturing. Adhesive + Paint business valuations will be the tricky part as how much discount it gets vs. listed peers is difficult to comprehend because on one hand, the business will see strong growth aggression together with focused profitability improvement drive (incl. backward integration via DSS acquisition) but on the other hand, at what EV/EBITDA multiple will the business trade at due to business's size is difficult to quantify. We have tried to plot a sensitivity valuation analysis of each business at different EV/EBITDA multiples to get some understanding on the implied valuations that each company might command. We have kept our estimates unchanged.

Business reorganization is being done so that each business can focus on its own growth trajectory: Mgmt. believes that Adhesive business has reached a level wherein it will be able to chart its own growth trajectory and fund its growth plans via own Balance sheet and without the support from the plumbing business. Main reasons for demerger as per mgmt. are: Improved management focus on each segment, Specialisation and Targeted Growth, Focused Capital Deployment, Unlocking of Shareholder and Credit Value and Customized Corporate Governance and Independent Board oversight.

CPVC Resin manufacturing to remain in the Plumbing business: The CPVC Resin backward integration business (Nexelon – 80% stake) will continue to remain in the Plumbing business. The backward integration is expected to help improve overall Piping business growth and EBITDAM as on one hand, the company would be passing on the efficiency savings to grow in PVC segment but will also keep some of the benefits to improve its operating profitability.

Mgmt. believes that Adhesive business's growth trajectory will continue to improve: In FY26, total Adhesive + Paint business Revenues/EBITDA stood at Rs 18.9bn/Rs 1.92bn. Within this, India Adhesive business Revenues/EBITDA stood at Rs 12.63bn/Rs 1.91bn, UK business Revenues/EBITDA stood at Rs 3.85bn/Rs 150mn while Paints business Revenues/EBITDA stood at Rs 2.4bn/Rs (140mn). Mgmt. believes that India Adhesive business will continue to comprise major chunk of incremental growth followed by India Paints business and UK + US businesses. With new stable team and renewed growth aggression being the key focus at UK Seal IT business, mgmt. remains confident on recovery in profitability along-with topline growth from FY27 onwards. In India Adhesive business, growth is expected to continue its mid double digit growth trajectory (15-16% CAGR) while Paint business is expected to display renewed growth aggression + profitability focus as necessary strategy streamlining has been completed in FY26.

Recent DSS acquisition (60% stake) to help achieve backward integration efficiencies in Adhesive business: DSS has close to 13-15 patents filed, many of which are granted, and others are in the pipeline. The products made by DSS are 100% import substitutes. Management is targeting Rs 5bn revenue over next 5 years, of which 35-40% will be used for backward integration. These products will be used as base raw materials for company's flagship product – Epoxy BONDITE brand. Further, DSS has also developed numerous products which are yet to be sold commercially due to lack of prior financial support, but which will now commercialize. These are specialty products having EBITDAM of 20-25%. In terms of additional capacities, company plans to spend another Rs 500mn in FY28 (Rs 300-350mn as capex, rest Rs 150mn as WC).

Financial Summary

YE Mar Rs mn	Sales	EBITDA	Recurring PAT	EPS (Rs)	P/E (x)	P/B (x)	EV/ EBITDA (x)	ROE (%)	Core ROIC (%)	EBITDA Margin (%)
FY26A	65,686	10,619	5,592	20.8	71.4	9.8	36.9	14.0	16.8	16.2
FY27E	76,502	12,939	7,069	26.3	56.5	8.6	30.0	16.3	20.2	16.9
FY28E	88,558	15,986	8,952	33.3	44.6	7.4	24.0	17.9	23.7	18.1
FY29E	1,01,941	18,471	10,472	39.0	38.1	6.4	20.5	18.1	25.8	18.1

Source: Company, Equirus Securities

Estimate Revision

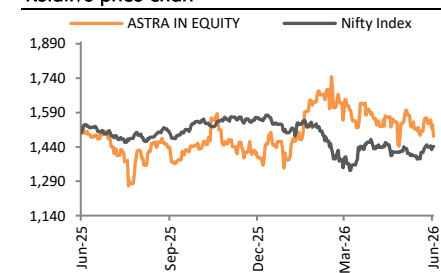
(Rs mn)	Forecasts		% Change	
	FY27E	FY28E	FY27E	FY28E
Sales	76,502	88,558	0%	0%
EBITDA	12,939	15,986	0%	0%
PAT	7,069	8,952	0%	0%
EPS	26.3	33.3	0%	0%

Stock Information

Market Cap (Rs Mn)	3,99,483
52 Wk H/L (Rs)	1,769/1,263
Avg Daily Volume (1 yr)	6,99,128
Avg Daily Value (Rs Mn)	11.6
Equity Cap (Rs Mn)	40,579
Face Value (Rs)	1
Share Outstanding (Mn)	268.7
Bloomberg Code	ASTRA IN
Ind Benchmark	BSETCD

Ownership (%)	Recent	3M	12M
Promoters	54.2	0.0	0.1
DII	21.3	1.8	6.5
FII	14.5	(0.7)	(5.7)
Public	10.0	(1.0)	(1.0)

Relative price chart



Source: Bloomberg

Analysts

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Sensitivity Analysis

Exhibit 1: Astral's Plumbing Business – FY27E EV/EBITDA Sensitivity Analysis taking Supreme's multiple as the base

Particulars	EV/EBITDA Multiple (x)	FY27E EBITDA (Rs Mn)	EV (Rs Mn)
Supreme Industries	23.0		
At 20% premium	27.6		2,90,562
At 25% premium	28.8	10,528	3,02,668
At 30% premium	29.9		3,14,775
At 35% premium	31.1		3,26,882

Source: Company Data, Equirus; Supreme's EV/EBITDA multiple is as per Bloomberg estimates

Exhibit 2: Astral's Chemicals Business – FY27E EV/EBITDA Sensitivity Analysis taking Pidilite's multiple as the base

Particulars	EV/EBITDA Multiple (x)	FY27E EBITDA (Rs Mn)	EV (Rs Mn)
Pidilite Industries	42.0		
At 35% discount	27.3		65,834
At 40% discount	25.2	2,412	60,770
At 45% discount	23.1		55,706
At 50% discount	21.0		50,642

Source: Company Data, Equirus; Pidilite's EV/EBITDA multiple is as per Bloomberg estimates

Exhibit 3: Astral's Plumbing Business – FY28E EV/EBITDA Sensitivity Analysis taking Supreme's multiple as the base

Particulars	EV/EBITDA Multiple (x)	FY28E EBITDA (Rs Mn)	EV (Rs Mn)
Supreme Industries	20.0		
At 20% premium	24.0		3,10,416
At 25% premium	25.0	12,934	3,23,350
At 30% premium	26.0		3,36,284
At 35% premium	27.0		3,49,218

Source: Company Data, Equirus; Supreme's EV/EBITDA multiple is as per Bloomberg estimates

Exhibit 4: Astral's Chemicals Business – FY28E EV/EBITDA Sensitivity Analysis taking Pidilite's multiple as the base

Particulars	EV/EBITDA Multiple (x)	FY28E EBITDA (Rs Mn)	EV (Rs Mn)
Pidilite Industries	36.0		
At 35% discount	23.4		71,409
At 40% discount	21.6	3,052	65,916
At 45% discount	19.8		60,423
At 50% discount	18.0		54,930

Source: Company Data, Equirus; Pidilite's EV/EBITDA multiple is as per Bloomberg estimates

Exhibit 5: Astral's Plumbing Business – FY29E EV/EBITDA Sensitivity Analysis taking Supreme's multiple as the base

Particulars	EV/EBITDA Multiple (x)	FY29E EBITDA (Rs Mn)	EV (Rs Mn)
Supreme Industries	18.0		
At 20% premium	21.6		3,19,319
At 25% premium	22.5	14,783	3,32,624
At 30% premium	23.4		3,45,929
At 35% premium	24.3		3,59,234

Source: Company Data, Equirus; Supreme's EV/EBITDA multiple is as per Bloomberg estimates

Exhibit 6: Astral's Chemicals Business – FY29E EV/EBITDA Sensitivity Analysis taking Pidilite's multiple as the base

Particulars	EV/EBITDA Multiple (x)	FY29E EBITDA (Rs Mn)	EV (Rs Mn)
Pidilite Industries	32.0		
At 35% discount	20.8		76,698
At 40% discount	19.2	3,687	70,798
At 45% discount	17.6		64,899
At 50% discount	16.0		58,999

Source: Company Data, Equirus; Pidilite's EV/EBITDA multiple is as per Bloomberg estimates

Exhibit 7: Astral's combined valuation on basis of above calculations (current mkt. cap is Rs 3,99,483mn)

FY27E EBITDA (Rs Mn)	Mkt cap (Rs Mn)		FY28E EBITDA (Rs Mn)	Mkt cap (Rs Mn)		FY29E EBITDA (Rs Mn)	Mkt cap (Rs Mn)	
	3,67,564	-8%		3,97,191	-1%		4,17,135	+4%
12,939	3,74,607	-6%	15,986	4,04,632	+1%	18,471	4,24,540	+6%
	3,81,649	-4%		4,12,073	+3%		4,31,945	+8%
	3,88,692	-3%		4,19,514	+5%		4,39,350	+10%

Source: Company Data, Equirus

Exhibit 8: Plumbing Business Comparative peers

Company	Market Cap/Sales (x)			EV/EBITDA (x)			P/E (x)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Supreme	3.4	3.0	2.7	23	20	18	38	32	29
Finolex	2.4	2.2	1.9	14	13	11	19	17	16

Source: Bloomberg Estimates

Exhibit 9: Chemical Business Comparative peers

Company	Market Cap/Sales (x)			EV/EBITDA (x)			P/E (x)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Pidilite	9.7	8.7	7.8	42	36	32	61	52	46

Source: Bloomberg Estimates

Key Takeaways from update call on the announced demerger

Adhesives/Chemicals business:

- Adhesives business has been on a continued growth path. Company has added multiple chemistries over the last year.
- Expansion at Dahej plant is near completion, the solvent plant is under-trials and will be operational soon.
- Construction chemicals business is growing equally well – White Glue is growing at good pace. Many products which were earlier being imported are now being made domestically.
- Mgmt. stated that Paints business is showing a good growth trajectory. Capex requirement for the paint business will be minimal for next few years and company will only need to spend on putting up a new capacity in Western India wherein outflow would not be very high.
- Commercial production started at Differentiated and Sustainable Solutions LLP (DSS).
- UK and US businesses are performing well, converting into good margins.
- Adhesives business FY26: India business revenues were Rs 12.63bn and EBITDA was Rs 1.91bn, UK business revenues were Rs 3.85bn and EBITDA of Rs 150mn, Paints business revenues were Rs 2.4bn and EBITDA of (Rs 140mn). This translated to total segmental revenues of ~Rs 18-19bn and EBITDA of Rs 1.92bn in FY26. Going ahead, India chemicals business will continue to comprise the major chunk of segment revenues, UK and US businesses should contribute broadly evenly, while Paints business contribution should grow from hereon.
- Tax rate for Adhesives business will be relatively lower initially due to certain write-offs and accumulated losses of Paints division.

Plumbing business:

- CPVC resin plant is as per schedule and will be ready for production by FY27-end (trials by 4QFY27 and commercial production by Apr'27).
- Capex cycle is not expected to be heavy going ahead.

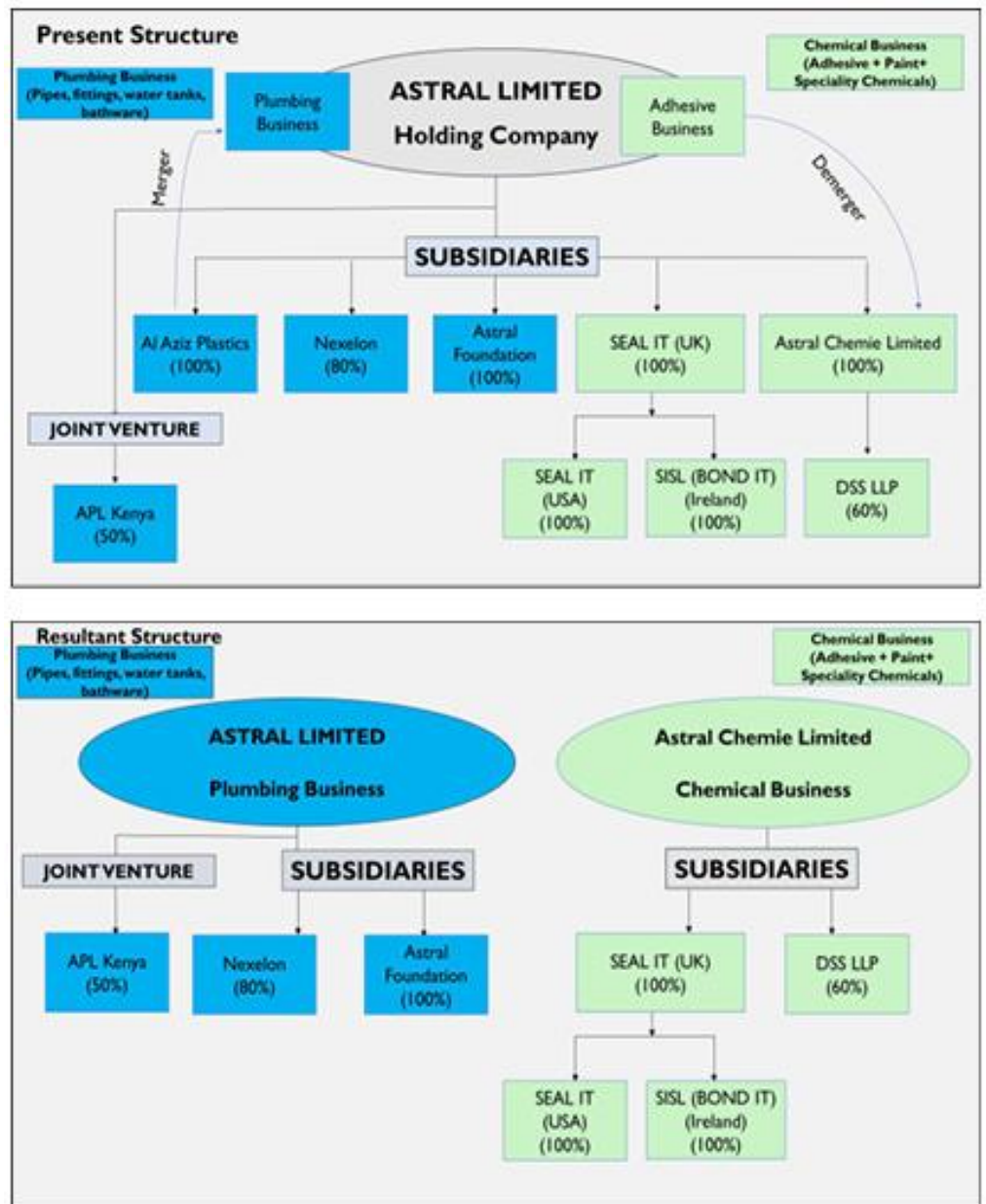
Other key highlights:

- Astral Foundation and Nexelon will be under **Astral Ltd (Plumbing business)** while Al-Aziz will be merged/amalgamated with Astral Ltd. Seal IT (UK), Seal It (USA), Paints, Seal IT Ireland, and DSS businesses will be under **Astral Chemie business**.
- Overlap, post the demerger, between the two businesses (Plumbing and Adhesives) will be to the extent of Rs 1bn (mainly related to Solvent Cement segment).
- DSS is a high margin business and is expected to generate healthy cashflows backed by expected revenues of Rs 1.5bn for FY28. Scaling up of the business will be quick as products from this business are import substitutes.
- The top management (incl. Mr. Sandeep Engineer) will continue to look at both businesses.
- Separate financial snapshots for both businesses shall be provided by the company in few weeks.
- Mgmt. expects a minimum ROC of 20% for Pipes business two years down the line, which may eventually go up to 25%. Adhesives division is expected to generate an ROC of 15-17%, which may eventually go up to 20% three-four years down the line.
- DSS's existing capacity of 5,200 TPA can help achieve revenues of Rs 1bn and for FY27, company expects to achieve revenues of Rs 600-700mn (of which 50-60% will be internally consumed by Astral).
- **Mgmt. does not expect much cost increase due to the demerger except for some compliance and administrative costs, while a lot of operational efficiencies will flow through at the plant level (thereby offsetting the impact of any demerger related cost increase).**

Contours of Demerger

- In FY26, Plumbing business had Revenues/EBITDA of Rs 46.8bn/Rs 9.2bn while Adhesive + Paint business had Revenues/EBITDA of Rs 18.9bn/Rs 1.92bn. Mgmt. has guided for an ROIC of 20% for Pipes business over the next 2 yrs. which will eventually go up to 25%. Adhesives division is expected to generate an ROIC of ~15-17%, which may eventually go up to 20% over the next 3-4 years.
- Overlap, post the demerger, between the two businesses (Plumbing and Adhesives) will be to the extent of only Rs 1bn (mainly related to Solvent Cement segment). Demerger will lead to transfer of the Chemicals Business undertaking along-with all related assets and liabilities into Astral Chemie Limited (formerly known as Astral Coatings Private Limited). The company will hold Adhesives, Paints and Coatings businesses of the group. Shareholders will get 1 equity share of Astral Chemie for every 1 share held in the Demerged company (i.e. Astral Ltd.). The demerger is expected to become effective after 10-12 months and should eliminate any conglomerate discount thereby allowing valuation of each demerged business independently. Mr. Sandeep Engineer, CMD, will continue to look at both businesses.

Exhibit 10: Company Structure before and after (Demerger & Merger)



Source: Company Data, Equirus

Company Snapshot

How we differ from consensus

Particular (Rs Mn)		Equirus	Consensus	% Diff	Comment
Sales	FY27E	76,502	76,728	0%	
	FY28E	88,558	88,166	0%	
EBITDA	FY27E	12,939	12,770	1%	
	FY28E	15,986	15,242	5%	
PAT	FY27E	7,069	7,242	-2%	
	FY28E	8,952	8,954	0%	

Key Estimates

Key Assumptions	FY26A	FY27E	FY28E	FY29E
Pipe Volume Growth	16%	14%	14%	13%
Pipe Realization Growth	-4%	2%	1%	1%
Adhesive Revenue Growth	16%	16%	16%	16%
Adhesive Margin	10%	11%	12%	13%
Overall EBITDA Margin	16%	17%	18%	18%

Key Investment Arguments:

- Pipe volumes to grow in double-digit with continued traction in construction activities.
- Margin to normalize with PVC prices normalizing & adhesive margins to expand further as business pick-up.
- New products rollout & rising acceptance levels will boost adhesive volumes.

Key downside risks:

- Forex volatility to impact margin and slowdown in macro to impact growth.

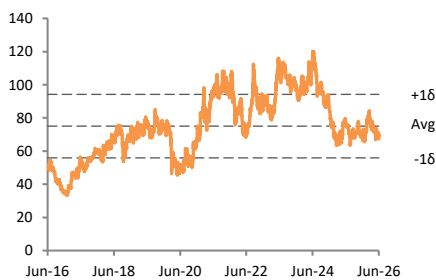
Company Description:

Astral pipes was established in 1996 to manufacture plumbing and drainage systems in India. Company also entered Adhesives business in 2015, and this segment now contributes meaningfully to company's consolidated revenue. Company has also forayed into bath-ware business and paints business (through acquisition of stake in Gem Paints).

Comparable valuation

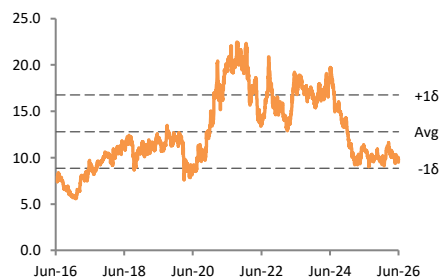
Company	Reco.	CMP	Mkt Cap Rs. Mn.	Price Target	Target Date	P/E			EV/EBITDA			P/B			RoE			Div Yield
						FY26A	FY27E	FY28E	FY26A	FY27E	FY28E	FY26A	FY27E	FY28E	FY26A	FY27E	FY28E	FY26A
Astral Ltd	LONG	1,487	3,99,483	1,980	Jun'27	71	56	45	37	30	24	10	9	7	14%	16%	18%	0%
Supreme	LONG	3,422	4,34,673	4,272	Jun'27	48	43	37	28	24	21	8	7	7	17%	18%	19%	1%
Finolex	LONG	176	1,09,009	271	Jun'27	19	19	18	13	13	11	2	2	2	10%	9%	10%	1%
Pidilite	ADD	1,597	16,25,387	1,671	Jun'27	65	62	54	45	43	37	15	14	13	24%	23%	25%	1%

Price to earning chart



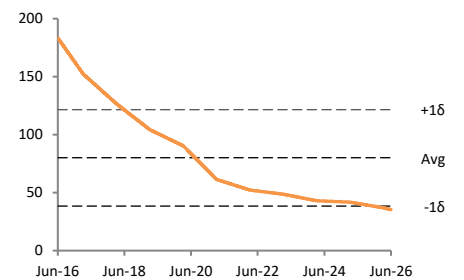
Source: Company, Equirus Research

Price to book chart



Source: Company, Equirus Research

EV-EBITDA chart



Source: Company, Equirus Research

Quarterly performance

Y/E Mar (Rs mn)	1QFY26A	2QFY26A	3QFY26A	4QFY26A	1QFY27E	2QFY27E	3QFY27E	4QFY27E
Revenue	13,612	15,774	15,415	20,885	18,575	18,971	19,393	19,563
COGS	8,251	9,530	9,248	12,482	10,904	11,364	11,636	11,769
Employee Cost	1,419	1,466	1,477	1,542	1,560	1,613	1,668	1,662
Other Expenses	2,093	2,210	2,317	3,032	2,991	2,748	2,792	2,858
EBITDA	1,849	2,568	2,373	3,829	3,120	3,247	3,298	3,274
Depreciation	719	723	734	740	777	781	785	1,013
EBIT	1,130	1,845	1,639	3,089	2,344	2,466	2,512	2,261
Interest Exp.	123	160	126	235	118	157	117	200
Other Income	91	114	95	173	132	135	138	93
Profit before Tax	1,098	1,799	1,608	3,027	2,358	2,444	2,533	2,154
Tax Expenses	306	451	366	836	593	615	637	574
Profit After Tax	792	1,348	1,242	2,191	1,764	1,829	1,895	1,580
Minority Interest	19	0	0	0	0	0	0	0
Profit/(Loss) from Associates	0	0	0	0	0	0	0	0
Recurring PAT	811	1,348	1,242	2,191	1,764	1,829	1,895	1,580
Exceptional Items	0	0	(165)	(61)	0	0	0	0
Reported PAT	811	1,348	1,077	2,130	1,764	1,829	1,895	1,580
Other comprehensive income.	0	0	0	0	0	0	0	0
PAT after comp. income.	811	1,348	1,077	2,130	1,764	1,829	1,895	1,580
FDEPS	3.0	5.0	4.0	7.9	6.6	6.8	7.1	5.9
Cost items as % of sales								
RM expenses	60.6	60.4	60.0	59.8	58.7	59.9	60.0	60.2
Employee expenses	10.4	9.3	9.6	7.4	8.4	8.5	8.6	8.5
Other expenses	15.4	14.0	15.0	14.5	16.1	14.5	14.4	14.6
Margin (%)								
Gross Margin	39.4	39.6	40.0	40.2	41.3	40.1	40.0	39.8
EBITDA Margin	13.6	16.3	15.4	18.3	16.8	17.1	17.0	16.7
PAT Margin	6.0	8.5	7.0	10.2	9.5	9.6	9.8	8.1
YoY Growth (%)								
Sales	(1.6)	15.1	10.3	24.2	36.5	20.3	25.8	(6.3)
EBITDA	(13.8)	22.2	8.1	26.8	68.8	26.4	39.0	(14.5)
EBIT	(28.8)	22.8	4.8	30.3	107.4	33.7	53.3	(26.8)
PAT	(32.6)	22.5	8.9	22.2	117.5	35.7	52.6	(27.9)

Key Financials (Consolidated)

Income Statement

Y/E Mar (Rs mn)	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E	FY29E
Revenue	51,585	56,414	58,324	65,686	76,502	88,558	1,01,941
COGS	34,347	34,590	35,192	39,511	45,672	53,135	61,369
Employee Cost	3,193	4,384	5,179	5,904	6,503	7,173	7,849
Other Expenses	5,946	8,257	8,494	9,652	11,389	12,264	14,252
EBITDA	8,099	9,183	9,459	10,619	12,939	15,986	18,471
Depreciation	1,781	1,976	2,434	2,916	3,355	3,923	4,463
EBIT	6,318	7,207	7,025	7,703	9,584	12,062	14,008
Interest Exp.	400	291	413	644	592	545	501
Other Income	252	420	413	473	497	522	550
Profit before Tax	6,170	7,336	7,025	7,532	9,489	12,040	14,057
Tax Expenses	1,557	1,880	1,836	1,959	2,420	3,088	3,584
Profit After Tax	4,613	5,456	5,189	5,573	7,069	8,952	10,472
Minority Interest	(159)	5	49	19	0	0	0
Profit/(Loss) from Associates	(15)	(1)	0	0	0	0	0
Recurring PAT	4,439	5,461	5,238	5,592	7,069	8,952	10,472
Exceptional Items	112	0	0	(226)	0	0	0
Reported PAT	4,551	5,461	5,238	5,366	7,069	8,952	10,472
Other comprehensive income.	0	0	0	0	0	0	0
PAT after comp. income.	4,551	5,461	5,238	5,366	7,069	8,952	10,472
FDEPS	16.5	20.3	19.5	20.8	26.3	33.3	39.0
DPS	2	2	4	4	5	6	7
BVPS	101	119	135	151	172	200	232

YoY Growth (%)	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E	FY29E
Sales	17.4	9.4	3.4	12.6	16.5	15.8	15.1
EBITDA	7.2	13.4	3.0	12.3	21.8	23.5	15.5
EBIT	0.5	14.1	(2.5)	9.7	24.4	25.9	16.1
PAT	(5.6)	20.0	(4.1)	2.4	31.7	26.6	17.0

Key Ratios

Profitability (%)	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E	FY29E
Gross Margin	33.4	38.7	39.7	39.8	40.3	40.0	39.8
EBITDA Margin	15.7	16.3	16.2	16.2	16.9	18.1	18.1
PAT Margin	8.6	9.7	9.0	8.5	9.2	10.1	10.3
ROE	18.0	18.5	15.4	14.0	16.3	17.9	18.1
ROIC	17.3	17.4	15.0	14.0	16.2	17.9	18.2
Core ROIC	22.1	20.5	16.8	16.8	20.2	23.7	25.8
Dividend Payout	13.3	11.1	19.2	20.0	19.0	18.0	16.7

CAGR (%)	1 year	2 years	3 years	5 years	7 years	10 years
Revenue	12.6	7.9	8.4	15.6	14.7	14.6
EBITDA	12.3	7.5	9.5	10.5	15.6	17.7
PAT	2.4	(0.9)	5.6	6.2	15.5	18.2

Valuation (x)	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E	FY29E
P/E	90.0	73.2	76.3	71.4	56.5	44.6	38.1
P/B	14.7	12.5	11.0	9.8	8.6	7.4	6.4
P/FCFF	46.1	29.1	34.2	25.4	29.8	21.7	19.9
EV/EBITDA	48.6	42.9	41.7	36.9	30.0	24.0	20.5
EV/Sales	7.6	7.0	6.8	6.0	5.1	4.3	3.7
Dividend Yield (%)	0.2	0.2	0.3	0.3	0.3	0.4	0.4

Balance Sheet

Y/E Mar (Rs mn)	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E	FY29E
Equity Capital	269	269	269	269	269	269	269
Reserves	26,843	31,612	35,901	40,310	46,036	53,375	62,101
Net Worth	27,112	31,881	36,170	40,579	46,305	53,644	62,370
Total Debt	839	964	1,439	1,531	1,411	969	553
Other long term liabilities	489	647	1,302	1,732	1,252	894	510
Minority Interest	2,477	804	757	0	0	0	0
Account Payables	8,000	8,719	8,589	11,553	13,414	15,528	17,875
Other Current Liabilities	4,814	1,964	2,303	2,724	3,060	3,542	4,078
Total Liabilities	43,731	44,979	50,560	58,119	65,442	74,578	85,386
Gross Fixed Assets	27,051	32,397	38,926	44,120	49,120	55,120	61,120
Acc. Depreciation	(7,546)	(9,403)	(11,810)	(14,726)	(18,081)	(22,005)	(26,468)
Net Fixed Assets	19,505	22,994	27,116	29,394	31,039	33,115	34,652
Capital WIP	1,261	1,506	1,160	943	0	0	0
long term investments	0	0	0	0	0	0	0
Others	473	623	796	1,391	1,491	1,591	1,691
Inventory	8,746	9,134	10,111	11,173	13,204	15,285	17,875
Receivables	3,545	3,758	4,353	4,751	5,659	6,551	7,541
Loans and advances	1,245	783	940	1,031	1,467	1,698	1,955
Other current assets	2,135	85	1	2	2	2	2
Cash & Cash Equivalents.	6,821	6,096	6,083	9,434	12,580	16,335	21,670
Total Assets	43,731	44,979	50,560	58,119	65,442	74,578	85,386
Non-Cash WC	2,857	3,077	4,513	2,680	3,859	4,466	5,420
Cash Conv. Cycle	30.4	27.0	36.8	24.3	26.0	26.0	27.0
WC Turnover	18.1	18.3	12.9	24.5	19.8	19.8	18.8
Gross Asset Turnover	1.9	1.7	1.5	1.5	1.6	1.6	1.7
Net Asset Turnover	2.5	2.3	2.1	2.2	2.5	2.7	2.9
Net D/E	(0.2)	(0.2)	(0.1)	(0.2)	(0.2)	(0.3)	(0.3)

Days (x)	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E	FY29E
Receivable Days	25	24	27	26	27	27	27
Inventory Days	62	59	63	62	63	63	64
Payable Days	57	56	54	64	64	64	64
Non-cash WC days	20	20	28	15	18	18	19

Cash Flow

Y/E Mar (Rs mn)	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E	FY29E
Profit Before Tax	6,152	7,336	7,025	7,306	9,489	12,040	14,057
Depreciation	1,781	1,976	2,434	2,916	3,355	3,923	4,463
Others	316	194	256	688	0	0	0
Tax paid	1,654	1,772	1,701	1,874	2,420	3,088	3,584
Change in WC	(1,026)	500	(1,718)	2,134	(1,179)	(608)	(954)
Operating Cashflow	5,569	8,234	6,296	11,170	9,246	12,267	13,981
Capex	(3,099)	(5,502)	(5,394)	(4,563)	(4,157)	(6,100)	(6,100)
Change in Invest.	94	242	221	257	0	0	0
Others	(1,792)	(150)	47	(759)	0	0	0
Investing Cashflow	(4,797)	(5,410)	(5,126)	(5,065)	(4,157)	(6,100)	(6,100)
Change in Debt	(454)	82	166	(941)	(120)	(443)	(416)
Change in Equity	0	0	0	0	0	0	0
Others	(1,452)	(2,107)	(1,349)	(2,341)	(1,824)	(1,969)	(2,130)
Financing Cashflow	(1,906)	(2,025)	(1,183)	(3,282)	(1,943)	(2,412)	(2,546)
Net Change in Cash	(1,134)	799	(13)	2,823	3,146	3,755	5,335

Source: Company, Equirus Research



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