

#### **PHARMACEUTICALS**

#### 21 March 2022

#### Valuations slump as Covid fears ebb; prefer resilient models

- Return of higher operating costs as global economies reopen and rationalisation of growth guidance have undermined pharma valuations
- Near-normalisation across economies removes the fear psychosis that motivates investment into defensive sectors such as pharma
- SUNP, DIVI, CIPLA, ARBP and ERIS remain our top picks given resilient portfolios and hence valuations; we upgrade LPC from SELL to HOLD

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#### Fall in Nifty Pharma forward P/E more than twice that of fall in Pharma index:

The Nifty Pharma index has declined 9% vs. a 21% drop in its one-year forward P/E valuation since hitting a peak in Aug'21. The decline stretches across stocks and market capitalisations, barring a few exceptions such as SUNP, DIVI, LAURUS and ERIS in our coverage universe. We note that in Aug'21 the Nifty Pharma index achieved its highest one-year forward P/E of 28.2x since FY17, which was followed by its steepest decline to 14.7x within five months.

Perceived value diminished as economies started opening up: The precipitous decline in the Pharma index from its five-year peak began as India (and the world) started to emerge from the worst of the Covid-19 second wave. The index briefly paused at 1+sigma (Fig 1) away from its normalised forward multiple of 18-20x during the third pandemic wave and started declining to normal levels in Q4FY22. We believe that investors' perception of pharma stock value started to wane once lockdowns were eased. Further, assumptions that the worst of the pandemic was behind us after the second wave were proved correct by the milder Omicron impact.

Declining fear factor, tepid guidance exposes quality of earnings: With growing vaccinated populations and lower Covid hospitalisations, countries globally have begun returning to normalcy. Alongside the waning Covid threat perception, Indian pharma players reported sequential tepid earnings growth in Q2 and Q3 of FY22, while rationalisation of management guidance revealed the limitations of their extraordinary pandemic-led growth. The return of higher operating costs as A&P, travel and other spends revived post pandemic also dented profitability. These factors have led to a reduction in investments and gradual profit booking in the pharma sector.

Remain positive on SUNP, DIVI, CIPLA, ARBP and ERIS: We remain positive on our top picks as their valuations look relatively resilient due to lower sales/margin volatility, near-normalisation of key export economies and recovery in India business. We also upgrade LPC to HOLD (from SELL) as the stock correction post a disappointing Q3FY22 appears overstated. We maintain our TP of Rs 815 set at 11x FY24E EPS – a 30% discount to the average multiple of frontline stocks SUNP, DRRD, CIPLA.

#### **Recommendation snapshot**

Ticker	Price	Target	Rating
AJP IN	1,941	2,655	BUY
ALKEM IN	3,439	4,000	HOLD
ALPM IN	726	905	BUY
ARBP IN	640	850	BUY
CIPLA IN	1,049	1,160	BUY
DIVI IN	4,504	5,250	BUY
DRRD IN	4,042	4,700	HOLD
ERIS IN	715	890	BUY
LAURUS IN	581	570	HOLD
LPC IN	765	815	HOLD
SUNP IN	912	1,045	BUY

Price & Target in Rupees | Price as of 17 Mar 2022



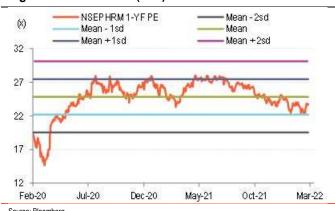


# Nifty Pharma: Fall in forward PEx is more than twice the fall in Index

Fig 1 – Five-year PE (1YF)



Fig 2 - Post-Covid PE (1YF)

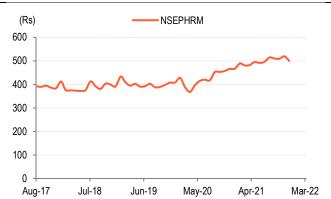


Source: Bloomberg

Fig 3 - Nifty Pharma Index



Fig 4 - Consensus EPS trend (5Y)



Source: Bloomberg



### Sun Pharma: Lower Covid sales saved stock from volatile valuations post-pandemic

Fig 5 - Five-year PE (1YF)

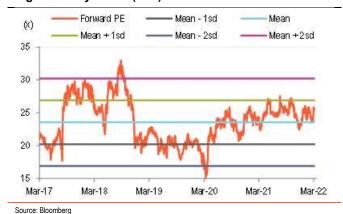


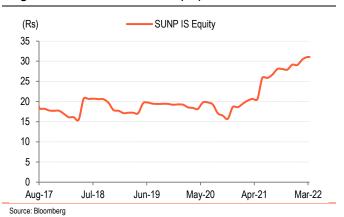
Fig 6 - Post-Covid PE (1YF)



Fig 7 - Price chart (5Y)



Fig 8 - Consensus EPS trend (5Y)





### Dr Reddy's: Disappointment over vaccine, US launches led stock into undervalued zone

Fig 9 - Five-year PE (1YF)

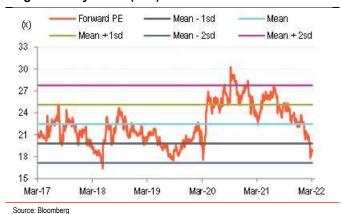


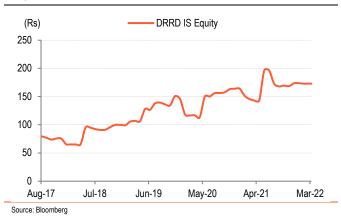
Fig 10 - Post-Covid PE (1YF)



Fig 11 - Price chart (5Y)



Fig 12 - Consensus EPS trend (5Y)





# Cipla: Resilient in curbing valuation volatility despite highest post-Covid sales impact

Fig 13 - Five-year PE (1YF)

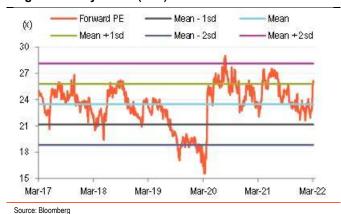


Fig 14 - Post-Covid PE (1YF)



Fig 15 - Price chart (5Y)



Fig 16 - Consensus EPS trend (5Y)





# Lupin: In the undervalued zone with limited levers to drive sales growth

Fig 17 - Five-year PE (1YF)

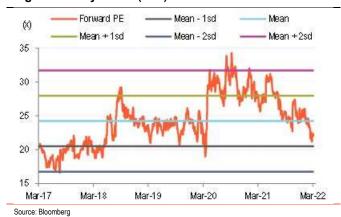


Fig 18 - Post-Covid PE (1YF)

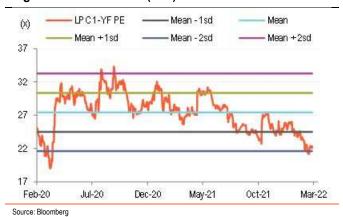


Fig 19 - Price chart (5Y)



Fig 20 - Consensus EPS trend (5Y)





# Aurobindo Pharma: Hype over injectables business undermines its non-injectable assets

Fig 21 - Five-year PE (1YF)

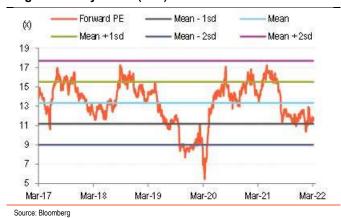


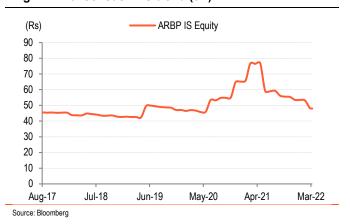
Fig 22 - Post-Covid PE (1YF)



Fig 23 - Price chart (5Y)



Fig 24 - Consensus EPS trend (5Y)





# Torrent Pharma (Not Rated): Strong India foundation helps curb valuation volatility

Fig 25 - Five-year PE (1YF)



Fig 26 - Post-Covid PE (1YF)

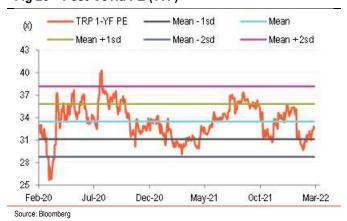


Fig 27 - Price chart (5Y)

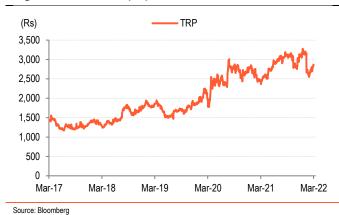
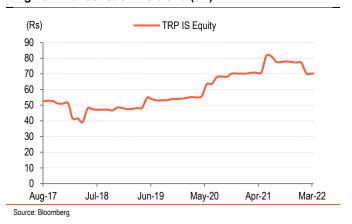


Fig 28 - Consensus EPS trend (5Y)





### Biocon (Not Rated): Irrelevant Covid impact; big M&A takes toll on valuation

Fig 29 - Five-year PE (1YF)

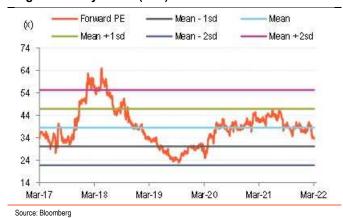


Fig 30 - Post-Covid PE (1YF)

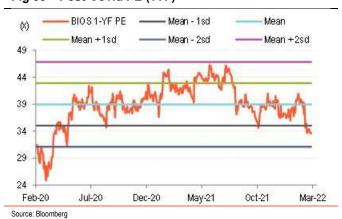
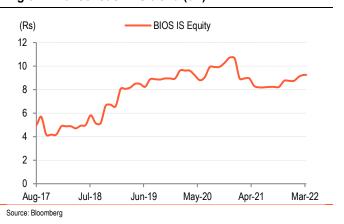


Fig 31 - Price chart (5Y)



Fig 32 - Consensus EPS trend (5Y)





### Laurus Labs: Supernormal growth in Covid times causing high valuation volatility

Fig 33 - Five-year PE (1YF)

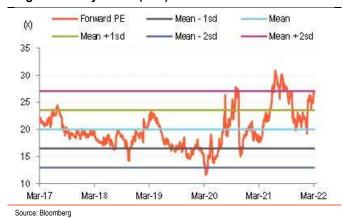


Fig 34 - Post-Covid PE (1YF)

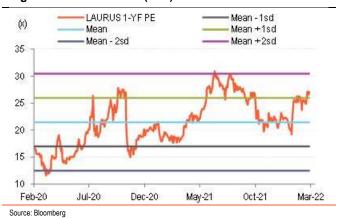
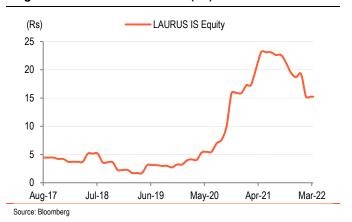


Fig 35 - Price chart (5Y)



Fig 36 - Consensus EPS trend (5Y)





### Ajanta Pharma: Return of normalised operating costs may disrupt headline margins

Fig 37 - Five-year PE (1YF)

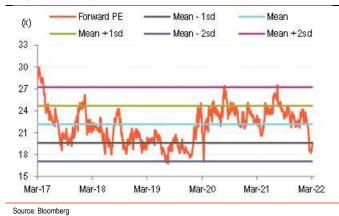


Fig 38 - Post-Covid PE (1YF)

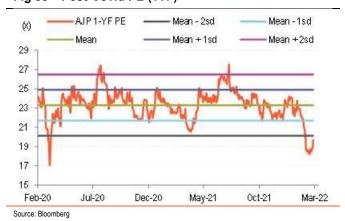


Fig 39 - Price chart (5Y)



Fig 40 - Consensus EPS trend (5Y)





### Alkem Labs: Reflecting signs of unsustainable growth seen during Covid

Fig 41 - Five-year PE (1YF)

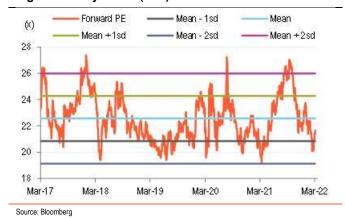


Fig 42 - Post-Covid PE (1YF)

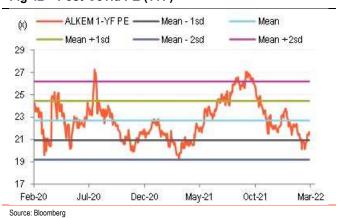


Fig 43 - Price chart (5Y)

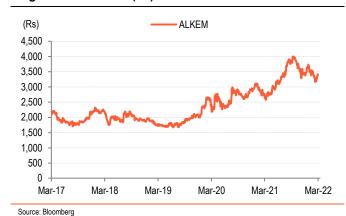


Fig 44 - Consensus EPS trend (5Y)





### Alembic Pharma: Normalised growth during Covid a blessing in disguise

Fig 45 - Five-year PE (1YF)

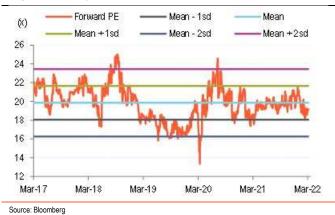


Fig 46 - Post-Covid PE (1YF)

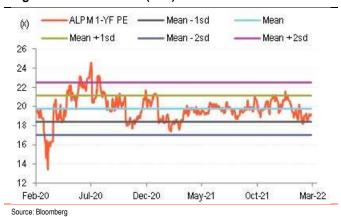
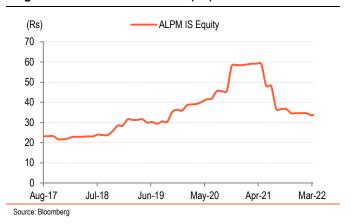


Fig 47 - Price chart (5Y)



Fig 48 - Consensus EPS trend (5Y)





### Eris Lifesciences: Valuations maintained around mean with low volatility

Fig 49 - Five-year PE (1YF)



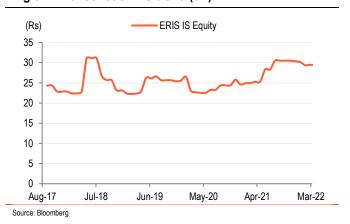
Fig 50 - Post-Covid PE (1YF)



Fig 51 - Price chart (5Y)



Fig 52 - Consensus EPS trend (5Y)





# Zydus Lifesciences (Not Rated): High optimism over vaccines ends in whimper

Fig 53 - Five-year PE (1YF)

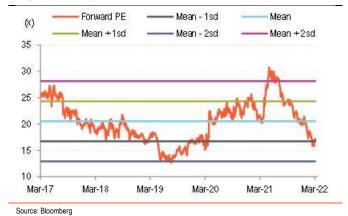


Fig 54 - Post-Covid PE (1YF)



Fig 55 - Price chart (5Y)

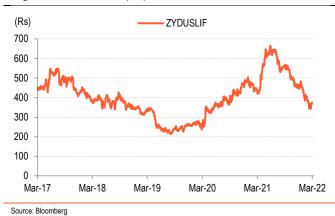


Fig 56 - Consensus EPS trend (5Y)





### Glenmark Pharma (Not Rated): Volatile results match volatile valuation

Fig 57 - Five-year PE (1YF)

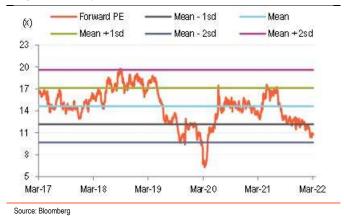


Fig 58 - Post-Covid PE (1YF)



Fig 59 - Price chart (5Y)



Fig 60 - Consensus EPS trend (5Y)





# Jubilant Pharmova (Not Rated): US regulatory issues remain a drag on valuation

Fig 61 - Five-year PE (1YF)

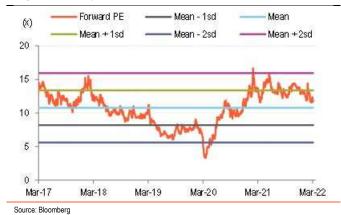


Fig 62 - Post-Covid PE (1YF)

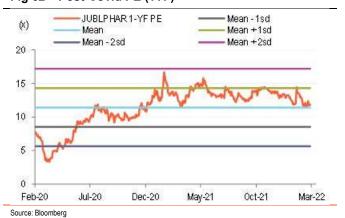
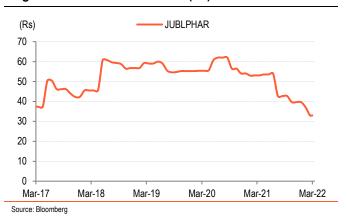


Fig 63 - Price chart (5Y)



Fig 64 - Consensus EPS trend (5Y)





### IPCA (Not Rated): Currently in undervalued zone while Covid valuation remains an outlier

Fig 65 - Five-year PE (1YF)

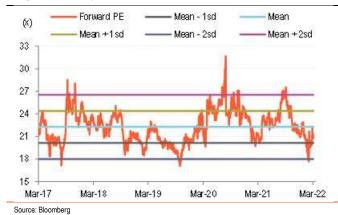


Fig 66 - Post-Covid PE (1YF)

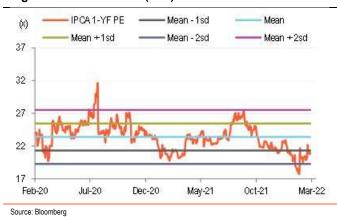
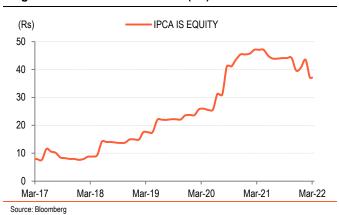


Fig 67 - Price chart (5Y)



Fig 68 - Consensus EPS trend (5Y)





#### Financials - AJP

Income Statement	EV004	EV044	FVOOR	EV/20E	E)/0/=
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	25,878	28,897	33,007	37,456	42,406
EBITDA	6,833	9,990	10,108	11,834	13,187
Depreciation	957	1,161	1,317	1,303	1,386
EBIT	5,876	8,829	8,792	10,530	11,801
Net interest inc./(exp.)	(119)	(83)	(49)	(12)	(12)
Other inc./(exp.)	921	251	1,078	830	1,329
Exceptional items	0	0	0	0	0
EBT	6,678	8,997	9,820	11,348	13,118
Income taxes	1,962	2,463	2,160	2,497	3,148
Extraordinary items	39	0	0	0	
Min. int./Inc. from assoc.	0	0	0	0	
Reported net profit	4,756	6,534	7,659	8,852	9,970
Adjustments	39	0	0	0	(
Adjusted net profit	4,716	6,534	7,659	8,852	9,970
Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	3,622	3,739	3,617	4,105	4,647
Other current liabilities	1,831	2,677	1,650	1,873	2,120
Provisions	246	296	339	384	435
Debt funds	436	198	198	198	198
Other liabilities	0	0	0	0	(
Equity capital	175	174	174	174	174
Reserves & surplus	26,398	30,203	36,331	43,412	51,405
Shareholders' fund	26,573	30,377	36,505	43,586	51,579
Total liab. and equities	32,708	37,286	42,308	50,145	58,979
Cash and cash eq.	2,049	2,096	5,004	10,277	16,363
Accounts receivables	7,753	7,384	8,139	9,236	10,456
Inventories	4,956	7,665	6,782	7,696	8,714
Other current assets	1,211	1,891	2,641	2,996	3,392
Investments	794	1,846	1,846	1,846	1,846
Net fixed assets	14,509	15,214	15,897	16,094	16,208
CWIP	1,318	1,082	2,000	2,000	2,000
Intangible assets	117	108	0	0	
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	(
Total assets	32,707	37,286	42,308	50,145	58,979
Cash Flows					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	4,414	5,770	7,299	8.556	9,574
Capital expenditures	(3,294)	(1,550)	(2,000)	(1,500)	(1,500)
Change in investments	(18)	(1,051)	(2,000)	(1,000)	(1,500)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	(3,313)	(2,601)	(2,000)	(1,500)	(1,500)
Equities issued/Others	(3,313)	(2)	0	0	(1,300)
Debt raised/repaid	96	(238)	0	0	
Interest expenses	(119)	(83)	(49)	(12)	(12)
Dividends paid		(1,307)	(1,532)	(1,770)	(1,977)
Other financing cash flows	(943) 910		(810)	(1,770)	(1,977)
Outer illianong cash nows		(1,493)			
Cach flow from financing					
Cash flow from financing Chg in cash & cash eq.	(56) 1,045	(3,122) 47	(2,392) 2,908	(1,782) 5,273	(1,989) 6,086

Per Share					
Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	53.3	74.5	87.3	100.9	113.7
Adjusted EPS	53.8	74.5	87.3	100.9	113.7
Dividend per share	10.8	15.0	17.6	20.4	22.7
Book value per share	303.0	346.4	416.2	497.0	588.1
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	6.2	5.5	4.8	4.2	3.6
EV/EBITDA	23.4	15.9	15.7	13.3	11.6
Adjusted P/E	34.3	24.8	21.1	18.3	16.2
P/BV	6.1	5.3	4.4	3.7	3.1
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	70.6	72.6	78.0	78.0	76.0
Interest burden (PBT/EBIT)	113.6	101.9	111.7	107.8	111.2
EBIT margin (EBIT/Revenue)	22.7	30.6	26.6	28.1	27.8
Asset turnover (Rev./Avg TA)	25.8	25.1	24.5	23.3	22.2
Leverage (Avg TA/Avg Equity)	1.0	1.0	1.0	1.0	1.0
Adjusted ROAE	19.1	22.9	22.9	22.1	21.0
Ratio Analysis					
Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	25.9	11.7	14.2	13.5	13.2
EBITDA	20.9	46.2	1.2	17.1	11.4
Adjusted EPS	21.9	20 E	17.2	15.6	
	21.9	38.5	17.2		12.6
Profitability & Return ratios (%)	21.9	30.3	17.2	10.0	12.6
Profitability & Return ratios (%)	26.4	34.6	30.6	31.6	
Profitability & Return ratios (%)					31.1
Profitability & Return ratios (%) EBITDA margin	26.4	34.6	30.6	31.6	31.1 27.8
Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin	26.4 22.7	34.6 30.6	30.6 26.6	31.6 28.1	31.1 27.8 23.5
Profitability & Return ratios (%) EBITDA margin EBIT margin	26.4 22.7 18.2	34.6 30.6 22.6	30.6 26.6 23.2	31.6 28.1 23.6	31.1 27.8 23.5 21.0
Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE	26.4 22.7 18.2 19.1	34.6 30.6 22.6 22.9	30.6 26.6 23.2 22.9	31.6 28.1 23.6 22.1	31.1 27.8 23.5 21.0
Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE	26.4 22.7 18.2 19.1	34.6 30.6 22.6 22.9	30.6 26.6 23.2 22.9	31.6 28.1 23.6 22.1	31.1 27.8 23.5 21.0 27.5
Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE Working capital days (days)	26.4 22.7 18.2 19.1 27.2	34.6 30.6 22.6 22.9 31.5	30.6 26.6 23.2 22.9 29.3	31.6 28.1 23.6 22.1 28.2	31.1 27.8 23.5 21.0 27.5
Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE Working capital days (days) Receivables	26.4 22.7 18.2 19.1 27.2	34.6 30.6 22.6 22.9 31.5	30.6 26.6 23.2 22.9 29.3	31.6 28.1 23.6 22.1 28.2	31.1 27.8 23.5 21.0 27.5
Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE Working capital days (days) Receivables Inventory	26.4 22.7 18.2 19.1 27.2 109 70	34.6 30.6 22.6 22.9 31.5	30.6 26.6 23.2 22.9 29.3	31.6 28.1 23.6 22.1 28.2 90 75	31.1 27.8 23.5 21.0 27.5
Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE Working capital days (days) Receivables Inventory Payables	26.4 22.7 18.2 19.1 27.2 109 70	34.6 30.6 22.6 22.9 31.5	30.6 26.6 23.2 22.9 29.3	31.6 28.1 23.6 22.1 28.2 90 75	12.6 31.1 27.8 23.5 21.0 27.5 90 75 40

(0.1) Source: Company, BOBCAPS Research | Note: TA = Total Assets

2.8

49.4

(0.1)

2.8

106.8

4.0

177.9

(0.1)

4.7

887.7

(0.2)

5.4

994.8

(0.3)

Current ratio

Net interest coverage ratio



#### Financials - ALKEM

Income Statement					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24
Total revenue	82,983	92,336	1,06,093	1,19,218	1,32,603
EBITDA	14,730	23,110	20,898	24,380	27,915
Depreciation	2,526	2,746	2,872	3,222	3,572
EBIT	12,204	20,364	18,026	21,158	24,343
Net interest inc./(exp.)	(650)	(589)	(601)	(802)	(802)
Other inc./(exp.)	1,043	2,332	1,722	2,740	3,523
Exceptional items	0	0	0	0	0
EBT	12,598	22,107	19,147	23,097	27,064
Income taxes	1,105	2,243	766	3,003	4,060
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	222	328	393	472	566
Reported net profit	11,270	19,536	17,988	19,622	22,439
Adjustments	0	0	0	0	0
Adjusted net profit	11,270	19,536	17,988	19,622	22,439
Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24
Accounts payables	9,541	10,694	14,345	16,119	17,929
Other current liabilities	6,010	7,343	8,377	9,414	10,471
Provisions	4,067	4.874	5,613	6,307	7,016
Debt funds	16,628	16,702	13,362	13,362	13,362
Other liabilities	0	0	0	0	15,502
Equity capital	239	239	239	239	239
Reserves & surplus	53,363	64,262	78,055	93,101	1,10,307
Shareholders' fund	53,602	64,501	78,294	93,340	1,10,547
Total liab. and equities	89,848		1.19.991		
	10.922	1,04,113	30.829	<b>1,38,543</b> 40,795	1,59,323
Cash and cash eq. Accounts receivables	- , -	19,905	,.		53,206
	16,494	16,072	20,083	22,567	25,101
Inventories Other current seeds	18,188	23,124	22,378	25,146	27,969
Other current assets	9,180	10,072	12,566	14,121	15,706
Investments	2,614	3,328	3,328	3,328	3,328
Net fixed assets	28,821	27,679	29,807	31,585	33,013
CWIP	3,630	3,933	1,000	1,000	1,000
Intangible assets	0	0	0	0	0
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	89,848	1,04,113	1,19,991	1,38,543	1,59,323
Cash Flows					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24
Cash flow from operations	8,021	20,756	21,128	20,344	23,445
Capital expenditures	(4,500)	(4,000)	(5,000)	(5,000)	(5,000)
Change in investments	622	(714)	0	0	0
Other investing cash flows	0	0	0	0	0
Cash flow from investing	(3,878)	(4,714)	(5,000)	(5,000)	(5,000)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	7,603	75	(3,340)	0	0
Interest expenses	(650)	(589)	(601)	(802)	(802)
Dividends paid	(2,628)	(4,556)	(4,195)	(4,576)	(5,233)
Other financing cash flows	(4,161)	(1,990)	2,933	0	0
Cash flow from financing	164	(7,060)	(5,204)	(5,378)	(6,034)
Chg in cash & cash eq.	4,308	8,982	10,925	9,966	12,411
Closing cash & cash eq.	10,922	19,905	30,829	40,795	53,206

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24
Reported EPS	94.3	163.4	150.5	164.1	187.7
Adjusted EPS	94.3	163.4	150.5	164.1	187.7
Dividend per share	18.9	32.7	30.1	32.8	37.5
Book value per share	436.0	524.4	639.7	765.6	909.5
Dook value per share	400.0	024.4	000.1	700.0	303.0
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY2
EV/Sales	5.0	4.5	3.9	3.3	2.9
EV/EBITDA	28.0	17.9	19.6	16.4	13.9
Adjusted P/E	36.5	21.0	22.9	21.0	18.3
P/BV	7.9	6.6	5.4	4.5	3.8
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY2
Tax burden (Net profit/PBT)	89.5	88.4	93.9	85.0	82.
Interest burden (PBT/EBIT)	103.2	108.6	106.2	109.2	111.:
EBIT margin (EBIT/Revenue)	14.7	22.1	17.0	17.7	18.
Asset turnover (Rev./Avg TA)	32.4	30.5	30.7	30.1	28.
Leverage (Avg TA/Avg Equity)	1.3	1.3	1.2	1.2	1
Adjusted ROAE	22.7	34.0	25.9	23.4	22.4
Detic Analysis					
Ratio Analysis Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY2
YoY growth (%)	FIZUA	FIZIA	FIZZE	FIZJE	FIZ
Revenue	12.8	11.3	14.9	12.4	11.3
EBITDA	32.3	56.9	(9.6)	16.7	14.
Adjusted EPS	54.4	73.3	(7.9)	9.1	14.4
Profitability & Return ratios (%)	34.4	70.0	(1.5)	J. I	17.
EBITDA margin	17.8	25.0	19.7	20.5	21.
EBIT margin	14.7	22.1	17.0	17.7	18.
Adjusted profit margin	13.6	21.2	17.0	16.5	16.
Adjusted ROAE	22.7	34.0	25.9	23.4	22.
ROCE	20.7	30.0	22.8	24.1	24.
Working capital days (days)	20.1	30.0	22.0	<b>44.</b> I	24
Receivables	73	65	70	70	7
Inventory	81	93	78	78	7
Payables	42	43	50	50	50
Ratios (x)	12				
Gross asset turnover	2.4	2.4	2.4	2.5	2.

Source: Company, BOBCAPS Research | Note: TA = Total Assets

2.8

18.8

0.1

3.0

34.6

(0.1)

3.0

30.0

(0.3)

3.2

26.4

(0.3)

3.4

30.4

(0.4)

Current ratio

Net interest coverage ratio



#### Financials - ALPM

Income Statement	FY20A	FY21A	FY22E	FY23E	FY24E
Y/E 31 Mar (Rs mn)					
Total revenue	46,060	53,940	51,566	55,581	61,647
EBITDA	12,233	15,584	10,163	12,323	16,234
Depreciation	1,573	1,835	2,213	2,573	2,973
EBIT	10,660	13,750	7,950	9,750	13,261
Net interest inc./(exp.)	(271)	(160)	(40)	(42)	(42)
Other inc./(exp.)	49	100	150	200	239
Exceptional items	0	0	0	0	0
EBT	10,439	13,690	8,060	9,908	13,458
Income taxes	1,992	2,533	1,451	1,982	3,095
Extraordinary items	(437)	0	0	0	0
Min. int./Inc. from assoc.	(281)	(316)	0	0	0
Reported net profit	8,291	11,473	6,609	7,926	10,363
Adjustments	(437)	0	0	0	0
Adjusted net profit	8,728	11,473	6,609	7,926	10,363
Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	6,259	6,688	9,466	7,614	8,445
Other current liabilities	3,125	6,314	2,578	2,779	3,082
Provisions	1,126	1,375	1,315	1,417	1,572
Debt funds	17,474	1,999	1,999	1,999	1,999
Other liabilities	0	0	0	0	0
Equity capital	377	393	393	393	393
Reserves & surplus	31,519	50,319	55.356	61,316	69,713
Shareholders' fund	31,896	50,712	55,749	61,709	70,107
Total liab. and equities	59.880	67,087	71,106	75,518	85,204
Cash and cash eq.	808	1,058	3.576	6,335	10,895
Accounts receivables	8,647	3,486	9,889	7,614	8,445
Inventories	11,875	14,861	14,128	15,228	16,890
Other current assets	4,401	5,612	5,157	5,558	6,165
Investments	172	2,363	2,363	2,363	2,363
Net fixed assets	15,249	17,035	20,821	23,248	25,275
CWIP	18,460	21,817	14,317	14,317	14,317
Intangible assets	269	856	856	856	856
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	59,880	67,087	71,106	75,518	85,204
Cash Flows					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	4,623	18,615	2,630	9,767	11,567
Capital expenditures	(5,703)	(3,466)	(6,000)	(5,000)	(5,000)
Change in investments	311	(2,191)	0	0	(0,000)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	(5,392)	(5,657)	(6,000)	(5,000)	(5,000)
Equities issued/Others	0,002)	16	0	0	(3,000)
Debt raised/repaid	6,190	(15,475)	0	0	0
Interest expenses	(271)	(160)	(40)	(42)	(42)
Dividends paid	(1,131)	(1,376)	(1,572)	(1,966)	(1,966)
Other financing cash flows		4,287	7,500	(1,900)	
-	(5,267)				(2.007)
Cash flow from financing	(479)	(12,708)	5,888	(2,007)	(2,007)
Chg in cash & cash eq.	(1,248)	251	2,517	2,760	4,560
Closing cash & cash eq.	808	1,058	3,576	6,335	10,895

Per Share					
Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	42.2	60.0	33.6	40.3	52.7
Adjusted EPS	44.4	60.0	33.6	40.3	52.7
Dividend per share	6.0	7.0	8.0	10.0	10.0
Book value per share	162.3	258.0	283.6	314.0	356.7
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	3.3	2.9	2.9	2.6	2.3
EV/EBITDA	12.3	10.0	14.9	11.6	8.6
Adjusted P/E	16.4	12.1	21.6	18.0	13.8
P/BV	4.5	2.8	2.6	2.3	2.0
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	83.6	83.8	82.0	80.0	77.0
Interest burden (PBT/EBIT)	97.9	99.6	101.4	101.6	101.5
EBIT margin (EBIT/Revenue)	23.1	25.5	15.4	17.5	21.5
Asset turnover (Rev./Avg TA)	26.2	26.4	23.3	22.9	22.7
Leverage (Avg TA/Avg Equity)	1.5	1.2	1.0	1.0	1.0
Adjusted ROAE	29.4	28.5	12.4	13.5	15.7
Ratio Analysis					
Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	17.1	17.1	(4.4)	7.8	10.9
EBITDA	40.0	27.4	(34.8)	21.2	31.7
Adjusted EPS	49.3	35.1	(43.9)	19.9	30.7
Profitability & Return ratios (%)			,		
EBITDA margin	26.6	28.9	19.7	22.2	26.3
EBIT margin	23.1	25.5	15.4	17.5	21.5
Adjusted profit margin	18.9	21.3	12.8	14.3	16.8
Adjusted ROAE	29.4	28.5	12.4	13.5	15.7
ROCE	24.3	27.1	14.7	16.4	19.9
Working capital days (days)					
Receivables	69	24	70	50	50
Inventory	94	101	100	100	100
Payables	50	45	67	50	50
rayables					
Ratios (x)					
•	2.3	2.3	1.7	1.6	1.6

Source: Company, BOBCAPS Research | Note: TA = Total Assets

2.4

39.3

0.5

1.7

85.8

0.0

2.5

198.9

0.0

2.9

232.3

(0.1)

3.2

315.9

(0.1)

Current ratio

Net interest coverage ratio



#### Financials - ARBP

Income Statement Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	2,30,986	2,47,746	2,38,108	2,64,197	2,93,199
EBITDA	48,247	53,334	45,792	55,779	65,220
Depreciation	9,667	10,554	11,798	13,487	14,745
EBIT	38.580	42.780	33,994	42.291	50.475
Net interest inc./(exp.)	(1,598)	(745)	(545)	(385)	(270)
Other inc./(exp.)	862	3,808	3,650	4,395	4,947
Exceptional items	0	0,000	0,000	0	0
EBT	37,844	45,844	37,100	46,301	55,152
Income taxes	8.994	20.098	9.275	11,575	13,788
Extraordinary items	(261)	28,146	500	0	0,700
Min. int./Inc. from assoc.	137	543	0	0	0
Reported net profit	28,452	53,349	28,325	34.726	41,364
Adjustments	261	(28,146)	(500)	04,720	41,504
Adjusted net profit	28,714	25,203	27,825	34,726	41,364
Aujusteu net pront	20,7 14	20,200	21,023	34,720	41,304
Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	25,450	27,947	32,618	36,191	40,164
Other current liabilities	30,745	29,831	28,573	31,704	35,184
Provisions	4,914	3,291	3,162	3,509	3,894
Debt funds	56,867	52,373	41,898	33,519	23,463
Other liabilities	0	0	0	0	23,400
Equity capital	586	586	586	586	586
Reserves & surplus	1,68,912	2,19,923	2,45,327	2,77,123	3,15,558
Shareholders' fund	1,69,498	2,19,923	2,45,327	2,77,709	3,16,144
Total liab. and equities	2,87,473	3,33,950	3,52,164	3,82,632	4,18,849
Cash and cash eq.	28.422	54,680	67,000	79,512	
Accounts receivables	43,552	,		65,145	97,173
		35,033	58,712		72,296
Inventories Other current assets	76,999	90,266	71,759	79,621	88,361
	19,130	23,711	21,430	23,778	26,388
Investments	5,547	5,910	5,910	5,910	5,910
Net fixed assets CWIP	64,948	68,866	71,868	73,181	73,235
	19,859	30,615	30,615	30,615	30,615
Intangible assets	29,017	24,870	24,870	24,870	24,870
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	2,87,474	3,33,950	3,52,164	3,82,632	4,18,849
Cash Flows					
	EV20A	FY21A	FV22F	FV22F	EV24E
Y/E 31 Mar (Rs mn)	FY20A		FY22E	FY23E	FY24E
Cash flow from operations	45,455	55,279	41,061	39,006	45,716
Capital expenditures	(17,500)	(14,000)	(14,800)	(14,800)	(14,800)
Change in investments	(1,945)	(363)	0	0	0
Other investing cash flows	0	0 (44,000)	0 (44,000)	0 (44,000)	(44,000)
Cash flow from investing	(19,445)	(14,363)	(14,800)	(14,800)	(14,800)
Equities issued/Others	0 (40,000)	0 (4.404)	0 (40.475)	(0.000)	(40.055)
Debt raised/repaid	(12,800)	(4,494)	(10,475)	(8,380)	(10,056)
Interest expenses	(1,598)	(745)	(545)	(385)	(270)
Dividends paid	(2,930)	(2,930)	(2,930)	(2,930)	(2,930)
Other financing cash flows	144	(6,489)	9	0	0
Cash flow from financing	(17,184)	(14,658)	(13,940)	(11,695)	(13,255)
Chg in cash & cash eq.	8,827	26,258	12,321	12,512	17,661
Closing cash & cash eq.	28,421	54,680	67,001	79,512	97,173

Per Share					
Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	48.6	91.1	48.3	59.3	70.6
Adjusted EPS	49.0	43.0	47.5	59.3	70.6
Dividend per share	2.5	2.5	2.5	2.5	2.5
Book value per share	289.6	376.8	420.2	474.6	540.2
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	1.8	1.7	1.6	1.4	1.2
EV/EBITDA	8.7	7.8	8.5	6.5	5.2
Adjusted P/E	13.1	14.9	13.5	10.8	9.
P/BV	2.2	1.7	1.5	1.3	1.2
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	75.9	55.0	75.0	75.0	75.0
Interest burden (PBT/EBIT)	98.1	107.2	109.1	109.5	109.
EBIT margin (EBIT/Revenue)	16.7	17.3	14.3	16.0	17.
Asset turnover (Rev./Avg TA)	26.5	24.8	21.2	22.1	22.
Leverage (Avg TA/Avg Equity)	1.4	1.3	1.2	1.1	1.
Adjusted ROAE	18.6	12.9	11.9	13.3	13.9
Ratio Analysis					
Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	18.1	7.3	(3.9)	11.0	11.0
EBITDA	22.1	10.5	(14.1)	21.8	16.
Adjusted EPS	19.0	(12.2)	10.4	24.8	19.
Profitability & Return ratios (%)					
EBITDA margin	20.9	21.5	19.2	21.1	22.
EBIT margin	16.7	17.3	14.3	16.0	17.2
Adjusted profit margin	12.4	10.2	11.7	13.1	14.
Adjusted ROAE	18.6	12.9	11.9	13.3	13.
ROCE	18.1	18.7	13.4	15.6	17.
Working capital days (days)					
Receivables	69	52	90	90	9
Inventory	122	133	110	110	11
Payables	40	41	50	50	5
Ratios (x)					
Gross asset turnover	1.9	1.8	1.6	1.6	1.

Source: Company, BOBCAPS Research | Note: TA = Total Assets

2.8

24.1

0.2

3.3

57.4

0.0

3.4

62.4

(0.1)

3.5

109.7

(0.2)

3.6

187.1

(0.2)

Current ratio

Net interest coverage ratio



#### Financials - CIPLA

Income Statement					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	1,70,577	1,90,682	2,15,698	2,34,785	2,58,411
EBITDA	31,317	41,611	47,567	50,362	56,938
Depreciation	11,760	10,677	13,195	13,867	14,539
EBIT	19,557	30,934	34,371	36,494	42,399
Net interest inc./(exp.)	(1,972)	(1,607)	(625)	(390)	(244)
Other inc./(exp.)	3,442	2,660	3,810	4,397	6,822
Exceptional items	0	0	0	0	0
EBT	21,027	31,987	37,557	40,501	48,977
Income taxes	6,312	8,888	9,952	10,733	12,979
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	5	(36)	0	0	0
Reported net profit	14,710	23,135	27,604	29,768	35,998
Adjustments	0	0	0	0	0
Adjusted net profit	14,710	23,135	27,604	29,768	35,998
Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	22,818	20,668	29,272	31,909	35,113
Other current liabilities	10,604	14,709	12,821	13,976	15,380
Provisions	10,815	11,945	13,507	14,724	16,202
Debt funds	28,160	15,375	9,609	6,006	3,754
Other liabilities	0	0	0,000	0,000	0,701
Equity capital	1,613	1,613	1,613	1,613	1,613
Reserves & surplus	1,60,215	1,84,062	2,07,634	2,33,370	2,65,336
Shareholders' fund	1,61,827	1,85,675	2,07,034	2,34,983	2,66,949
Total liab. and equities	2,34,224	2,48,372	2,74,456	3,01,597	3,37,398
Cash and cash eq.	10,039	14,012	20,536	47,487	81,876
Accounts receivables	38,910	34,457	43,908	47,863	52,670
Inventories	43,776	46,692	58,543	63,818	70,227
Other current assets	21,715	21,267	29,916	32,611	35,886
Investments	15,953	28,318	28,318	28,318	28,318
Net fixed assets	51,281	49,563	44,367	38,500	31,960
CWIP	8,245	9,689	9,689	9,689	9,689
Intangible assets	44,305	44,375	39,180	33,312	26,773
Deferred tax assets, net	0	0	0	0 0	20,773
Other assets	0	0	0	0	0
Total assets	2,34,224	2,48,372	2,74,456	3,01,597	3,37,398
0					
Cash Flows Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	33,111	40,491	19,750	37,110	42,378
Capital expenditures	(9,259)	(7,180)	(8,000)	(8,000)	(8,000)
Change in investments	9,586	(12,365)	0	0	0
Other investing cash flows	0	0	0	0	0
Cash flow from investing	327	(19,545)	(8,000)	(8,000)	(8,000)
Equities issued/Others	1	0	0	0	0
Debt raised/repaid	(15,001)	(12,785)	(5,766)	(3,603)	(2,252)
Interest expenses	(1,972)	(1,607)	(625)	(390)	(244)
Dividends paid	(2,419)	(4,032)	(4,032)	(4,032)	(4,032)
Other financing cash flows	(10,198)	1,452	5,195	5,867	6,539
Cash flow from financing	(29,589)	(16,972)	(5,227)	(2,159)	11
Chg in cash & cash eq.	3,850	3,974	6,523	26,951	34,389
Closing cash & cash eq.	10,038	14,013	20,536	47,487	81,876
orosing cash & cash eq.	10,030	14,013	20,330	71,401	01,070

Per Share	=>/00.1	=>/0.4.4	=>/00=	=>/00=	=>/0.4=
Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	18.3	28.7	34.3	36.9	44.7
Adjusted EPS	18.3	28.7	34.3	36.9	44.7
Dividend per share	3.0	5.0	5.0	5.0	5.0
Book value per share	197.1	227.1	256.3	288.2	327.9
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	5.1	4.5	3.9	3.5	3.1
EV/EBITDA	27.6	20.6	17.6	16.2	14.0
Adjusted P/E	57.4	36.5	30.6	28.4	23.5
P/BV	5.3	4.6	4.1	3.6	3.2
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	70.0	72.3	73.5	73.5	73.5
Interest burden (PBT/EBIT)	107.5	103.4	109.3	111.0	115.5
EBIT margin (EBIT/Revenue)	11.5	16.2	15.9	15.5	16.4
Asset turnover (Rev./Avg TA)	21.9	24.4	25.7	25.5	25.3
Leverage (Avg TA/Avg Equity)	1.2	1.1	1.1	1.0	1.0
Adjusted ROAE	9.5	13.5	14.2	13.6	14.5
Datia Analysia					
Ratio Analysis Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)	11204	I IZIA	1 1222	1 1202	1 1242
Revenue	8.7	11.8	13.1	8.8	10.1
EBITDA	29.3	32.9	14.3	5.9	13.1
Adjusted EPS	120.3	57.3	19.3	7.8	20.9
Profitability & Return ratios (%)		00			
EBITDA margin	18.4	21.8	22.1	21.5	22.0
EBIT margin	11.5	16.2	15.9	15.5	16.4
Adjusted profit margin	8.6	12.1	12.8	12.7	13.9
Adjusted ROAE	9.5	13.5	14.2	13.6	14.5
ROCE	11.8	17.2	18.2	17.8	19.2
Working capital days (days)					
Receivables	85	67	75	75	75
Inventory	96	90	100	100	100
Payables	50	40	50	50	50
Ratios (x)					
Ratios (x) Gross asset turnover	1.2	1.2	1.3	1.4	1.5

Source: Company, BOBCAPS Research | Note: TA = Total Assets

2.6

9.9

0.1

2.5

19.2

(0.1)

2.8

55.0

(0.2)

3.2

93.5

(0.3)

3.6

173.8

(0.4)

Current ratio

Net interest coverage ratio



#### Financials - DIVI

Income Statement					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	55,067	72,261	86,407	99,475	1,14,735
EBITDA	19,344	31,166	36,975	43,562	50,818
Depreciation	1,862	2,556	3,001	3,325	3,649
EBIT	17,481	28,611	33,975	40,237	47,169
Net interest inc./(exp.)	(61)	(8)	(10)	0	0
Other inc./(exp.)	1,896	626	868	963	1,399
Exceptional items	0	0	0	0	0
EBT	19,317	29,229	34,833	41,201	48,569
Income taxes	4,406	6,732	8,708	10,300	12,142
Extraordinary items	821	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	15,732	22,497	26,125	30,900	36,427
Adjustments	(821)	0	0	0	0
Adjusted net profit	14,911	22,497	26,125	30,900	36,427
Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	5,907	7,632	7,192	8,279	9,402
Other current liabilities	5,777	6,874	6,874	6,874	6,874
Provisions	230	278	278	278	278
Debt funds	344	43	0	0	0
Other liabilities	0	0	0	0	0
Equity capital	531	531	531	531	531
Reserves & surplus	72,514	92.464	1.07.428	1,27,271	1,50,662
Shareholders' fund	73,045	92,995	1,07,959	1,27,802	1,51,193
Total liab. and equities	85,303	1,07,821	1,22,302	1,43,232	1,67,746
Cash and cash eq.	1,252	21,704	24,082	34,983	48,559
Accounts receivables	14,134	16,765	20,216	23,273	26,843
Inventories	18,639	21,452	28,408	32,704	37,721
Other current assets	4,550	3,753	3,105	3,105	3,105
Investments	9,714	1	1	1	1
Net fixed assets	27,732	36,947	39,292	41,967	44,318
CWIP	9,196	7,106	7,106	7,106	7,106
Intangible assets	87	92	92	92	92
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	85,303	1,07,821	1,22,302	1,43,232	1,67,746
Cash Flows					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	15,818	22,070	19,591	27,959	32,611
Capital expenditures	(13,083)	(9,105)	(6,000)	(6,000)	(6,000)
Change in investments	9,742	9,713	0	0	(0,000)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	(3,342)	608	(6,000)	(6,000)	(6,000)
Equities issued/Others	0	0	0	0	(5,555)
Debt raised/repaid	(712)	(301)	(43)	0	0
Interest expenses	(61)	(8)	(10)	0	0
Dividends paid	0	0	0	0	0
Other financing cash flows	(12,276)	(1,918)	(11,161)	(11,058)	(13,035)
Cash flow from financing	(13,049)	(2,226)	(11,101)	(11,058)	(13,035)
	(573)		2,377	10,902	13,576
Chg in cash & cash eq.		20,452			

Per Share					
Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	59.3	84.7	98.4	116.4	137.2
Adjusted EPS	56.2	84.7	98.4	116.4	137.2
Dividend per share	21.2	30.3	35.2	41.6	49.
Book value per share	275.1	350.3	406.6	481.4	569.5
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	21.4	16.3	13.7	11.8	10.2
EV/EBITDA	60.8	37.9	31.9	26.9	23.0
Adjusted P/E	80.2	53.2	45.8	38.7	32.8
P/BV	16.4	12.9	11.1	9.4	7.9
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	77.2	77.0	75.0	75.0	75.0
Interest burden (PBT/EBIT)	110.5	102.2	102.5	102.4	103.
EBIT margin (EBIT/Revenue)	31.7	39.6	39.3	40.4	41.
Asset turnover (Rev./Avg TA)	16.6	18.7	18.8	18.7	18.
Leverage (Avg TA/Avg Equity)	1.2	1.2	1.1	1.1	1.
Adjusted ROAE	20.8	27.1	26.0	26.2	26.
Ratio Analysis					
Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	11.3	31.2	19.6	15.1	15.3
EBITDA					10.
EDITUA	3.3	61.1	18.6	17.8	
==	3.3 10.2	61.1 50.9	18.6 16.1	17.8 18.3	16.
Adjusted EPS Profitability & Return ratios (%)		•			16. <sup>1</sup> 17.9
Adjusted EPS		•			16. <sup>-</sup> 17.9
Adjusted EPS Profitability & Return ratios (%)	10.2	50.9	16.1	18.3	16. 17. 44.
Adjusted EPS Profitability & Return ratios (%) EBITDA margin EBIT margin	10.2	50.9	16.1	18.3	16. 17. 44. 41.
Adjusted EPS Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin	10.2 35.1 31.7	50.9 43.1 39.6	16.1 42.8 39.3	18.3 43.8 40.4	16. 17. 44. 41. 31.
Adjusted EPS Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin	35.1 31.7 27.1	50.9 43.1 39.6 31.1	16.1 42.8 39.3 30.2	18.3 43.8 40.4 31.1	16. 17. 44. 41. 31. 26.
Adjusted EPS Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE	35.1 31.7 27.1 20.8	50.9 43.1 39.6 31.1 27.1	16.1 42.8 39.3 30.2 26.0	18.3 43.8 40.4 31.1 26.2	16. 17. 44. 41. 31. 26.
Adjusted EPS Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE	35.1 31.7 27.1 20.8	50.9 43.1 39.6 31.1 27.1	16.1 42.8 39.3 30.2 26.0	18.3 43.8 40.4 31.1 26.2	16. 17. 44. 41. 31. 26. 25.
Adjusted EPS Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE Working capital days (days)	35.1 31.7 27.1 20.8 20.0	50.9 43.1 39.6 31.1 27.1 26.0	16.1 42.8 39.3 30.2 26.0 25.1	18.3 43.8 40.4 31.1 26.2 25.4	16.1 17.9 44.1 41.1 31.2 26.2 25.9
Adjusted EPS Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE Working capital days (days) Receivables	35.1 31.7 27.1 20.8 20.0	50.9 43.1 39.6 31.1 27.1 26.0	16.1 42.8 39.3 30.2 26.0 25.1	18.3 43.8 40.4 31.1 26.2 25.4	16.
Adjusted EPS Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE Working capital days (days) Receivables Inventory	35.1 31.7 27.1 20.8 20.0	50.9 43.1 39.6 31.1 27.1 26.0	16.1 42.8 39.3 30.2 26.0 25.1	18.3 43.8 40.4 31.1 26.2 25.4 85 120	16. 17. 44. 41. 31. 26. 25.
Adjusted EPS Profitability & Return ratios (%) EBITDA margin EBIT margin Adjusted profit margin Adjusted ROAE ROCE Working capital days (days) Receivables Inventory Payables	35.1 31.7 27.1 20.8 20.0	50.9 43.1 39.6 31.1 27.1 26.0	16.1 42.8 39.3 30.2 26.0 25.1	18.3 43.8 40.4 31.1 26.2 25.4 85 120	16. 17. 44. 41. 31. 26. 25.

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(0.2)

5.3

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(0.2)

6.1

(0.3)

7.0

(0.3)

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(0.1)

288.5 3,783.6

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Current ratio

Net interest coverage ratio
Adjusted debt/equity



#### Financials - DRRD

Income Statement	F\/00.1	FVC	F\/00F	F\/	F146.4-
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	1,74,601	1,89,722	2,14,352	2,49,847	2,64,760
EBITDA	40,942	46,052	48,860	58,781	62,310
Depreciation	12,471	12,796	12,029	12,744	14,653
EBIT	28,471	33,256	36,831	46,037	47,657
Net interest inc./(exp.)	(983)	(970)	(1,818)	(1,909)	(1,969)
Other inc./(exp.)	3,294	3,605	2,766	2,754	3,313
Exceptional items	0	0	0	0	0
EBT	30,782	35,891	37,779	46,882	49,001
Income taxes	(1,466)	9,175	9,067	11,720	12,250
Extraordinary items	(12,739)	(6,903)	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	19,509	19,813	28,712	35,161	36,751
Adjustments	(12,739)	(6,903)	0	0	0
Adjusted net profit	32,248	26,716	28,712	35,161	36,751
Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	16,659	21,916	20,554	23,958	25,388
Other current liabilities	32.188	32,740	38,583	42,474	45,009
Provisions	3,854	3,493	3,946	4,600	4,875
Debt funds	22,011	30,299	30,299	30.299	30,299
Other liabilities	0	0	0	0	0
Equity capital	831	832	832	832	832
Reserves & surplus	1,42,174	1,63,832	1,88,384	2,19,385	2,51,976
Shareholders' fund	1,43,005	1,64,664	1,89,216	2,20,217	2,52,808
Total liab. and equities	2,17,717	2,53,112	2,82,599	3,21,548	3,58,378
Cash and cash eq.	2,053	14,829	18,410	25,145	71,404
Accounts receivables	50,278	49,759	58,726	68,451	72,537
Inventories	35,066	45,412	51,092	59,553	54,403
Other current assets	19,557	18,068	25,722	37,477	34,419
Investments	26,778	27,717	29,380	31,143	31,143
Net fixed assets	52,332	57,111	58,082	58,337	55,684
CWIP	0	0	0 0	0 0	33,004
Intangible assets	31,653	40,216	41,187	41,442	38,789
Deferred tax assets, net	0	40,210	41,107	0	30,709
Other assets	0	0	0	0	0
Total assets	2,17,717	2,53,112	2,82,599	3,21,548	3,58,378
Cash Flows Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	25,282	30,689	25,192	27,822	61,735
Capital expenditures	(11,917)	(10,000)	(13,000)	(13,000)	(12,000)
Change in investments	(907)	(939)	(1,663)	(1,763)	(12,000)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	(12,824)	(10,939)	(14,663)	(14,763)	(12,000)
Equities issued/Others	1	1	0	0	(12,000)
Debt raised/repaid	(16,370)	8,288	0	0	0
Interest expenses	(983)	(970)	(1,818)	(1,909)	(1,969)
Dividends paid	(4,155)	(4,160)	(4,160)	(4,160)	(4,160)
Other financing cash flows	8,874	(10,133)	(971)		
Cash flow from financing				(256)	2,653 ( <b>3,476</b> )
Chg in cash & cash eq.	(12,633)	(6,974)	(6,948)	(6,324)	
-	(175)	12,776	3,581	6,735	46,259
Closing cash & cash eq.	2,053	14,829	18,410	25,145	71,404

Per Share					
Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	117.5	119.4	173.0	211.8	221.4
Adjusted EPS	194.3	160.9	173.0	211.8	221.4
Dividend per share	25.0	25.0	25.0	25.0	25.0
Book value per share	861.5	992.0	1,139.9	1,326.6	1,522.9
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	4.0	3.6	3.1	2.7	2.5
EV/EBITDA	16.9	14.7	13.7	11.3	10.6
Adjusted P/E	20.8	25.1	23.4	19.1	18.3
P/BV	4.7	4.1	3.5	3.0	2.7
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	104.8	74.4	76.0	75.0	75.0
Interest burden (PBT/EBIT)	108.1	107.9	102.6	101.8	102.8
EBIT margin (EBIT/Revenue)	16.3	17.5	17.2	18.4	18.
Asset turnover (Rev./Avg TA)	25.7	26.4	25.9	26.6	24.8
Leverage (Avg TA/Avg Equity)	1.2	1.2	1.2	1.1	1.
Adjusted ROAE	23.1	17.4	16.2	17.2	15.
Ratio Analysis					
Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	13.5	8.7	13.0	16.6	6.0
EBITDA	30.7	12.5	6.1	20.3	6.0
Adjusted EPS	80.2	(17.4)	7.5	22.5	4.
Profitability & Return ratios (%)					
EBITDA margin	23.4	24.3	22.8	23.5	23.
EBIT margin	16.3	17.5	17.2	18.4	18.0
Adjusted profit margin	18.5	14.1	13.4	14.1	13.9
Adjusted ROAE	23.1	17.4	16.2	17.2	15.
ROCE	18.7	20.5	19.1	20.8	19.
Working capital days (days)					
Receivables	105	96	100	100	100
Inventory	73	87	87	87	7
Payables	35	42	35	35	3
Ratios (x)					
Gross asset turnover	0.9	0.9	1.0	1.0	1.1

2.2

34.3

0.1

2.4

20.3

0.0

2.7

24.1

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3.1

24.2

0.0

2.0

29.0

0.0

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Current ratio

Net interest coverage ratio



#### Financials - ERIS

Income Statement Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	10,741	12,119	13,446	14,901	16,720
EBITDA	3,684	4,306	5,020	5,436	6,340
Depreciation	503	430	621	698	755
EBIT	3,181	3,876	4,399	4,737	5,585
Net interest inc./(exp.)	(22)	(18)	(2)	0	0,500
Other inc./(exp.)	154	87	69	151	252
Exceptional items	0	0	0	0	232
EBT	3,313	3,945	4,466	4,888	5,836
Income taxes	349	394	393	440	584
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	2,965	3,551	4,073	4,448	5,253
Adjustments	0	0	0	0	0,200
Adjusted net profit	2,965	3,551	4,073	4,448	5,253
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Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	1,000	1,026	1,087	1,208	1,358
Other current liabilities	490	406	529	588	661
Provisions	562	588	652	725	815
Debt funds	0	68	0	0	0
Other liabilities	0	0	0	0	0
Equity capital	136	136	136	136	136
Reserves & surplus	11,626	14,117	17,240	20,422	24,091
Shareholders' fund	11,761	14,253	17,376	20,558	24,227
Total liab. and equities	13,813	16,341	19,644	23,079	27,060
Cash and cash eq.	673	383	3,181	5,852	9,914
Accounts receivables	1,569	1,405	1,449	1,813	1,584
Inventories	695	945	1,087	1,410	1,448
Other current assets	1,305	2,114	1,733	1,926	2,164
Investments	780	2,940	2,940	2,940	2,940
Net fixed assets	873	779	1,819	2,045	2,258
CWIP	44	16	16	16	16
Intangible assets	7,876	7,760	7,419	7,077	6,736
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	13,814	16,341	19,644	23,079	27,060
Cash Flows					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	3,228	3,072	5,138	4.521	6,271
Capital expenditures	(1,309)	(57)	(1,661)	(924)	(968)
Change in investments	2,779	(2,161)	0	0	(000)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	1,470	(2,218)	(1,661)	(924)	(968)
Equities issued/Others	(2)	0	0	0	(000)
Debt raised/repaid	(1,764)	68	(68)	0	0
Interest expenses	(22)	(18)	(2)	0	0
Dividends paid	(467)	(871)	(950)	(1,267)	(1,583)
Other financing cash flows	(1,846)	(323)	341	341	341
Cash flow from financing	(4,100)	(1,144)	(678)	(925)	(1,242)
	(-1,100)	(1,177)	(310)		
Chg in cash & cash eq.	598	(290)	2,799	2,671	4,061

Per Share					
Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	21.8	26.2	30.0	32.8	38.7
Adjusted EPS	21.8	26.2	30.0	32.8	38.7
Dividend per share	2.9	5.5	6.0	8.0	10.0
Book value per share	86.6	105.0	128.0	151.4	178.4
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	9.1	7.9	7.1	6.4	5.
EV/EBITDA	26.5	22.2	19.1	17.4	14.
Adjusted P/E	32.7	27.3	23.8	21.8	18.
P/BV	8.3	6.8	5.6	4.7	4.0
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	89.5	90.0	91.2	91.0	90.
Interest burden (PBT/EBIT)	104.2	101.8	101.5	103.2	104.
EBIT margin (EBIT/Revenue)	29.6	32.0	32.7	31.8	33.
Asset turnover (Rev./Avg TA)	22.1	23.2	21.2	19.6	18.
Leverage (Avg TA/Avg Equity)	1.1	1.0	1.0	1.0	1.
Adjusted ROAE	26.5	27.3	25.8	23.5	23.
Ratio Analysis					
Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	9.4	12.8	11.0	10.8	12.
EBITDA	6.8	16.9	16.6	8.3	16.
Adjusted EPS	2.0	19.8	14.7	9.2	18.
Profitability & Return ratios (%)					
EBITDA margin	34.3	35.5	37.3	36.5	37.
EBIT margin	29.6	32.0	32.7	31.8	33.
Adjusted profit margin	27.6	29.3	30.3	29.8	31.
Adjusted ROAE	26.5	27.3	25.8	23.5	23.
ROCE	27.5	30.4	28.2	25.8	26.
Working capital days (days)					
Receivables	54	43	40	45	3
Inventory	24	29	30	35	3:
Payables	34	31	30	30	3
)					
Ratios (x)					
•	1.1	1.3	1.2	1.2	1.3

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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Current ratio

Net interest coverage ratio
Adjusted debt/equity



#### Financials - LAURUS

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	28,317	48,135	46,690	54,392	62,748
EBITDA	5,658	15,331	13,540	15,774	18,824
Depreciation	1,873	2,051	2,392	2,917	3,538
EBIT	3,785	13,280	11,148	12,856	15,286
Net interest inc./(exp.)	(896)	(682)	(976)	(1,007)	(941)
Other inc./(exp.)	59	237	189	151	136
Exceptional items	0	0	0	0	
EBT	2,948	12,835	10,361	12,000	14,482
Income taxes	383	3,173	2.590	3.000	3,620
Extraordinary items	0	0,0	0	0,000	0,020
Min. int./Inc. from assoc.	0	2	0	0	0
Reported net profit	2,565	9.660	7,771	9,000	10,861
Adjustments	0	0	0	0	,
Adjusted net profit	2,565	9,660	7,771	9,000	10,861
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Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	6,156	11,787	9,594	11,176	12,034
Other current liabilities	1,625	3,158	3,268	3,264	4,392
Provisions	568	757	734	855	986
Debt funds	11,456	15,799	14,233	10,949	9,953
Other liabilities	0	0	0	0	C
Equity capital	1,069	1,073	1,073	1,073	1,073
Reserves & surplus	16,623	24,934	31,667	39,661	49,516
Shareholders' fund	17,692	26,007	32,740	40,734	50,589
Total liab. and equities	37,497	57,507	60,569	66,978	77,955
Cash and cash eq.	17	485	903	(2,131)	2,871
Accounts receivables	7,914	13,061	12,152	14,753	17,019
Inventories	9,052	15,754	14,710	17,584	20,286
Other current assets	2,545	2,845	2,334	2,720	3,765
Investments	34	34	34	34	34
Net fixed assets	17,068	19,150	24,258	28,840	28,802
CWIP	672	3,622	3,622	2,622	2,622
Intangible assets	195	2,556	2,556	2,556	2,556
Deferred tax assets, net	0	0	0	0	C
Other assets	0	0	0	0	C
Total assets	37,497	57,507	60,569	66,978	77,955
0					
Cash Flows Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	2,474	6,914	10,521	7,757	10,504
Capital expenditures	(2,374)	(7,000)	(7,500)	(7,500)	(3,500)
Change in investments	0	0	0	0	(0,000)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	(2,374)	(7,000)	(7,500)	(7,500)	(3,500)
Equities issued/Others	5	4	0	0	(1,111
Debt raised/repaid	388	4,343	(1,566)	(3,285)	(995)
Interest expenses	0	0	0	0	(000)
Dividends paid	0	(1,006)	(1,006)	(1,006)	(1,006
Other financing cash flows	(506)	(2,787)	(31)	1,000	(1,000
•	(113)	554	(2,603)	(3,291)	(2,001
Cash flow from financing			(=,000)	(0,201)	(2,001
Cash flow from financing Chg in cash & cash eq.	(13)	468	418	(3,034)	5,003

Per Share					
Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	4.8	18.0	14.5	16.8	20.2
Adjusted EPS	4.8	18.0	14.5	16.8	20.2
Dividend per share	1.5	1.5	1.5	1.5	1.5
Book value per share	33.0	48.4	61.0	75.9	94.3
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	11.4	6.7	7.0	6.0	5.2
EV/EBITDA	57.0	21.1	24.0	20.7	17.3
Adjusted P/E	121.6	32.3	40.1	34.6	28.7
P/BV	17.6	12.0	9.5	7.7	6.2
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	87.0	75.3	75.0	75.0	75.0
Interest burden (PBT/EBIT)	77.9	96.6	92.9	93.3	94.
EBIT margin (EBIT/Revenue)	13.4	27.6	23.9	23.6	24.
Asset turnover (Rev./Avg TA)	25.4	33.9	26.3	27.6	28.0
Leverage (Avg TA/Avg Equity)	1.7	1.6	1.5	1.3	1.3
Adjusted ROAE	15.4	44.2	26.5	24.5	23.8
Ratio Analysis					
Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	23.6	70.0	(3.0)	16.5	15.4
EBITDA	58.1	171.0	(11.7)	16.5	19.3
Adjusted EPS	168.0	276.6	(19.6)	15.8	20.
Profitability & Return ratios (%)					
EBITDA margin	20.0	31.9	29.0	29.0	30.0
EBIT margin	13.4	27.6	23.9	23.6	24.4
Adjusted profit margin	9.1	20.1	16.6	16.5	17.3
Adjusted ROAE	15.4	44.2	26.5	24.5	23.8
ROCE	13.8	38.1	25.5	26.4	27.
Working capital days (days)					
Receivables	102	99	95	99	99
Inventory	117	119	115	118	118
Payables	79	89	75	75	70
Ratios (x)					
Gross asset turnover	1.2	1.6	1.2	1.2	1.3

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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Current ratio

Net interest coverage ratio



#### Financials - LPC

Income Statement	E1/00.4	EV04 A	EVOCE	EVOCE	E)/0.4E
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	1,53,746	1,51,630	1,60,118	1,72,749	1,97,792
EBITDA	23,547	25,669	24,037	28,133	33,470
Depreciation	9,702	8,874	8,269	8,675	9,097
EBIT	13,845	16,795	15,768	19,458	24,373
Net interest inc./(exp.)	(3,630)	(1,406)	(1,337)	(1,296)	(1,285)
Other inc./(exp.)	4,838	1,363	2,078	2,143	2,353
Exceptional items	0	0	0	0	0
EBT	15,053	16,752	16,509	20,305	25,441
Income taxes	11,466	4,485	4,953	6,091	7,632
Extraordinary items	(6,325)	0	(26,198)	0	0
Min. int./Inc. from assoc.	(43)	101	124	151	184
Reported net profit	(2,694)	12,166	(14,766)	14,062	17,625
Adjustments	6,325	0	26,198	0	0
Adjusted net profit	3,631	12,166	11,433	14,062	17,625
Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	24,123	20,144	25,831	26,733	30,175
Other current liabilities	45,004	35,585	35,585	35,585	35,585
Provisions	12,040	11,139	7,931	9,228	10,954
Debt funds	42,860	30,656	30,623	30,598	30,577
Other liabilities	0	0	0	0	
Equity capital	906	907	907	907	907
Reserves & surplus	1,24,906	1,37,674	1,18,601	1,27,422	1,38,479
Shareholders' fund	1,25,812	1,38,581	1,19,508	1,28,330	1,39,386
Total liab. and equities	2,49,839	2,36,104	2,19,479	2,30,473	2,46,677
Cash and cash eq.	24,543	17,425	6,537	11.804	16,412
Accounts receivables	54,459	44,743	48,255	52,061	59,609
Inventories	34,569	40,920	32,901	35,496	40,642
Other current assets	23,746	18,998	19,998	20,998	21,998
Investments	23,743	24,549	24,087	24,087	24,087
Net fixed assets	60,866	59,183	56,914	54,740	52,142
CWIP	9,396	10,663	11,163	11,663	12,163
Intangible assets	18,515	19,624	19,624	19,624	19,624
Deferred tax assets, net	0	0	0	0	0,02
Other assets	0	0	0	0	0
Total assets	2,49,838	2,36,104	2,19,479	2,30,473	2,46,677
Cash Flows					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	50,854	9,989	827	18,830	19,483
Capital expenditures	22,714	(3,497)	(6,500)	(7,000)	(7,000)
Change in investments	(1,041)	(806)	462	0	( ,,,,,,
Other investing cash flows	0	0	0	0	0
Cash flow from investing	21,673	(4,302)	(6,038)	(7,000)	(7,000)
Equities issued/Others	1	1	0	0	(1,000)
Debt raised/repaid	(39,359)	(12,205)	(32)	(26)	(21)
Interest expenses	(3,630)	(1,406)	(1,337)	(1,296)	(1,285)
Dividends paid	(9,077)	(7,844)	(4,307)	(5,241)	(6,569)
Other financing cash flows	(5,790)	8,647	(4,307)	(3,241)	(0,509)
Cash flow from financing					
	(57,854)	(12,806)	(5,677)	(6,563)	(7,874)
Chg in cash & cash eq.	14,673	(7,119)	(10,888)	5,267	4,609
Closing cash & cash eq.	24,544	17,425	6,537	11,804	16,412

Per Share	EV20 A	EV24A	FV22F	FV22F	EV24E
Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	(6.0)	26.9	(32.6)	31.1	39.0
Adjusted EPS	8.0	26.9	25.3	31.1	39.0
Dividend per share	6.0	12.1	9.5	11.6	14.5
Book value per share	277.1	305.0	262.9	282.4	306.8
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	2.6	2.4	2.1	2.0	1.7
EV/EBITDA	16.9	14.4	14.1	12.1	10.3
Adjusted P/E	95.4	28.5	30.3	24.6	19.6
P/BV	2.8	2.5	2.9	2.7	2.5
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	24.1	72.6	69.3	69.3	69.3
Interest burden (PBT/EBIT)	108.7	99.7	104.7	104.4	104.4
EBIT margin (EBIT/Revenue)	9.0	11.1	9.8	11.3	12.3
Asset turnover (Rev./Avg TA)	14.5	15.6	17.6	19.2	20.7
Leverage (Avg TA/Avg Equity)	2.0	1.8	1.8	1.8	1.8
Adjusted ROAE	2.8	9.2	8.9	11.3	13.2
Detic Analysis					
Ratio Analysis Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)	FIZUA	FIZIA	FIZZE	FIZJE	r i z4c
Revenue	4.8	(1.4)	5.6	7.9	14.5
EBITDA	(8.0)	9.0	(6.4)	17.0	19.0
Adjusted EPS	(56.7)	235.1	(6.0)	23.0	25.3
Profitability & Return ratios (%)	(30.7)	233.1	(0.0)	23.0	25.0
EBITDA margin	15.3	16.9	15.0	16.3	16.9
EBIT margin	9.0	11.1	9.8	11.3	12.3
Adjusted profit margin	2.4	8.0	7.1	8.1	8.9
, , ,	2.4	9.2	8.9	11.3	13.2
Adjusted ROAE		7.6	8.1	9.3	10.8
DOCE			0.1	უ.ა	10.0
ROCE Working capital days (days)	1.2	7.0			
Working capital days (days)			110	110	110
Working capital days (days) Receivables	126	110	110	110	
Working capital days (days) Receivables Inventory	126	110 87	75	75	110 75
Working capital days (days) Receivables Inventory Payables	126	110			
Working capital days (days) Receivables Inventory	126	110 87	75	75	75

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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Current ratio

Net interest coverage ratio



#### Financials - SUNP

Income Statement					<b></b>
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	3,23,252	3,31,395	3,86,007	4,28,780	4,70,485
EBITDA	69,566	85,028	1,04,192	1,15,695	1,29,095
Depreciation	20,528	20,800	21,248	22,323	23,661
EBIT	49,038	64,229	82,944	93,371	1,05,434
Net interest inc./(exp.)	(3,027)	(1,414)	(1,021)	(511)	(255)
Other inc./(exp.)	6,360	8,355	14,063	17,196	20,071
Exceptional items	0	0	0	0	0
EBT	52,370	71,170	95,985	1,10,056	1,25,250
Income taxes	8,228	5,147	12,465	15,392	18,770
Extraordinary items	(2,606)	(43,061)	0	0	0
Min. int./Inc. from assoc.	4,219	(6,166)	4,212	4,256	4,122
Reported net profit	37,317	29,128	79,309	90,409	1,02,358
Adjustments	2,606	43,061	0	0	0
Adjusted net profit	39,924	72,189	79,309	90,409	1,02,358
Balance Sheet					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	40,937	39,737	57,333	61,257	64,550
Other current liabilities	29,746	59,604	59,649	59,698	59,752
Provisions	44,812	49,098	53,680	58,721	64,266
Debt funds	75,783	33,430	21,730	10,865	5,432
Other liabilities	0	0	0	0	0
Equity capital	2,399	2,399	2,399	2,399	2,399
Reserves & surplus	4,88,848	4,92,399	5,58,571	6,33,479	7,17,612
Shareholders' fund	4,91,247	4,94,798	5,60,970	6,35,878	7,20,011
Total liab. and equities	6,82,524	6,76,667	7,53,362	8,26,419	9,14,012
Cash and cash eq.	65,742	66,570	1,18,790	1,66,712	2,31,092
Accounts receivables	94,212	90,614	1,12,356	1,24,806	1,36,945
Inventories	78,750	89,970	99,351	1,10,360	1,21,094
Other current assets	1,02,583	1,04,305	1,04,305	1,04,305	1,04,305
Investments	1,01,431	97,025	97,025	97,025	97,025
Net fixed assets	1,04,808	93,185	86,537	88,213	88,553
CWIP	12,203	12,203	12,203	12,203	12,203
Intangible assets	1,22,795	1,22,795	1,22,795	1,22,795	1,22,795
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	6,82,524	6,76,667	7,53,362	8,26,419	9,14,012
Cash Flows					
Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	67,057	78.890	92,635	98,749	1,12,239
Capital expenditures	(25,524)	(9,177)	(14,600)	(24,000)	(24,000)
Change in investments	(22,407)	4,407	0	0	0
Other investing cash flows	0	0	0	0	0
Cash flow from investing	(47,932)	(4,770)	(14,600)	(24,000)	(24,000)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(23,151)	(42,353)	(11,701)	(10,865)	(5,432)
Interest expenses	(3,027)	(1,414)	(1,021)	(511)	(255)
Dividends paid	(16,624)	(15,595)	(17,200)	(19,608)	(22,199)
Other financing cash flows	16,662	(13,930)	4,108	4,156	4,028
Cash flow from financing	(26,140)	(73,292)	(25,814)	(26,827)	(23,859)
Chg in cash & cash eq.	(7,014)	828	52,221	47,922	64,380
Closing cash & cash eq.	65,742	66,570	1,18,790	1,66,712	2,31,092

Dan Ohana					
Per Share Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	15.6	12.1	33.1	37.7	42.7
Adjusted EPS	16.6	30.1	33.1	37.7	42.7
Dividend per share	6.9	6.5	7.2	8.2	9.3
Book value per share	188.7	193.7	219.6	249.1	282.5
Valuations Ratios					
Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	6.6	6.4	5.4	4.7	4.2
EV/EBITDA	30.5	24.9	19.9	17.5	15.2
Adjusted P/E	54.8	30.3	27.6	24.2	21.4
P/BV	4.8	4.7	4.2	3.7	3.2
DuPont Analysis					
Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	76.2	101.4	82.6	82.1	81.7
Interest burden (PBT/EBIT)	106.8	110.8	115.7	117.9	118.8
EBIT margin (EBIT/Revenue)	15.2	19.4	21.5	21.8	22.4
Asset turnover (Rev./Avg TA)	12.1	12.2	13.5	13.6	13.5
Leverage (Avg TA/Avg Equity)	1.4	1.4	1.4	1.3	1.3
Adjusted ROAE	8.5	14.6	15.0	15.1	15.1
Ratio Analysis					
Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	12.7	2.5	16.5	11.1	9.7
EBITDA	14.6	22.2	22.5	11.0	11.6
Adjusted EPS	9.6	80.8	9.9	14.0	13.2
Profitability & Return ratios (%)					
EBITDA margin	21.5	25.7	27.0	27.0	27.4
EBIT margin	15.2	19.4	21.5	21.8	22.4
Adjusted profit margin	12.4	21.8	20.5	21.1	21.8
Adjusted ROAE	8.5	14.6	15.0	15.1	15.1
ROCE	7.6	13.3	14.3	14.7	14.9
Working capital days (days)					
Receivables	106	106	106	106	106
Inventory	94	94	94	94	94
Payables	207	207	207	207	207
Ratios (x)					
Gross asset turnover	1.2	1.2	1.3	1.4	1.4
	0.0	0.4	0.5	0.0	0.4

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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Current ratio

Net interest coverage ratio



#### Disclaimer

#### Recommendation scale: Recommendations and Absolute returns (%) over 12 months

BUY - Expected return >+15%

HOLD - Expected return from -6% to +15%

SELL - Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above

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As of 28 February 2022, out of 115 rated stocks in the BOB Capital Markets Limited (BOBCAPS) coverage universe, 65 have BUY ratings, 29 have HOLD ratings, 5 are rated ADD\*, 1 is rated REDUCE\* and 15 are rated SELL. None of these companies have been investment banking clients in the last 12 months. (\*Our ADD and REDUCE ratings are in the process of being migrated to the new recommendation structure.)

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