

CMP	: INR 1,064
Reco	: BUY ↔
Target Price	: INR 1,250 ↔
Target Price Change	: No Change
Target 1HFY26 P/E (x)	: 25
EPS Change FY24/ 25	: No Change

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Market data	
Sensex	: 63,591
Sector	: Industrial Minerals
Market Cap (INR bn)	: 73.3
Market Cap (USD bn)	: 0.881
O/S Shares (mn)	: 69.0
52-wk HI/LO (INR)	: 1080/342
Avg. Daily Vol ('000)	: 161
Bloomberg	: GRAVIN

Source: Bloomberg

	FY24e	FY25e	FY26e
EPS (INR)	33.0	43.7	56.1
P/E (x)	32.3	24.3	19.0
P/BV (x)	9.3	7.0	5.3
EV/EBITDA (x)	23.5	17.3	14.0
Dividend Yield (%)	0.5	0.6	0.6

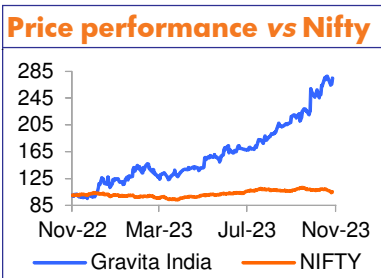
Source: Bloomberg

Returns (%)				
	1m	3m	6m	12m
Absolute	17	58	109	194
Relative	21	63	102	182

Source: Bloomberg

Shareholding pattern	
Promoters	: 66%
Public	: 32%
Others	: 2%

Source: Bloomberg



Source: Bloomberg Indexed to 100

2QFY24 RESULT REVIEW

Gravita India

Steady volume growth momentum

Gravita India (Gravita) reported a strong operating performance delivering lead segment volume growth of 25% YoY. Key highlights are 1) Commodity price volatility and demand slowdown impacted volume growth in aluminum and plastic segments. Strong relationship with OEMs and hedging mechanism helped maintain volume growth for the lead segment. Guidance of +25% volume growth CAGR over FY23–27 maintained. 2) EBITDA margin stood at 8.7% (INR 16/kg). 3) INR 6 bn capex allocated to increase capacity in existing and new verticals on track. 1HFY24/ 2HFY24E outlay of INR 0.5/ 1.0 bn. Li-ion and paper recycling facility construction to commence by the end of FY24. 4) Net debt increased to INR 4.0 bn in 1HFY24 due to long term EUR 34 mn borrowing secured from PROPARCO and OeEB. We believe Gravita’s expansion plans coupled with regulatory tailwinds and the global focus on recycling can enable it to deliver volume/ revenue/ EBITDA/ PAT CAGR of 31%/ 23%/ 28%/ 24% over FY23–26. We broadly maintain our EPS estimates over FY24–26 and retain BUY rating with a TP of INR 1,250 based on 25x 1HFY26 EPS (five-year high/ avg./ low of 23x/ 8x/ 2x).

Lead segment drives overall volume growth of 14% YoY

Gravita reported 2Q revenue of INR 8.4 bn, +23% YoY. Overall volume grew 14% YoY to 45 kmt. Lead/ aluminum/ plastic segment volume grew 25%/ -21%/ -27% YoY to 39/ 3/ 3 kmt. Strong relationship with OEMs aided in maintaining traction in the lead segment, despite commodity price volatility on a YoY basis. Commodity price volatility and demand slowdown (especially in China) drove a decline in aluminum volume; the India capacity operated at sub-optimal levels. A decline in plastic volume was on account of the Nicaragua plant, contributing ~1 kmt volume per quarter, being sold in 1QFY24. Management expects demand to stabilize by end of FY24. It maintained its long-term volume growth guidance of 25% CAGR over FY23–27E. We are factoring lead volume/ overall volume/ revenue growth of 21%/ 31%/ 23% over FY23–26.

EBITDA margin steady at 8.7%

2Q EBITDA stood at INR 726 mn, +12% YoY. EBITDA margin stood at 8.7% or INR 16.1/kg (-2.5% YoY). Lead/ aluminum/ plastic EBITDA per kg grew -0.5%/ 26.5%/ -7.9% YoY to INR 17.6/ INR 14.8/ INR 10.2 per kg. Sharp volatility in commodity prices, offset due to the company’s hedging practices, protected margins for the lead segment. Management has guided for +35% PAT CAGR over FY23–27E and expects a sustainable margin of 9%–10%. We have factored in EBITDA/ PAT CAGR of 28%/ 24% over FY23–26 and expect per kg EBITDA of INR 14–15 over FY23–26.

INR 6 bn capacity expansion plan underway

Gravita’s capacity increased from 233 kmtpa/ 278 kmtpa in FY23/ 1QFY24 to 284 kmtpa 2QFY24. 1HFY24 capex outlay stood at INR 0.5 bn for expansion of capacity in existing verticals. Management has guided for INR 3.5 bn capex over FY24–27 to increase the capacity of its existing verticals to 425 kmtpa. INR 2.5 bn capex will be invested over FY24–27 in building capacities in new verticals: 1) Rubber recycling capacity has increased in Ghana, Tanzania and is coming up in Senegal. 2) Expect approvals for setting up of the Li-ion plant in Mundra by 3QFY24. 3) Expect construction of the plant to commence by end of FY24 in Central America.

Investment Summary

We believe Gravita’s expansion plans coupled with the regulatory tailwinds and global focus on recycling can enable it to deliver revenue/ EBITDA/ PAT CAGR of 23%/ 28%/ 24% over FY23–26. Considering a steady customer base and leadership position in India in lead recycling, we maintain BUY rating and a TP of INR 1,250.

Quarterly financials

INR mn	2QFY24	2QFY23	YoY (%)	1QFY24	QoQ (%)	1HFY24	1HFY23	YoY (%)
Sales	8,362	6,827	22.5	7,034	18.9	15,396	12,624	22.0
Cost of Material Consumed	6,804	5,543	22.7	5,629	20.9	12,433	10,281	20.9
% of sales	81.4	81.2	17 bps	80.0	135 bps	80.8	81.4	(69 bps)
Employee cost	315	296	6.4	393	(19.9)	707	630	12.3
% of sales	3.8	4.3	(57 bps)	5.6	(182 bps)	4.6	5.0	(40 bps)
Other expenses	431	401	7.4	428	0.6	859	968	(11.2)
% of sales	5.2	5.9	(72 bps)	6.1	(94 bps)	5.6	7.7	(209 bps)
Commodity derivatives loss	86	-	NA	-	NA	86	-	NA
% of sales	1.0	-	103 bps	-	103 bps	0.6	-	56bps
Commodity derivatives gain	-	(64)	(100.0)	(49)	(100.0)	(49)	(448)	(89.2)
% of sales	-	(0.9)	94 bps	(0.7)	69 bps	(0.3)	(3.6)	324 bps
Total Exp	7,636	6,176	23.6	6,401	19.3	14,037	11,430	22.8
EBIDTA	726	651	11.5	633	14.7	1,359	1,194	13.9
Margin %	8.7	9.5	(86 bps)	9.0	(31 bps)	8.8	9.5	(63 bps)
Other income	141	5	2,843.7	69	105.7	210	124	69.2
Depreciation	86	56	53.9	79	8.2	165	110	50.2
Interest expenses	112	99	13.3	127	(12.0)	239	206	15.7
Profit Before Tax	670	502	33.5	495	35.3	1,165	1,002	16.4
Exceptional item	-	-	-	87	(100.0)	87	-	-
Share in associates/(minority)	(10)	(4)	139.0	(5)	108.5	(15)	(25)	(42.9)
PBT after exceptional	660	498	32.7	578	14.3	1,238	976	26.8
Tax	82	52	56.9	57	43.1	139	105	31.8
Tax Rate %	12.4	10.4	191 bps	9.9	249 bps	11.2	10.8	42 bps
Reported Net Profit	579	446	29.8	521	11.1	1,099	871	26.2
Adjusted Net Profit	588	450	30.8	438	34.3	1,027	896	14.5
EPS (INR)	8.4	6.5	29.8	6.3	33.4	14.7	12.6	16.2

Source: Company, Antique; * Note: From other income, we have adjusted only commodity hedging gains and not currency hedging gains above EBITDA.

Semi-annual balance sheet

Balance sheet (INR mn)	1HFY24	1HFY23	YoY (%)	FY24E	FY23	YoY (%)
Share capital	138	138	-	138	138	-
Reserves and Surplus	6,546	4,525	44.7	7,771	5,751	35.1
Loan Funds	5,206	2,989	74.2	3,745	3,445	8.7
Minority Interest	107	153	(30.0)	161	128	25.8
Deferred Tax Liability	(36)	26	NA	(61)	(61)	-
Total	11,962	7,830	52.8	11,753	9,401	25.0
Fixed Assets (net of accumulated depreciation)	2,984	1,993	49.7	4,363	2,733	59.6
Capital Work-in-Progress	566	679	(16.6)	500	455	9.9
Investments	191	-	-	11	11	-
Inventories	5,730	4,932	16.2	6,886	5,965	15.5
Sundry Debtors	2,378	871	173.0	1,584	1,370	15.6
Cash and Bank Balances	1,180	250	372.7	366	381	(3.9)
Other current assets	1,375	1,130	21.7	1,073	1,073	0.0
Current Assets, Loans and Advances	10,664	7,183	48.5	9,909	8,789	12.8
Trade Payables	722	1,957	(63.1)	1,075	892	20.5
Liabilities	1,721	69	2,394.1	1,956	1,695	15.4
Current Liabilities and Provisions	2,443	2,026	20.6	3,031	2,587	17.1
Net Current Assets	8,221	5,158	59.4	6,878	6,201	10.9
Total	11,962	7,830	52.8	11,753	9,401	25.0
Net Debt	4,025	2,739	47.0	3,378	3,063	10.3

Source: Company, Antique

Conference Call Highlights

- **Outlook:** Volatility in commodity and demand slowdown globally (especially in China) is impacting volume growth. Growth is being maintained in lead segments due to strong relationships with OEMs and the hedging mechanism is providing margin stability.
- **Guidance:** Maintain +25% volume growth guidance over the long term.
- **Market share:** 15%–17% of India's organized market. +50% market share in the overseas geographies.
- **Capacity:** FY23/ 1QFY24/ 2QFY24 – 233 kmtpa/ 278 kmtpa/ 284 kmtpa. On track to increase the capacity in existing verticals to 425 kmtpa by FY26.
- **Capex:** Total outlay of INR 6 bn by FY26; towards exiting/ new verticals – INR 3.5 bn/ INR 2.5 bn. Spend of INR 1.6 bn/ 0.5 bn for exiting/ new verticals in FY24. 1HFY24 outlay of INR 0.5 bn for expansion of capacity in existing verticals. Expect outlay of INR 1.0 bn in 2HFY24 towards existing verticals and capex of INR 0.5 bn for new verticals expected to spill over to FY25.
- **Togo capacity addition:** Commercial production of 6 kmtpa lead recycling has started at Togo. Capex of INR 36.1 mn (funded through internal accruals) was incurred. It already has 4 kmtpa aluminum recycling capacity in Togo and has been sourcing scrap from the region for over three years. The new facility is expected benefit from reduced logistics costs and economies of scale.
- **Aluminum:** Prices have drastically come down in the last year. Since there is no hedging mechanism in place and demand is muted, India operations are sub-optimal. Thus, profitability and margins are under pressure. Expect demand and prices to stabilize by the end of FY24. Working on a hedging mechanism, which is expected to be in place by the end of FY24.
- **Plastics:** Volumes have declined as the Nicaragua plant (contributing ~1 kmt volumes per quarter) has been sold.
- **New verticals: Rubber:** Capacity has increased in Ghana, Tanzania and is coming up in Senegal. However, these capacities won't contribute directly to profitability as the entire consumption of pyrolysis oil made from recycled rubber will be in-house. Discussion on setting up a state of art continuous rubber recycling line in India as well. **Li-recycling:** Applied for approvals for recycling of Li-ion batteries in Mundra. Expect approvals to be in place by 3QFY24. Expect the hedging mechanism to evolve over time as battery volumes improve from FY26 onwards. The scrap sourcing channel for this segment will be from car manufacturers, as passenger vehicle battery scrap will be replaced by them. For two and three-wheeler batteries, sourcing will be dependent on the retail network. **Paper:** Expect construction of the plant to commence by the end of FY24 in Central America.
- **Battery pricing:** Imported batteries are sourced at 50%–55% of LME prices. In India, it is sourced at 58%–60% of LME price.
- **Debt:** Long-term loan worth EUR 34 mn has been taken from PROPARCO and OeEB. These have been taken in at the company's Netherlands subsidiary and will be used to fund capex and working capital requirements of its African subsidiaries. Earlier the funding requirement was met by the standalone Indian entity. ESG funding will reduce the borrowing cost as these funds carry a cost of 7% as compared to working capital borrowings in India which costs 8%.
- **Working capital:** Net working capital stood at 86 days/ 83 days in 1HFY24/ FY23. Inventory days: 48 days/ 41 days in 1HFY24/ FY23; receivable days: 21 days/ 14 days in 1HFY24/ FY23; payable days: 17/ 27 days in 1HFY24/ FY23. Receivable days have increased as additional dispatches took place towards the end of 2Q. Receivable days have normalized at 18–20 days.
- **Energy cost:** For lead, it is only 25% of the cost required for mining. For aluminum, it is only 5%. Every MT of lead uses 50 liters of furnace oil. However, Gravita is using pyrolysis oil captively recycled from rubber for the same.
- In EVs, lead battery size will be ~70% of the current battery size. While lead usage in autos will grow at a slow pace over a long time, this will be majorly a scenario in the developed economies and not in developing countries like India. Also, new applications of lead will be growing faster, which will aid in maintaining the growth rate.

Key financial parameters

Particulars	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	YoY (%)	QoQ (%)
Segmental revenue (INR mn)											
Lead	4,731	4,677	5,536	4,819	5,683	6,589	6,243	5,834	7,505	32.1	28.6
Aluminium	368	520	740	654	775	1,039	919	858	589	-24.0	-31.3
Plastics	364	332	360	297	315	228	206	182	195	-38.2	7.2
Turnkey Projects	-	34	19	16	52	12	111	146	72	38.5	-50.7
Others	2	2	10	12	1	25	10	14	1	-42.9	-94.2
Total	5,465	5,566	6,664	5,797	6,827	7,893	7,489	7,034	8,362	22.5	18.9
Geographical revenue mix (%)											
Domestic	64.0	63.0	64.4	58.0	62.0	70.0	62.0	61.3	61.0	-100 bps	-30 bps
International	36.0	37.0	35.6	42.0	38.0	30.0	38.0	38.7	39.0	100 bps	30 bps
Other financial information											
Value added products revenue (%)	42.0	42.0	39.0	41.0	42.0	45.0	45.0	49.0	44.0	200 bps	-500 bps
Domestic scrap collection for Indian Plants (%)	59.0	52.0	50.0	39.0	47.0	40.0	46.0	30.0	20.0	-2700 bps	-1000 bps
Capacity (mtpa)	1,82,000	2,03,000	2,05,000	2,14,000	2,15,000	2,27,000	2,51,000	2,78,000	2,84,000	32.1	2.2
Overseas capacity (%)	33.0	30.0	30.0	33.0	34.0	37.0	30.0	27.0	29.0	-500 bps	200 bps
Capacity Utilization (%)	73.0	72.0	67.0	67.0	66.0	63.0	67.0	51.0	55.0	-1100 bps	400 bps
Segmental volume (mt)											
Lead	26,687	25,318	28,827	24,738	31,060	33,868	32,601	29,287	38,769	24.8	32.4
Aluminium	2,543	3,183	4,290	3,318	4,331	5,840	5,605	5,396	3,404	-21.4	-36.9
Plastics	4,556	3,660	4,272	3,706	4,123	3,398	3,284	2,750	3,018	-26.8	9.7
Total	33,786	32,161	37,389	31,762	39,514	43,106	41,490	37,433	45,191	14.4	20.7
Realization (INR/ mt)											
Lead	1,77,267	1,84,735	1,92,039	1,94,807	1,82,973	1,94,559	1,91,496	1,99,215	1,93,577	5.8	-2.8
Aluminium	1,44,829	1,63,431	1,72,541	1,97,137	1,79,012	1,77,979	1,64,014	1,58,988	1,73,149	-3.3	8.9
Plastics	79,829	90,792	84,153	80,032	76,401	66,951	62,698	66,109	64,546	-15.5	-2.4
Total	1,61,751	1,73,068	1,78,230	1,82,515	1,72,770	1,83,103	1,80,510	1,87,906	1,85,032	7.1	-1.5
EBITDA - including hedging gain/ loss (INR/MTPA)											
Lead	15,676	15,756	18,757	21,726	17,673	17,010	18,858	20,958	17,586	-0.5	-16.1
Aluminium	16,851	28,287	22,221	18,113	11,678	17,033	16,529	14,500	14,768	26.5	1.8
Plastics	9,994	12,404	19,416	12,512	11,074	9,339	10,273	10,217	10,204	-7.9	-0.1
Total	14,874	16,694	18,668	17,071	16,483	15,924	20,326	16,905	16,067	-2.5	-5.0
Calculated EBITDA (INR mn)											
Lead	418	399	541	537	535	576	657	614	682	27.5	11.1
Aluminium	43	90	95	60	61	99	95	69	50	-17.8	-27.3
Plastics	46	45	83	46	42	32	29	28	31	-26.4	9.6
Unallocated	-4	3	-21	-102	14	-21	62	-78	-37	NA	-53.0
Total	503	537	698	542	651	686	843	633	726	11.5	14.7
Calculated EBITDA margin (%)											
Lead	8.8	8.5	9.8	11.2	9.4	8.7	10.5	10.5	9.1	-32 bps	-144 bps
Aluminium	11.6	17.3	12.9	9.2	7.9	9.6	10.3	8.1	8.5	64 bps	46 bps
Plastics	12.5	13.7	23.1	15.6	13.3	13.9	14.2	15.5	15.8	253 bps	35 bps
Total	9.2	9.6	10.5	9.4	9.5	8.7	11.3	9.0	8.7	-86 bps	-31 bps
EBITDA mix (%)											
Lead	83.2	74.3	77.5	99.1	82.1	83.9	78.0	97.0	93.9	1181 bps	-310 bps
Aluminium	8.5	16.8	13.7	11.1	9.4	14.5	11.3	10.9	6.9	-247 bps	-401 bps
Plastics	9.1	8.5	11.9	8.6	6.4	4.6	3.5	4.4	4.2	-218 bps	-20 bps
Unallocated	-0.8	0.5	-3.0	-18.8	2.1	-3.0	7.3	-12.4	-5.1	-716 bps	731 bps
Total	100	100	100	100	100	100	100	100	100	0 bps	0 bps

Key financial parameters continue...

Particulars	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	YoY (%)	QoQ (%)
Segmental EBIT (INR mn)											
Lead	492	408	585	480	506	558	553	462	556	9.9	20.5
Aluminium	51	78	84	53	59	89	83	32	27	-54.0	-17.0
Plastics	29	25	91	32	36	47	35	37	32	-10.4	-13.8
Turnkey Projects	-8	7	11	2	14	6	96	100	36	152.5	-64.3
Others	2	-2	-16	1	1	0	5	0	-	-100.0	-100.0
Total	565	514	755	568	615	700	773	631	650	5.8	3.1
Segmental EBIT margin (%)											
Lead	10.4	8.7	10.6	10.0	8.9	8.5	8.9	7.9	7.4	-149 bps	-50 bps
Aluminium	13.9	14.9	11.4	8.1	7.5	8.6	9.1	3.8	4.6	-298 bps	79 bps
Plastics	7.9	7.4	25.4	10.9	11.3	20.8	17.0	20.3	16.3	505 bps	-397 bps
Turnkey Projects	-	20.5	56.8	9.6	27.1	46.6	86.8	68.2	49.4	2233 bps	-1873 bps
Others	81.8	-104.5	-163.9	7.8	57.1	1.2	47.1	0.7	-	-5714 bps	-73 bps
Total	10.3	9.2	11.3	9.8	9.0	8.9	10.3	9.0	7.8	-123 bps	-119 bps
Segmental EBIT mix (%)										321 bps	1230 bps
Lead	87.0	79.3	77.5	84.6	82.3	79.7	71.6	73.2	85.5	321 bps	1230 bps
Aluminium	9.1	15.1	11.2	9.3	9.5	12.8	10.8	5.1	4.1	-538 bps	-100 bps
Plastics	5.1	4.8	12.1	5.7	5.8	6.8	4.5	5.9	4.9	-88 bps	-96 bps
Turnkey Projects	-1.5	1.4	1.4	0.3	2.3	0.8	12.4	15.8	5.5	318 bps	-1032 bps
Others	0.3	-0.4	-2.1	0.2	0.1	0.0	0.6	0.0	-	-13 bps	-2 bps
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0 bps	0 bps

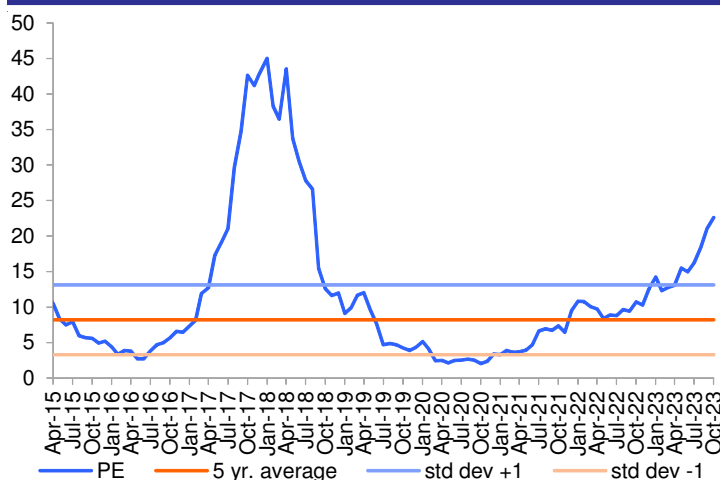
Source: Company, Antique

Changes in estimates

INR mn	Previous			Revised			% ch		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Volume (mt)	2,06,456	2,68,878	3,51,104	1,88,376	2,65,120	3,47,068	(8.8)	(1.4)	(1.1)
Revenue	34,040	44,482	53,249	34,292	43,687	52,312	0.7	(1.8)	(1.8)
EBITDA	3,346	4,400	5,415	3,268	4,439	5,428	(2.3)	0.9	0.2
EBITDA Margin (%)	9.8	9.9	10.2	9.5	10.2	10.4	(30 bps)	27 bps	21 bps
Net Profit	2,291	2,985	3,864	2,277	3,019	3,875	(0.6)	1.1	0.3
EPS (INR)	33.2	43.2	56.0	33.0	43.7	56.1	(0.6)	1.1	0.3
TP (INR)		1,250			1,250				-

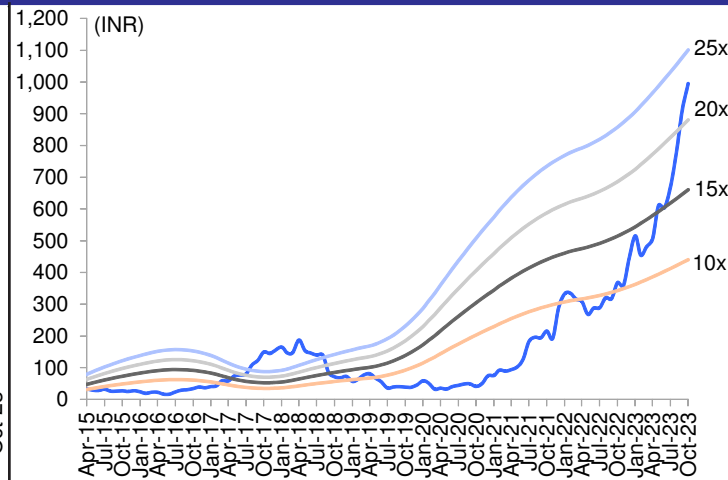
Source: Antique

P/E band chart



Source: Bloomberg, Antique

1-year forward P/E chart



Source: Bloomberg, Antique

Financials

Profit and loss account (INR mn)

Year ended 31 Mar	FY22	FY23	FY24e	FY25e	FY26e
Net Revenue	22,159	28,006	34,292	43,687	52,312
Op. Expenses	20,048	25,407	31,024	39,248	46,884
EBITDA	2,111	2,599	3,268	4,439	5,428
Depreciation	206	240	370	519	591
EBIT	1,906	2,360	2,898	3,920	4,838
Other income	78	363	52	57	63
Interest Exp.	336	391	328	383	295
Extra Ordinary Items -gain/(loss)	-	-	(87)	-	-
Reported PBT	1,648	2,331	2,535	3,594	4,606
Tax	162	235	312	539	691
Reported PAT	1,487	2,096	2,223	3,055	3,915
Minority Int./Profit (loss) From Asso.	91	30	33	36	40
Net Profit	1,577	2,126	2,256	3,091	3,954
Adjusted PAT	1,396	2,066	2,277	3,019	3,875
Adjusted EPS (INR)	20.2	29.9	33.0	43.7	56.1

Balance sheet (INR mn)

Year ended 31 Mar	FY22	FY23	FY24e	FY25e	FY26e
Share Capital	138	138	138	138	138
Reserves & Surplus	3,730	5,751	7,771	10,375	13,836
Networth	3,868	5,889	7,909	10,513	13,974
Debt	3,874	3,445	3,745	4,245	3,445
Minority Interest	140	128	161	197	237
Net deferred Tax liabilities	15	(61)	(61)	(61)	(61)
Capital Employed	7,898	9,401	11,753	14,894	17,594
Gross Fixed Assets	2,650	3,690	5,690	7,990	9,090
Accumulated Depreciation	738	957	1,327	1,846	2,437
Capital work in progress	425	455	500	500	1,700
Net Fixed Assets	2,337	3,188	4,863	6,644	8,353
Investments	-	11	11	11	11
Current Investments	-	11	11	11	11
Current Assets, Loans & Adv.	7,638	8,789	9,909	11,949	13,531
Inventory	5,135	5,965	6,886	8,300	9,442
Debtors	1,097	1,370	1,584	1,898	2,129
Cash & Bank balance	325	381	366	678	886
Loans & advances and others	1,081	1,073	1,073	1,073	1,073
Current Liabilities & Provisions	2,077	2,587	3,031	3,710	4,301
Liabilities	772	892	1,075	1,355	1,616
Provisions	1,305	1,695	1,956	2,355	2,685
Net Current Assets	5,560	6,201	6,878	8,238	9,230
Application of Funds	7,898	9,401	11,753	14,894	17,594

Per share data

Year ended 31 Mar	FY22	FY23	FY24e	FY25e	FY26e
No. of shares (mn)	69	69	69	69	69
Diluted no. of shares (mn)	69	69	69	69	69
BVPS (INR)	56.0	85.3	114.6	152.3	202.4
CEPS (INR)	24.5	33.8	37.6	51.8	65.3
DPS (INR)	3.0	4.4	5.0	6.0	6.0

Source: Company, Antique

Cash flow statement (INR mn)

Year ended 31 Mar	FY22	FY23	FY24e	FY25e	FY26e
PBT	1,646	2,276	2,622	3,594	4,606
Depreciation & amortization	206	240	370	519	591
Interest expense	336	391	328	383	295
(Inc)/Dec in working capital	(2,062)	(825)	(692)	(1,049)	(783)
Tax paid	(149)	(235)	(312)	(539)	(691)
Less: Interest/Div. Income Recd.	(9)	(117)	(52)	(57)	(63)
Other operating Cash Flow	133	271	54	(36)	(40)
CF from operating activities	101	2,001	2,318	2,815	3,914
Capital expenditure	(702)	(1,068)	(2,045)	(2,300)	(2,300)
Inc/(Dec) in investments	-	(11)	52	57	63
Add: Interest/Div. Income Recd.	9	7	-	-	-
CF from investing activities	(693)	(1,072)	(1,993)	(2,243)	(2,237)
Inc/(Dec) in debt	1,315	(434)	5	153	(1,055)
Dividend Paid	(238)	(43)	(345)	(414)	(414)
Others	(358)	(397)	-	-	-
CF from financing activities	719	(874)	(340)	(261)	(1,469)
Net cash flow	127	56	(15)	311	208
Opening balance	199	325	381	367	678
Closing balance	325	381	367	678	886

Growth indicators (%)

Year ended 31 Mar	FY22	FY23	FY24e	FY25e	FY26e
Revenue (%)	57.2	26.4	22.4	27.4	19.7
EBITDA (%)	83.2	23.1	25.7	35.8	22.3
Adj PAT (%)	165.9	48.0	10.2	32.6	28.4
Adj EPS (%)	165.9	48.0	10.2	32.6	28.4

Valuation (x)

Year ended 31 Mar	FY22	FY23	FY24e	FY25e	FY26e
P/E (x)	52.6	35.5	32.3	24.3	19.0
P/BV (x)	19.0	12.5	9.3	7.0	5.3
EV/EBITDA (x)	36.5	29.4	23.5	17.3	14.0
EV/Sales (x)	3.5	2.7	2.2	1.8	1.5
Dividend Yield (%)	0.3	0.4	0.5	0.6	0.6

Financial ratios

Year ended 31 Mar	FY22	FY23	FY24e	FY25e	FY26e
RoE (%)	42.6	42.4	33.0	32.8	31.6
RoCE (%)	30.6	31.5	27.9	29.8	30.2
Asset/T.O (x)	3.4	3.2	3.2	3.3	3.2
Net Debt/Equity (x)	0.9	0.5	0.4	0.3	0.2
EBIT/Interest (x)	5.9	7.0	9.0	10.4	16.6

Margins (%)

Year ended 31 Mar	FY22	FY23	FY24e	FY25e	FY26e
EBITDA Margin (%)	9.5	9.3	9.5	10.2	10.4
EBIT Margin (%)	8.6	8.4	8.5	9.0	9.2
PAT Margin (%)	6.3	7.3	6.6	6.9	7.4

Source: Company Antique

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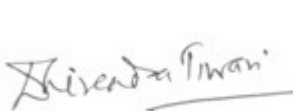
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