

Estimate change	↑
TP change	↑
Rating change	↔

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Bloomberg	TRID IN
Equity Shares (m)	4,978
M.Cap.(INRb)/(USDb)	109.3 / 1.5
52-Week Range (INR)	23 / 6
1, 6, 12 Rel. Per (%)	15/44/174
12M Avg Val (INR M)	337

#### Financials & Valuations (INR b)

Y/E Mar	2021	2022	2023
Sales	45.3	61.4	71.5
EBITDA	8.2	14.2	15.4
PAT	3.3	7.3	8.3
EBITDA (%)	10.6	17.2	16.1
EPS (INR)	0.7	1.5	1.7
EPS Gr. (%)	3.2	121.3	13.5
BV/Sh. (INR)	6.7	8.0	9.5
<b>Ratios</b>			
Net D/E	0.4	0.4	0.1
RoE (%)	10.4	20.0	19.0
RoCE (%)	7.7	15.3	15.2
Payout (%)	5.9	10.0	10.0
<b>Valuations</b>			
P/E (x)	32.3	14.6	12.9
EV/EBITDA (x)	14.8	8.6	7.5
Div Yield (%)	0.2	0.7	0.8
FCF Yield (%)	0.7	0.9	9.8

#### Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	73.0	73.0	71.1
DII	0.9	0.9	1.0
FII	3.6	3.6	1.7
Others	22.5	22.4	26.3

**CMP: INR21**
**TP: INR25 (+17%)**
**Buy**

#### Home Textiles segment continues to drive growth

##### Earnings above estimates

- Trident (TRID) posted a strong performance, largely on account of demand revival across Home Textiles & Paper segments and the new RoSCTL benefit scheme announced by the government. The demand trend in Home Textiles is expected to continue, with easing logistic issues and pent-up demand in the US and Europe markets. The Paper segment is expected to see sharp recovery with the opening up of offices and educational institutes.
- Factoring in the beat to our estimates, we increase our earnings estimate for FY22/FY23 by 38%/27% on the back of an improving demand outlook and considering the benefit from RoSCTL. Maintain **Buy**.

##### Robust growth across segments

- TRID's revenue grew 2.1x YoY to INR14.8b (est. INR13.1b). EBITDA margins expanded 860bp to 25.3% on operating leverage and gross margin expansion of 420bp to 59.5%. EBITDA adjusted for forex gains stood at INR3.7b (est. INR2.2b) during the quarter (3.2x YoY). EBITDA adjusted for the RoSCTL benefit (for 4QFY21) increased 2.7x YoY to INR3.1b. EBITDA margins (adj. for the RoSCTL benefit) expanded 470bp to 21.4%. Adj. PAT grew 13.2x YoY to INR1,973m.
- Textiles revenue was up 2.2x YoY (+13% QoQ) to INR12.8b, with the EBIT margin expanding 17pp YoY (10pp QoQ) to 20.3% (after forex adj). Textiles EBIT adjusted for the RoSCTL benefit surged 11.2x to INR2b; the EBIT margin expanded 12.7pp to 15.7%. Capacity utilization in Bath and Bed Linen stood at 62% in 1QFY22 (v/s 61% in 4QFY21) and 85% (v/s 92% in 4QFY21), respectively. On a QoQ basis, overall segmental revenue/EBIT grew 13%/2.3x.
- Paper and Chemicals revenue grew 59% YoY (-11% QoQ) to INR1.9b, with the EBIT margin expanding 290bp YoY (+260bp QoQ) to 30.4%. Capacity utilization in the Paper segment stood at 85% (v/s 92% in 4QFY21). On a QoQ basis, overall segmental revenue/EBIT fell 11%/2%.

##### Highlights from press release

- RoSCTL:** The sector is expected to perform well, led by government support in terms of extension of the RoSCTL benefits up to Mar'24. This is expected to provide stability and ensure the competitiveness of Indian products in foreign markets.
- Market share:** As per OTEXA data, India's share in US cotton sheets has increased in overall percentage terms to 62% in the first six months of CY21, whereas China and Pakistan have collectively lost around 5% share since last year. In the Terry Towels segment, India's share has increased 2% to 44% for 1HCY21, against 42% for the full last year.
- Logistical issues:** Indian textile exporters are facing logistic issues due to the shortage of containers, which have further led to higher logistic costs in contemporary times.

### Valuation and view

- Work-from-home, coupled with a higher health consciousness in most of the big cities across the world, has contributed to demand revival in home textile products. Demand revival has been further supported by pent-up demand amid the festive season.
- The Home Textiles segment is expected to continue to see healthy growth on account of increased awareness for health and hygiene, work-from-home globally, easing logistic issues, and pent-up demand in the US and Europe markets.
- Factoring in the beat to our earnings estimates, we increase our estimate for FY22/FY23 by 38%/27% on the back of an improving demand outlook and considering the benefit from RoSCTL.
- We value the company at 15x FY23E EPS and arrive at TP of INR25. Maintain Buy.

### Standalone - Quarterly Earnings Model

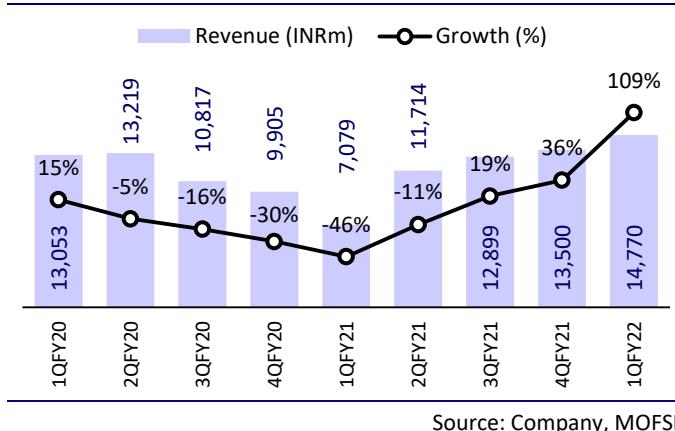
Y/E March	FY21								FY22				(INR m)	
	FY21				FY22				FY21		FY22		Var (%)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY21	FY22	FY22 1QE			
<b>Net Sales</b>	<b>7,079</b>	<b>11,714</b>	<b>12,899</b>	<b>13,500</b>	<b>14,770</b>	<b>15,150</b>	<b>15,573</b>	<b>15,948</b>	<b>45,193</b>	<b>61,442</b>	<b>13,082</b>	<b>13</b>		
YoY Change (%)	-45.8	-11.4	19.3	36.3	108.6	29.3	20.7	18.1	-3.8	36.0	84.8			
<b>Total Expenditure</b>	<b>5,898</b>	<b>9,467</b>	<b>10,545</b>	<b>11,229</b>	<b>11,036</b>	<b>11,810</b>	<b>12,075</b>	<b>12,365</b>	<b>37,139</b>	<b>47,286</b>	<b>10,858</b>			
<b>EBITDA</b>	<b>1,181</b>	<b>2,247</b>	<b>2,355</b>	<b>2,271</b>	<b>3,734</b>	<b>3,340</b>	<b>3,498</b>	<b>3,583</b>	<b>8,054</b>	<b>14,155</b>	<b>2,224</b>	<b>68</b>		
Margins (%)	16.7	19.2	18.3	16.8	25.3	22.0	22.5	22.5	17.8	23.0	17.0			
Depreciation	824	831	830	880	874	890	900	920	3,365	3,584	880			
Interest	231	123	132	234	250	230	230	230	720	940	240			
Other Income	54	32	50	26	29	38	60	32	162	158	50			
<b>PBT before EO expense</b>	<b>181</b>	<b>1,325</b>	<b>1,443</b>	<b>1,184</b>	<b>2,638</b>	<b>2,258</b>	<b>2,428</b>	<b>2,464</b>	<b>4,132</b>	<b>9,789</b>	<b>1,154</b>			
Extra-Ord expense	0	0	-570	304	0	0	0	0	-266	0	0			
Forex (gain)/loss	49	9	-27	-85	-62	0	0	0	-54	-62	0			
<b>PBT</b>	<b>132</b>	<b>1,316</b>	<b>2,040</b>	<b>964</b>	<b>2,700</b>	<b>2,258</b>	<b>2,428</b>	<b>2,464</b>	<b>4,451</b>	<b>9,851</b>	<b>1,154</b>			
Tax	31	313	443	208	665	568	611	620	994	2,465	248			
Rate (%)	23.5	23.8	21.7	21.5	24.6	25.2	25.2	25.2	22.3	25.0	21.5			
MI & P/L of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0			
<b>Reported PAT</b>	<b>101</b>	<b>1,002</b>	<b>1,598</b>	<b>756</b>	<b>2,035</b>	<b>1,690</b>	<b>1,817</b>	<b>1,844</b>	<b>3,457</b>	<b>7,386</b>	<b>906</b>			
<b>Adj PAT</b>	<b>150</b>	<b>1,012</b>	<b>1,000</b>	<b>976</b>	<b>1,973</b>	<b>1,690</b>	<b>1,817</b>	<b>1,844</b>	<b>3,138</b>	<b>7,324</b>	<b>906</b>	<b>118</b>		
YoY Change (%)	-87.7	-24.8	163.5	240.8	1,219.7	67.0	81.6	88.9	-2.7	133.4	505.9			
Margins (%)	2.1	8.6	7.8	7.2	13.4	11.2	11.7	11.6	6.9	11.9	6.9			

### Key Performance Indicators

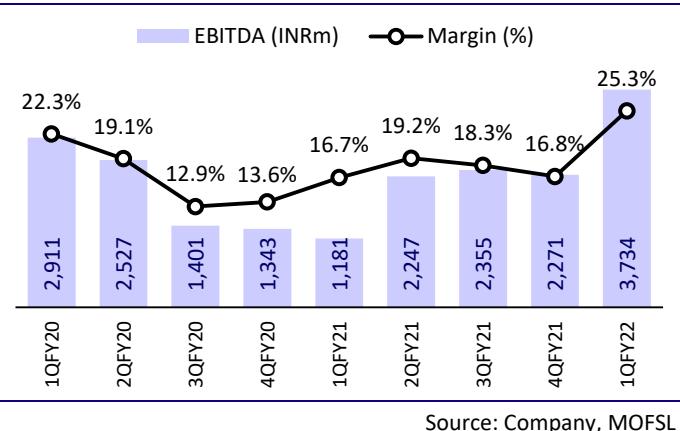
Y/E March	FY21								FY22				FY21	FY22
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY21	FY22	FY22 1QE			
<b>Segment Revenue Gr. (%)</b>														
Textiles	-44.6	-9.4	30.4	45.7	118.9	31.0	20.0	19.7	1.0	37.9				
Paper	-50.7	-20.6	-21.6	2.1	59.4	20.0	25.0	10.0	-23.7	25.0				
<b>Cost Break-up</b>														
RM Cost (% of sales)	44.7	43.5	44.9	45.9	40.5	44.5	44.5	44.5	44.8	43.5				
Staff Cost (% of sales)	13.9	12.6	12.7	12.5	11.8	11.6	11.2	11.0	12.8	11.4				
Other Cost (% of sales)	24.7	24.7	24.2	24.8	22.4	21.9	21.8	22.0	24.6	22.0				
<b>Gross Margins (%)</b>	<b>55.3</b>	<b>56.5</b>	<b>55.1</b>	<b>54.1</b>	<b>59.5</b>	<b>55.5</b>	<b>55.5</b>	<b>55.5</b>	<b>55.2</b>	<b>56.5</b>				
<b>EBITDA Margins (%)</b>	<b>16.7</b>	<b>19.2</b>	<b>18.3</b>	<b>16.8</b>	<b>25.3</b>	<b>22.0</b>	<b>22.5</b>	<b>22.5</b>	<b>17.8</b>	<b>23.0</b>				
<b>EBIT Margins (%)</b>	<b>5.0</b>	<b>12.1</b>	<b>11.8</b>	<b>10.3</b>	<b>19.4</b>	<b>16.2</b>	<b>16.7</b>	<b>16.7</b>	<b>10.4</b>	<b>17.2</b>				

## Key exhibits

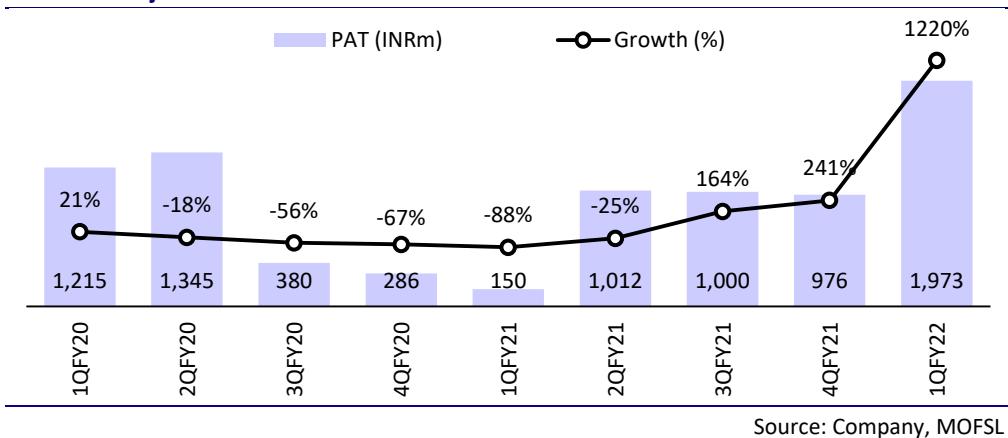
**Exhibit 1: Revenue trend**



**Exhibit 2: EBITDA margin trend**



**Exhibit 3: Adj. PAT trend**



**Exhibit 4: Textiles – revenue trend**

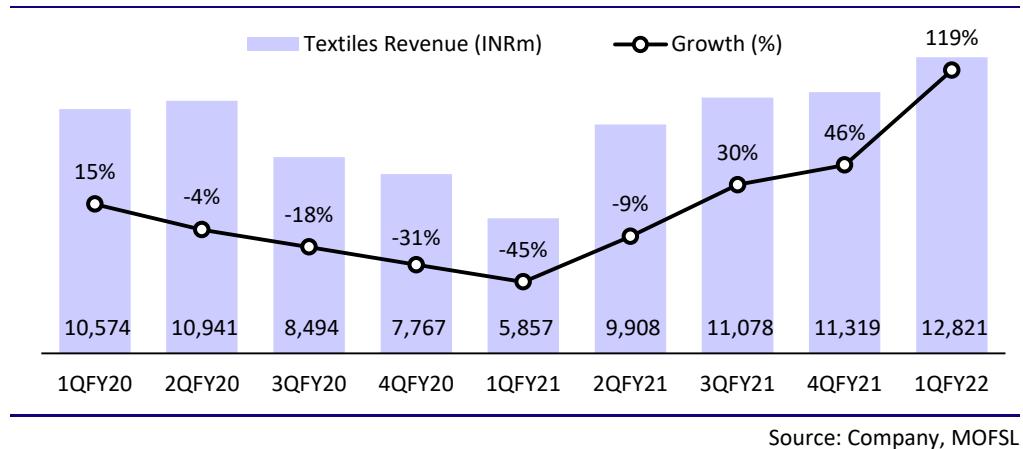
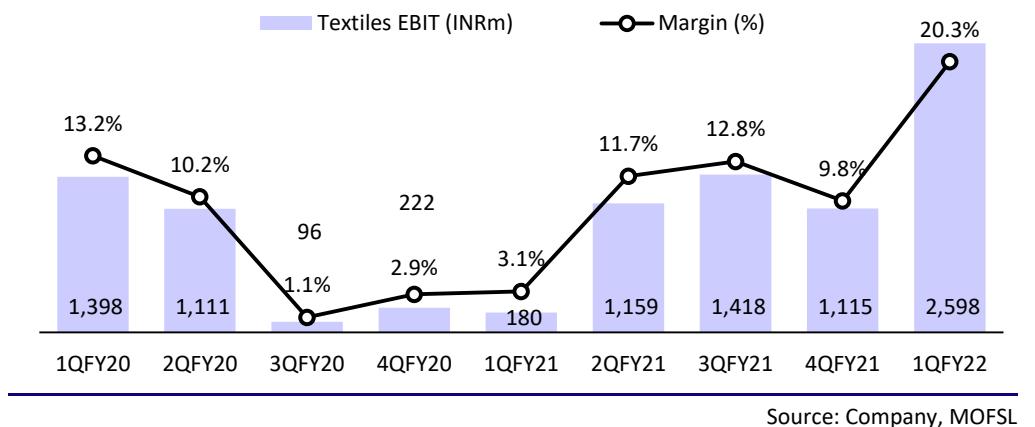
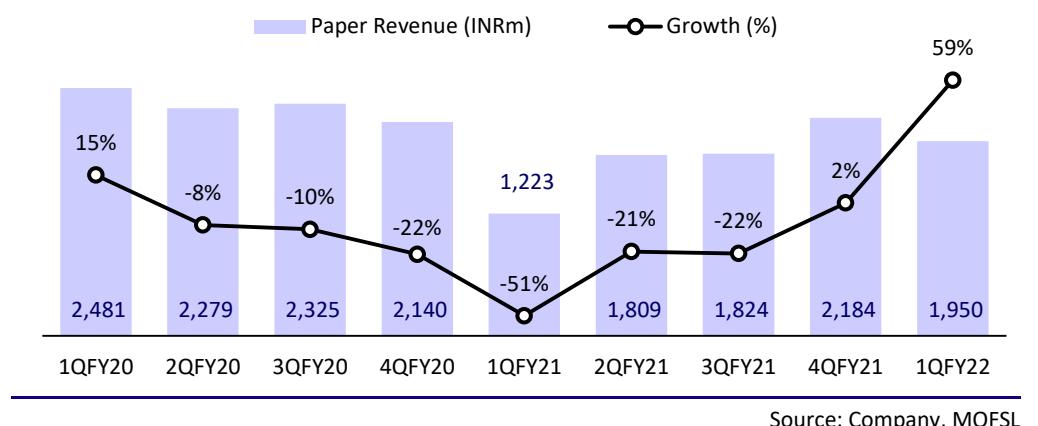


Exhibit 5: Textiles – EBIT and EBIT margin trend



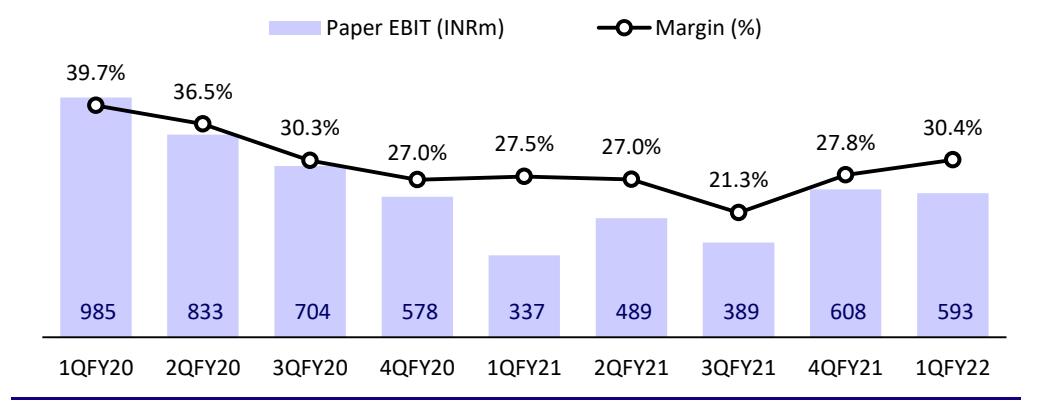
Source: Company, MOFSL

Exhibit 6: Paper – revenue trend



Source: Company, MOFSL

Exhibit 7: Paper – EBIT and EBIT margin trend



Source: Company, MOFSL



## Press release highlights

### Home Textiles

- As people could not celebrate the festival season last year due to lockdown restrictions amid the pandemic, a lot of pent-up demand is being witnessed for the upcoming festive season in foreign markets. As a result, TRID expects strong demand for the on-going and next quarter as well. Additionally, increased awareness about health and hygiene and work-from-home globally are the growth drivers for home textile products.
- **Logistical issues:** Indian textile exporters are facing logistic issues due to the shortage of containers, which have further led to higher logistic costs in contemporary times.
- **RoSCTL:** The sector is expected to perform well, led by government support in terms of extension of the RoSCTL benefits up to Mar'24. This is expected to provide stability and ensure the competitiveness of Indian products in foreign markets.
- **Market share:** As per OTEXA data, India's share in US cotton sheets has increased in overall percentage terms to 62% in the first six months of CY21, whereas China and Pakistan have collectively lost around 5% share since last year. In the Terry Towels segment, India's share has increased 2% to 44% for 1HCY21, against 42% for the full last year.
- **Advantage to domestic manufacturers:** India would continue to see advantage as the largest producer of raw cotton as well as a major cotton surplus and cotton exporting country. This gives a distinct advantage to Indian home textile manufacturers. Home textile companies that have invested in scale, technology, and systems are bound to consolidate and grow, leveraging their capabilities via cost-effective manufacturing and a strong market presence.

### Paper

- With the government allowing schools and educational institutes to re-open, demand that was impacted by the closure of these institutes amid the pandemic is expected to rebound.
- Writing printing paper demand is primarily dependent on the Education sector, which is expected to normalize in 2HFY22.
- The market forces of demand and supply have been such that pricing has taken a hit in recent times. At present, global consumption is also low; however, we expect paper volumes and realization to improve in the upcoming quarters.

### Cotton

- The Cotton Association of India (CAI) in its June estimate of the cotton crop for the season 2020–21 starting Oct'20 has increased its cotton consumption estimate for the current crop year. It has raised the estimate by 1m bales to 32.5m bales of 170kg each from its previous estimate of 31.5m bales of 170kg each.
- CAI has lowered its production estimate for the season 2020–21 to 35.6m bales of 170kg each from 36m bales.
- Cotton import estimates into India have been reduced to 1m bales of 170kg each, as per June estimates. The imports now estimated for the 2020–21 crop year are lower by 550k bales each from 1.55m bales.

- The US ban on products made from cotton obtained from China's Xinjiang region – given that one-fifth of the world's cotton comes from this region – would further impact cotton prices going forward and other cotton supplying countries may face additional pressures. TRID expects cotton prices to remain near current levels going forward until the arrival of new crop.

### Vision 2025

- The company has unveiled its "VISION 2025," under which 3 BHAG [BIG, HAIRY, AUDACIOUS, GOALS (pronounced Bee-Hag)] have been formulated with the aim to unlock long-term sustainable value for shareholders.
- Achieving revenue of INR250b by CY25, with a 12% bottom line
- Making Trident a national brand
- Digital Trident – completing the journey of Industry 4.0
- The company has appointed reputed business advisory and consulting organizations to collaborate with it in this journey.

### Debt

- The company has undertaken several initiatives to reduce its debt commitments, including pre-paying high-cost loans, reducing WC utilization through the retention of cash accruals, and other measures to reduce the CTC cycle and build up cash reserves. Owing to the above initiatives, the net debt levels of the company had reduced to levels of INR12.3b at end-Jun'21.

### RoSCTL

- The government issued a press release announcing the continuation of Rebate of State and Central Taxes and Levies (RoSCTL) at the rates shared by the Ministry of Textiles via the notification dated 8th March 2019 – applicable retrospectively from Jan'21 to Mar'24 on bedsheets and towel exports.
- This move is expected to provide stability and ensure the competitiveness of Indian products in foreign markets by rebating embedded taxes/levies that are currently not under any other mechanism. The products not covered under RoSCTL benefits shall be eligible to receive benefits under the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme – the rates are yet to be notified by the government.

### Capacity utilization

- Enhanced capacity utilization in the Bed Linen and Bath Linen segments is on account of robust demand from the export markets – owing to growing preferences on the hygiene front due to the COVID-19 pandemic.
- With WFH becoming the norm, demand for home furnishing products has also increased. Pent-up demand on account of the upcoming festive season and government stimulus to individuals are also the contributing factors for enhanced capacity utilization in this segment.
- E-com growth is likely to surge even more owing to convenience-related and better choices; brick-and-mortar sales growth is also likely to sustain as retailers are now offering multiple delivery options to consumers. An increase in domestic tourism is having a positive impact on the institutional sales of towels and bed linen in the Hotel segment, which is likely to continue.

## Valuation

- Work-from-home, coupled with a higher health consciousness in most of the big cities across the world, has contributed to demand revival in home textile products. Demand revival has been further supported by pent-up demand amid the festive season.
- The Home Textiles segment is expected to continue to see healthy growth on account of increased awareness for health and hygiene, work-from-home globally, easing logistic issues, and pent-up demand in the US and Europe markets.
- Factoring in the beat to our earnings estimates, we increase our estimate for FY22/FY23 by 38%/27% on the back of an improving demand outlook and considering the benefit from RoSCTL.
- We value the company at 15x FY23E EPS and arrive at TP of INR25. Maintain **Buy**.

### Exhibit 8: Change in estimates

Earnings Change (INR m)	Old		New		Change	
	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
Revenue	57,235	64,754	61,442	71,528	7%	10%
EBITDA	11,121	12,643	14,155	15,394	27%	22%
Adj. PAT	5,324	6,563	7,324	8,310	38%	27%

Source: MOFSL

## Financials and valuations

Consolidated - Income Statement								(INR m)
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
<b>Total Income from Operations</b>	<b>36,657</b>	<b>46,252</b>	<b>45,594</b>	<b>52,486</b>	<b>47,277</b>	<b>45,306</b>	<b>61,442</b>	<b>71,528</b>
Change (%)	-2.4	26.2	-1.4	15.1	-9.9	-4.2	35.6	16.4
<b>Total Expenditure</b>	<b>29,359</b>	<b>37,397</b>	<b>37,402</b>	<b>41,931</b>	<b>38,979</b>	<b>37,134</b>	<b>47,286</b>	<b>56,134</b>
% of Sales	80.1	80.9	82.0	79.9	82.4	82.0	77.0	78.5
<b>EBITDA</b>	<b>7,297</b>	<b>8,855</b>	<b>8,192</b>	<b>10,555</b>	<b>8,298</b>	<b>8,172</b>	<b>14,155</b>	<b>15,394</b>
Margin (%)	19.9	19.1	18.0	20.1	17.6	18.0	23.0	21.5
Depreciation	3,366	4,125	4,041	3,640	3,337	3,369	3,584	3,845
<b>EBIT</b>	<b>3,931</b>	<b>4,730</b>	<b>4,151</b>	<b>6,915</b>	<b>4,961</b>	<b>4,804</b>	<b>10,571</b>	<b>11,548</b>
Int. and Finance Charges	1,452	1,410	1,182	1,185	1,109	721	940	657
Other Income	334	1,062	621	434	202	161	158	215
<b>PBT bef. EO Exp.</b>	<b>2,813</b>	<b>4,382</b>	<b>3,590</b>	<b>6,165</b>	<b>4,055</b>	<b>4,244</b>	<b>9,789</b>	<b>11,106</b>
EO Items	0	0	-321	666	-192	265	-62	0
<b>PBT after EO Exp.</b>	<b>2,813</b>	<b>4,382</b>	<b>3,911</b>	<b>5,499</b>	<b>4,246</b>	<b>3,978</b>	<b>9,851</b>	<b>11,106</b>
Total Tax	392	1,016	1,256	1,784	813	941	2,465	2,795
Tax Rate (%)	13.9	23.2	32.1	32.4	19.2	23.6	25.0	25.2
Share of profit/(loss) of associates	0	7	6	2	-36	6	0	0
<b>Reported PAT</b>	<b>2,421</b>	<b>3,372</b>	<b>2,661</b>	<b>3,718</b>	<b>3,397</b>	<b>3,044</b>	<b>7,386</b>	<b>8,310</b>
<b>Adjusted PAT</b>	<b>2,421</b>	<b>3,372</b>	<b>2,341</b>	<b>4,383</b>	<b>3,205</b>	<b>3,309</b>	<b>7,324</b>	<b>8,310</b>
Change (%)	105.4	39.3	-30.6	87.3	-26.9	3.2	121.3	13.5
Margin (%)	6.6	7.3	5.1	8.4	6.8	7.3	11.9	11.6

Consolidated - Balance Sheet								(INR m)
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Equity Share Capital	5,094	4,979	4,978	4,981	4,979	5,096	5,096	5,096
Total Reserves	19,267	20,416	22,284	24,749	25,235	28,187	34,834	42,314
<b>Net Worth</b>	<b>24,361</b>	<b>25,395</b>	<b>27,262</b>	<b>29,730</b>	<b>30,214</b>	<b>33,283</b>	<b>39,930</b>	<b>47,410</b>
Total Loans	34,427	28,498	28,192	24,360	19,518	15,355	16,856	11,856
Deferred Tax Liabilities	1,582	2,952	3,401	4,079	3,366	3,203	3,203	3,203
<b>Capital Employed</b>	<b>60,369</b>	<b>56,844</b>	<b>58,855</b>	<b>58,169</b>	<b>53,098</b>	<b>51,842</b>	<b>59,990</b>	<b>62,469</b>
Gross Block	70,389	69,188	70,603	72,387	74,677	79,297	84,297	91,297
Less: Accum. Deprn.	23,415	27,540	31,581	35,221	38,558	41,927	45,511	49,356
<b>Net Fixed Assets</b>	<b>46,974</b>	<b>41,648</b>	<b>39,022</b>	<b>37,166</b>	<b>36,119</b>	<b>37,370</b>	<b>38,786</b>	<b>41,940</b>
Capital WIP	571	1,232	1,766	1,318	1,408	571	2,571	-3,429
Current Investments	1	49	109	669	0	0	0	3,500
<b>Total Investments</b>	<b>723</b>	<b>1,054</b>	<b>1,152</b>	<b>1,982</b>	<b>1,276</b>	<b>14</b>	<b>14</b>	<b>3,514</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>17,025</b>	<b>16,107</b>	<b>19,693</b>	<b>21,095</b>	<b>18,960</b>	<b>19,761</b>	<b>25,756</b>	<b>28,485</b>
Inventory	9,065	7,747	9,226	10,121	9,164	10,230	12,962	14,698
Account Receivables	2,513	3,751	4,604	6,577	2,754	4,487	5,892	6,271
Cash and Bank Balance	819	1,326	1,666	257	3,379	1,186	1,987	2,509
Loans and Advances	4,627	3,282	4,197	4,141	3,664	3,859	4,915	5,007
<b>Curr. Liability &amp; Prov.</b>	<b>4,924</b>	<b>3,196</b>	<b>2,777</b>	<b>3,392</b>	<b>4,666</b>	<b>5,875</b>	<b>7,137</b>	<b>8,041</b>
Account Payables	2,237	1,730	1,690	1,866	2,023	2,985	3,225	3,487
Other Current Liabilities	2,539	1,259	947	1,333	2,430	2,667	3,687	4,292
Provisions	148	207	139	193	213	223	226	263
<b>Net Current Assets</b>	<b>12,101</b>	<b>12,911</b>	<b>16,916</b>	<b>17,703</b>	<b>14,294</b>	<b>13,886</b>	<b>18,619</b>	<b>20,444</b>
<b>Appl. of Funds</b>	<b>60,369</b>	<b>56,844</b>	<b>58,855</b>	<b>58,169</b>	<b>53,098</b>	<b>51,842</b>	<b>59,990</b>	<b>62,469</b>

## Financials and valuations

### Ratios

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
<b>Basic (INR)</b>								
EPS	0.5	0.7	0.5	0.9	0.6	0.7	1.5	1.7
Cash EPS	1.2	1.5	1.3	1.6	1.3	1.3	2.2	2.4
BV/Share	4.9	5.1	5.5	6.0	6.1	6.7	8.0	9.5
DPS	0.1	0.2	0.1	0.0	0.0	0.0	0.1	0.2
Payout (%)	22.6	27.1	33.8	4.8	6.4	5.9	10.0	10.0
<b>Valuation (x)</b>								
P/E	44.1	31.7	45.6	24.4	33.3	32.3	14.6	12.9
Cash P/E	18.5	14.2	16.7	13.3	16.3	16.0	9.8	8.8
P/BV	4.4	4.2	3.9	3.6	3.5	3.2	2.7	2.3
EV/Sales	3.8	2.9	2.9	2.5	2.6	2.7	2.0	1.6
EV/EBITDA	19.2	15.1	16.3	12.4	14.8	14.8	8.6	7.5
Dividend Yield (%)	0.4	0.7	0.7	0.1	0.2	0.2	0.7	0.8
FCF per share	-1.2	1.7	0.5	1.0	2.0	0.2	0.2	2.1
<b>Return Ratios (%)</b>								
RoE	10.4	13.6	8.9	15.4	10.7	10.4	20.0	19.0
RoCE	6.8	7.9	5.9	9.1	8.0	7.7	15.3	15.2
RoIC	6.4	6.5	5.2	8.6	7.9	7.6	15.0	15.0
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	0.5	0.7	0.6	0.7	0.6	0.6	0.7	0.8
Asset Turnover (x)	0.6	0.8	0.8	0.9	0.9	0.9	1.0	1.1
Inventory (Days)	191	127	148	152	156	185	177	169
Debtor (Days)	25	30	37	46	21	36	35	32
Creditor (Days)	47	28	27	28	34	54	44	40
<b>Leverage Ratio (x)</b>								
Current Ratio	3.5	5.0	7.1	6.2	4.1	3.4	3.6	3.5
Interest Cover Ratio	2.7	3.4	3.5	5.8	4.5	6.7	11.2	17.6
Net Debt/Equity	1.4	1.1	1.0	0.8	0.5	0.4	0.4	0.1

### Consolidated - Cash Flow Statement

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
<b>(INR m)</b>								
OP/(Loss) before Tax	2,766	4,388	3,590	5,499	4,246	3,978	9,851	11,106
Depreciation	3,376	4,125	4,041	3,640	3,337	3,369	3,584	3,845
Interest & Finance Charges	1,230	1,300	1,095	1,185	1,109	721	940	657
Direct Taxes Paid	-600	-860	-909	-1,784	-813	-941	-2,465	-2,795
(Inc)/Dec in WC	-1,424	1,243	-3,017	-2,195	4,258	-2,546	-3,931	-1,303
<b>CF from Operations</b>	<b>5,348</b>	<b>10,196</b>	<b>4,799</b>	<b>6,345</b>	<b>12,137</b>	<b>4,581</b>	<b>7,979</b>	<b>11,510</b>
Others	-60	-200	-364	0	0	0	0	0
<b>CF from Operating incl EO</b>	<b>5,288</b>	<b>9,996</b>	<b>4,435</b>	<b>6,345</b>	<b>12,137</b>	<b>4,581</b>	<b>7,979</b>	<b>11,510</b>
(Inc)/Dec in FA	-11,214	-1,467	-2,019	-1,336	-2,381	-3,782	-7,000	-1,000
<b>Free Cash Flow</b>	<b>-5,926</b>	<b>8,529</b>	<b>2,416</b>	<b>5,009</b>	<b>9,756</b>	<b>799</b>	<b>979</b>	<b>10,510</b>
(Pur)/Sale of Investments	-250	-193	-10	-831	706	1,262	0	-3,500
Others	132	-15	150	0	1,248	971	0	0
<b>CF from Investments</b>	<b>-11,332</b>	<b>-1,675</b>	<b>-1,879</b>	<b>-2,167</b>	<b>-427</b>	<b>-1,549</b>	<b>-7,000</b>	<b>-4,500</b>
Issue of Shares	611	87	0	3	-2	117	0	0
Inc/(Dec) in Debt	7,809	-5,858	-537	-3,832	-4,842	-4,163	1,501	-5,000
Interest Paid	-1,367	-1,398	-1,224	-1,185	-1,109	-721	-940	-657
Dividend Paid	-360	-915	-920	-180	-218	-179	-739	-831
Others	0	270	465	-393	-2,418	-278	0	0
<b>CF from Fin. Activity</b>	<b>6,694</b>	<b>-7,814</b>	<b>-2,217</b>	<b>-5,586</b>	<b>-8,588</b>	<b>-5,225</b>	<b>-177</b>	<b>-6,488</b>
<b>Inc/Dec of Cash</b>	<b>649</b>	<b>507</b>	<b>339</b>	<b>-1,408</b>	<b>3,122</b>	<b>-2,193</b>	<b>801</b>	<b>522</b>
Opening Balance	170	819	1,326	1,666	257	3,379	1,186	1,987
<b>Closing Balance</b>	<b>819</b>	<b>1,326</b>	<b>1,666</b>	<b>257</b>	<b>3,379</b>	<b>1,186</b>	<b>1,987</b>	<b>2,509</b>

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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