Fine Organic Industries Ltd (FINORG)

ICICI Direct

CMP: ₹ 4,075 | Target: ₹ 5,365 (32%) | Target Period: 12 months | BUY

Conviction Pick

ICICI Securities – Retail Equity Research

January 2, 2026

Prominent player in the green chemistry space...

About the Company: Fine Organic Industries Ltd (FOIL) manufactures a comprehensive range of plant-based, oleochemical-derived specialty additives used across industries such as foods, plastics, cosmetics, coatings among others.

- It owns seven manufacturing facilities located at Ambernath, Badlapur, Dombivli and Patalganga.
- The company has recently acquired ~ 30-acre site at the Jawaharlal Nehru Port Authority Special Economic Zone (JNPA SEZ) in Mumbai to support future capacity expansion to target exports.

Investment Rationale:

- **Strong pedigree in oleo chemistry additives to the fore:** The company's expertise centres on oleo chemistry (plant based green chemicals) which provides both demand tailwinds and product differentiation versus petrochemical alternatives. FOIL enjoys early mover advantage in these segments as the world is still on the learning curve with regards to the adoption of green additives. Globally, there are only handful of transnational players in these categories. The company enjoys almost monopoly in India. Specialised nature of the business, customer stickiness and +50 years of experience provide high barriers to entry.
- **Strong positioning in the food and plastic additives market:** With decades of experience in food additives manufacturing and marketing, FOIL has established itself as a trusted partner for the food industry. The portfolio includes specialised food emulsifiers that help to prevent spoilage, improve texture and ensure product stability and quality. In plastics, the company provides advanced polymer additives that enhance performance, sustainability, and efficiency. The product range includes slip additives for friction reduction, anti-blocking additives, anti-static agents for safer handling, filler and pigment dispersants and anti-fog additives for clear agricultural and food packaging films. The company's revenues are highly diversified as the largest customer contributes just ~3-4% to its revenues.
- **Fresh capacity expansion to power the next leg of growth:** The company will be undertaking a significant capex to address the expected stagnancy in revenues in FY26 / FY27 due to capacity constraints in core plants. This includes ₹750 crore at JNPA SEZ. This facility is expected to start commercial production within ~18-24 months. Moreover, the company's wholly owned subsidiary in the US has acquired ~160 acres of land in South Carolina, where it plans to establish a greenfield capacity with an aim to establish a strong foothold in the US markets.

Rating and Target Price

- **We assign BUY with a target price of ₹ 5,365 implying 33x EV/EBITDA for FY28 and 22x EV/EBITDA for FY29E. We expect full impact of the expansion to reflect from FY29E onwards.**

FINE ORGANICS

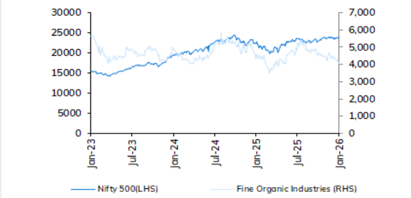
Particulars

Particular	Amount
Market cap (₹ Crore)	13,645
FY25 Total Debt (₹ Crore)	3
FY25 Cash & Inv (₹ Crore)	950
EV (₹ Crore)	12,698
52 Week H/L	5494/3355
Equity Capital (₹ Crore)	15
Face Value (₹)	5
CMP	4451

Shareholding pattern

in %	Dec-24	Mar-25	Jun-25	Sep-25
Promoter	75.0	75.0	75.0	75.0
DII	11.5	12.0	11.9	12.0
FII	5.2	4.7	4.8	4.6
Others	8.3	8.3	8.3	8.4

Price Chart



Key risks

i) Sensitivity towards raw material prices (ii) slower than expected ramp-up from the new capex

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Key Financial Summary

(₹Crore)	FY24	FY25	FY26E	3 year CAGR (FY24-26E)	FY27E	FY28E	FY29E	3 year CAGR (FY27E-29E)
Net Revenue	2,123.0	2,265.5	2,316.9	4.5%	2,345.7	2,522.6	3,680.0	25.3%
EBITDA	534.0	508.9	511.2	-2.2%	445.7	486.9	728.6	27.9%
EBITDA Margins (%)	25.2%	22.5%	22.1%		19.0%	19.3%	19.8%	
Adj.PAT	412.5	410.5	410.5	-0.2%	305.9	310.7	526.8	31.2%
Adj. EPS (₹)	134.8	134.1	136.0		100.0	101.5	172.2	
EV/EBITDA	24.1x	26.3x	25.9x		30.3x	28.0x	18.2x	
P/E	10.6x	10.7x	10.5x		14.3x	14.1x	8.3x	
ROE (%)	21.5	17.9	16.8		11.1	10.3	15.0	
ROCE (%)	28.6	24.3	20.7		13.8	12.5	18.0	

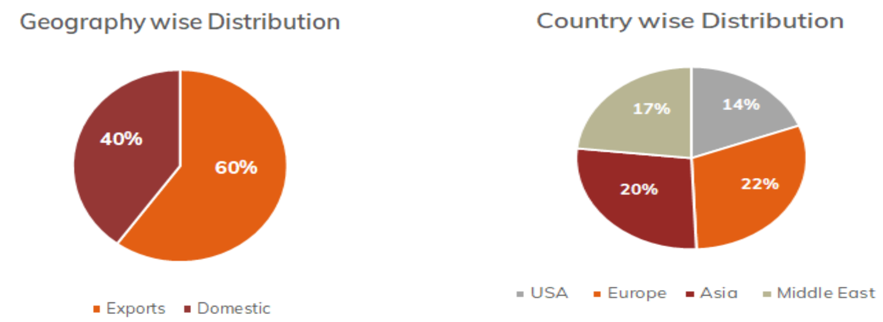
Source: Company, ICICI Direct Research

Company Background

Fine Organic Industries Limited (FOIL) started as a partnership firm by Mr. Ramesh Shah, a Mumbai-based businessman with experience in chemical trading and Mr. Prakash Kamat, a skilled technocrat from Institution of Chemical Technology (Mumbai) in 1970. Over the past 50 years FOIL has developed and commercialized a comprehensive range of plant-based, oleochemical-derived specialty additives used across industries such as foods, plastics, cosmetics, coatings, lubricants and other specialty applications.

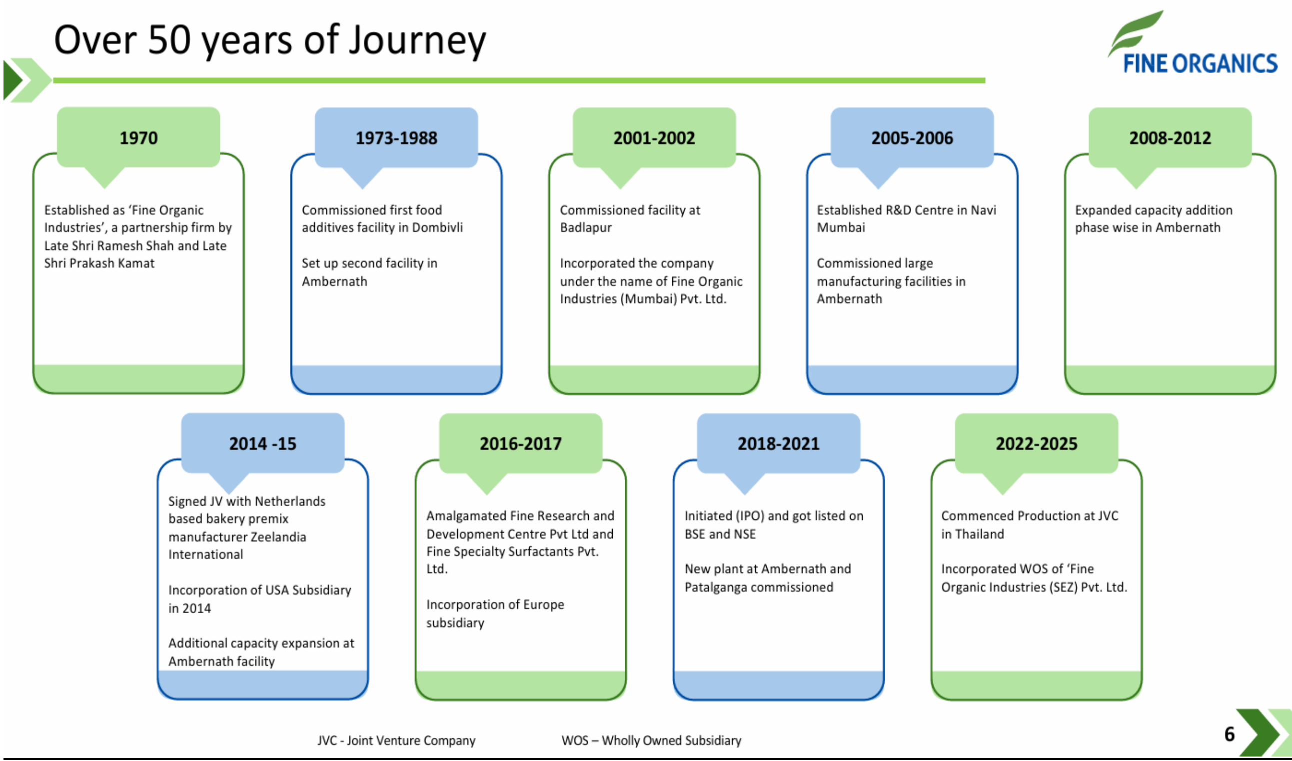
With a portfolio of over 600 specialty additives, FOIL is India's largest manufacturer of specialty performance additives and a leading global player in the sector with a presence across 80 countries. It caters to ~900 direct customers through +240 distributors leveraging on a manufacturing set up that comprises of 7 manufacturing facilities spread across four cities of Ambernath, Badlapur, Dombivli and Patalganga in Maharashtra. It also has warehouses in the US and Europe to support global supply chain.

Exhibit 1: Geographical Distribution of the Revenues



Source: Company, ICICI Direct Research, Company Annual Report

Exhibit 2: Over 50 years journey of Fine organics



Source: Company, ICICI Direct Research, Company Annual Report

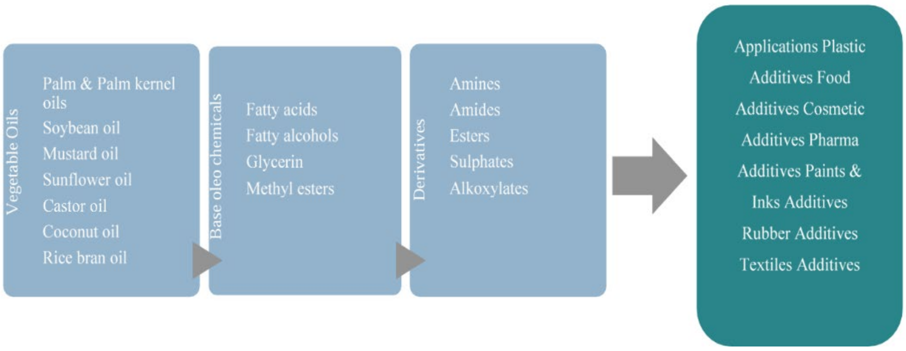
Overview and Evolution of Oleochemicals based Green Additives Industry

Oleochemicals are chemicals derived from natural oils and fats of plant origins and can be categorised into basic oleochemicals such as fatty acids, fatty methyl esters, fatty alcohols, fatty amines and glycerol, and their downstream derivatives obtained from further chemicals modifications of these basic oleochemicals, which exhibit special properties such as excellent emollience, surface activity, emulsifying properties as well as biological properties.

These oleochemicals over the years have become essential to a variety of industries such as coatings, surfactants plasticisers, lubricant additives (slip and anti-block additives), cosmetics, soaps, detergents, textiles, plastics and organic pesticides. In polymer applications, derivatives of oils and fats are used as plastic additives.

In recent years, there has been rapid increase in natural fatty acid derivatives usage as additive materials in several industries by replacing potentially harmful petrochemicals.

Exhibit 3: Oleochemicals-based additives value chain



Source: Company DRHP, ICICI Direct Research

Base Oleochemicals such as fatty acids, fatty alcohols and methyl esters are produced from vegetable oils through splitting, distillation and fraction process. This step in the oleochemical value chain is a simple process with many players globally and the technology for the same is also easily available. Hence, this subsegment of the value chain is non-specialised and base oleochemicals are commoditised products. However, manufacturing of green additives from base oleochemicals is a highly specialised process. Hence, green additives are speciality products and this industry enjoys better unit economics with only few players dominating the industry globally.

Exhibit 4: Comparison of Oleochemical based additives with petrochemicals-based additives

Parameters	Oleochemicals based additives	Petrochemicals based additives
Type	Natural	Synthetic
Raw Material sources	Vegetable oil derivatives	Crude oil derivatives
Sustainability	Yes, as raw materials are from sustainable sources	No, as raw materials are derivatives of fossil fuels
Biodegradable	Yes	No
Environment	Friendly, as raw materials are vegetable sources	May cause pollution as raw materials are derivatives of fossil fuels

Source: Company, ICICI Direct Research, Company Annual Report

Exhibit 5: Key drivers of specialty additives in nutshell

Other Speciality Additives: Key Drivers				
Industry	Food Additives	Plastic Additives	Feed Nutrition	Cosmetic & Pharma (CosPha)
Key Additives & Ingredients	Emulsifiers & Emollients Anti fungal agents	Lubricants Flow improvers	Natural Antibiotics Coated papers	Emulsifiers & Emollients Pharmaceuticals- Coating Ingredients
End Users	Bakery Products Biscuits Confectionery	Packaging Films Wires & Cables	Poultry Products Milk & Milk Derivatives	Creams, lotions & ointments Skin care cosmetics
Growth Drivers	(i) Increased Consumption (ii) Increased number of end user applications	(i) Replacing the use of conventional plastics (ii) Increasing urbanisation and replacement of metal and wood	(i) Growing health awarness & need of safer milk and milk products	(i) Organized retail moving to Tier II cities (ii) new sub segments such as men's cosmetics (iii) Growing demand for skin care cosmetics

Source: Company, ICICI Direct Research

Investment Rationale

Sustainable, "Technical Pinch of Salt", offers long term moat with significant entry barriers…

"Technical Pinch of Salt'' a term that the management uses to describe company products, i.e. additives, which underscores their importance in the final product. Additives have very low molecular weight and comprise of just 0.2-0.5% of the end product. But importantly, their presence or absence can alter the quality of the end product quite significantly.

The two main revenue contributors are Food and Plastic additives which together account for 60-70% of the revenues

The two main revenue contributors are Food and Plastic additives which together account for 60-70% of the revenues. Globally, the established and large players consume these products as raw materials for their final product often warrant minute product detailing- be it a silkiness, creaminess, evenness, or fluffiness, among others which keeps on changing over time. The approval processes typically are stretched which lead to significant switching costs. They typically work with the additive suppliers on a long-term basis and seldom change these suppliers, thus creating long term stickiness.

FOIL enjoys early mover advantage in these segments as the world is still on the learning curve with regards to the adoption of green additives. Globally, there are only handful of transnational players in these categories. The company enjoys almost monopoly in India. Specialised nature of the business, customer stickiness and years of experience provide high barriers to entry.

The company's revenues are highly diversified which is apparent from the fact that its largest customer contributes just ~3-4% to its revenues.

Being an additive supplier, the company is compliant of various quality certifications such as USDA certificate for biobased product, FSSC 22000, REACH compliance, EFFCI among others. Adhering to these complex and evolving global and regional rules requires significant expertise and investment, which acts as a barrier to new entrants.

Unlike conventional specialty additives derived from petrochemicals, FOIL's products are manufactured from renewable, plant-based feedstocks such as vegetable oils and fatty acids. This positioning aligns the company directly with the growing trend across the global food, packaging, personal-care and polymer industries: the shift toward sustainable, biodegradable, clean-label, and regulatory-compliant ingredients. The company's revenues are highly diversified which is apparent from the fact that its largest customer contributes just ~3-4% to its revenues.

Exhibit 6: Specialised Business Model: Entry Barriers

- **Limited Players** — Limited & small players in Indian speciality additives market. Globally few players which are very large.
- **Customer Loyalty** — Lenghty & expensive product approval processess led to high switching costs for customers. Due to this, customers rely on established suppliers, as performance ingredients are very critical to their products.
- **Complex Technology** — Complex technology & manufacturing processes create multiple entry barriers into the oleochemical dervied green additives industry. Product formulations, innovation & process technoloy are time & capital intensive
- **Highly Regulated** — The additives have a direct impact on human life as well as the environment, thus necessitating stringent regulatory parameters.

Source: Company, ICICI Direct Research

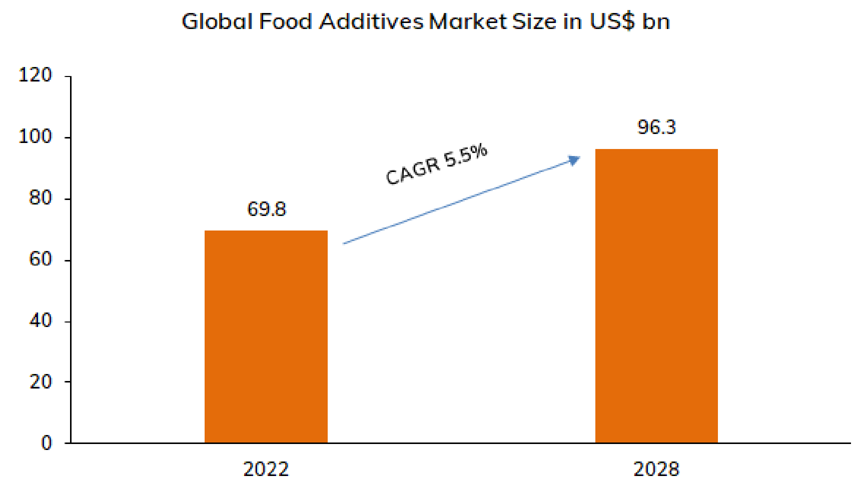
Strong positioning in the Food, Plastic and other green additives market…

Food Additives Market:

With decades of experience in emulsifiers manufacturing and marketing, FOIL has established itself as a trusted partner for the food industry. The portfolio includes specialised food additives that help to prevent spoilage, improve texture and ensure product stability and quality. These solutions support food manufacturers to maintain consistency, boost efficiency and meet consumer demands across sectors such as bakery, dairy, chocolate, confectionery, ice cream, chewing gum, among others. Food emulsifiers usage, in particular, has been driven by the following factors-

- Increase in the consumption of convenience foods, i.e., prepared meals or ready to eat products. Emulsifiers are extensively used in these products that require minimal efforts and time for preparation.
- Emulsifiers play an essential role in stabilizing food products and enhancing their texture, appearance and shelf life.
- Demand for vegan food products is driving the plant sourced Food Emulsifiers market.

Exhibit 7: Global Food Additives Market Size growth estimates in US$ Bn



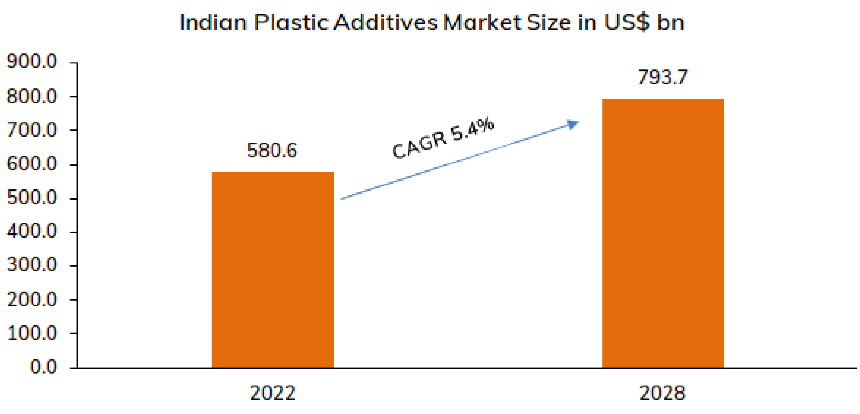
Source: Industry Research, ICICI Direct Research

Plastic Additives Market:

The company provides advanced polymer additives that enhance performance, sustainability, and efficiency. The product range includes slip additives for friction reduction, anti-blocking additives, anti-static agents for safer handling, filler and pigment dispersants and anti-fog additives for clear agricultural and food packaging films. These solutions are widely used across packaging, automotive, consumer goods, and industrial applications.

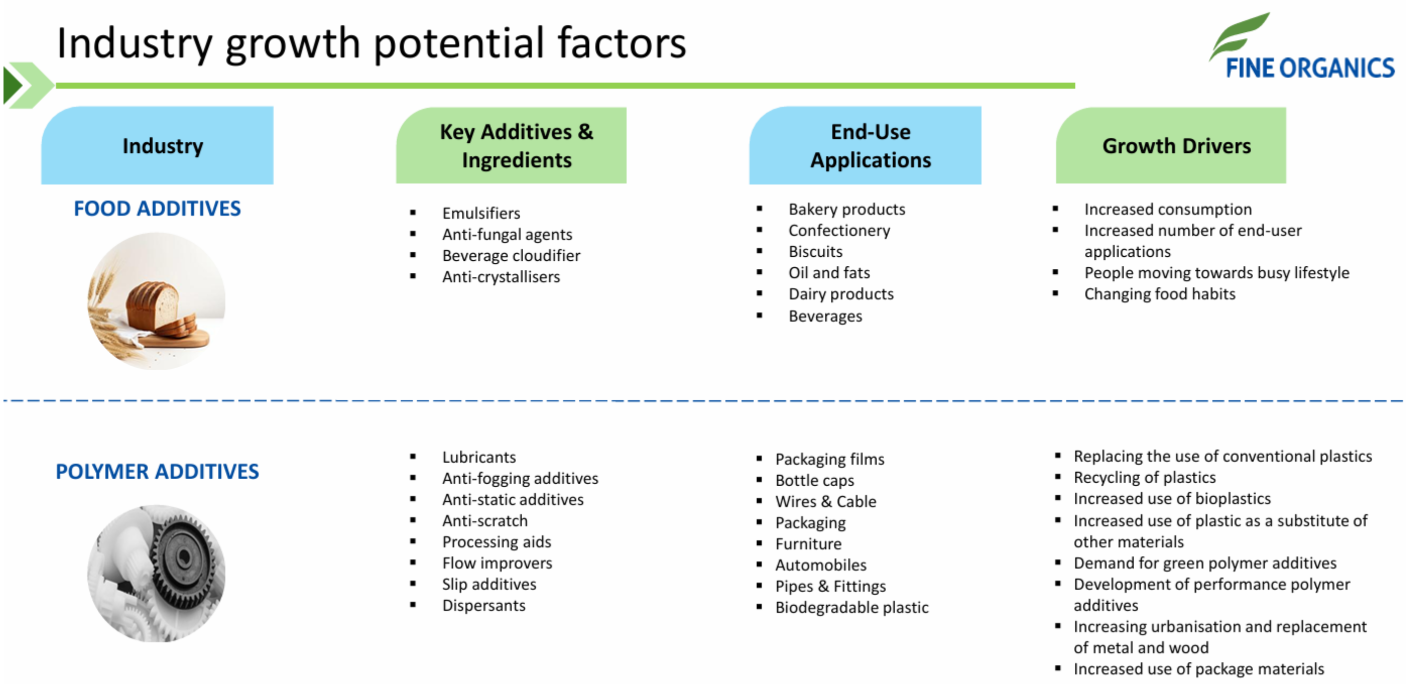
- Plastic additives growth is driven by the ability to enhance the properties of plastic products, be it durability, flexibility and thermal stability. Environmental concerns demand for additives that make plastics more recyclable and eco-friendlier.
- Stringent regulations by governments worldwide regarding the use of non-biodegradable plastics which will lead to increased demand for biodegradable plastics in the coming years, leading to a subsequent increase in demand for green plastic additives globally.

Exhibit 8: Indian Plastic Additives Market Size growth estimates in US$ bn



Source: Industry Research, ICICI Direct Research

Exhibit 9: Industry Growth potential factors



Source: Company, ICICI Direct Research

Besides these two major offerings the company also sales specialty additives for Personal Care and Animal feed Nutrition-

This includes a specialized range of cosmetic and pharmaceutical (CosPha) additives. Its portfolio includes emulsifiers for smooth textures, emollients for hydration and softness, and green surfactants for gentle cleansing. These additives are essential in products like creams, lotions, gels, and ointments, helping brands meet consumer and regulatory standards.

In animal Feed Nutrition Additives, the company produces natural alternatives to antibiotics, anti-fungal agents that prevent feed spoilage, and nutritional supplements that enhance digestion and energy utilization. Widely used in poultry, cattle, and aquaculture, these solutions support improved growth, health, fertility and feed efficiency.

Fresh capacity expansion to unlock multi-year volume visibility; open to product specific acquisitions as well...

Exhibit 10: Facilities wise Capacities

Facilities	Capacity (TPA)
1st Ambernath Facility	49500
2nd Ambernath Facility	5000
3rd Ambernath Facility	32000
Badlapur Facility	6400
Dombivli Facility	8400
Patalganga	10000
Thailand JV	NA
Total	111300

Source: Company, ICICI Direct Research

FOIL will be adding a significant capacity going ahead, positioning the company for a structural uplift in volumes, product mix and global penetration over FY26–FY30. The company has embarked on a multi-pronged capex cycle: (1) its large SEZ greenfield expansion (estimated at ~₹750 crore) aimed at scaling high-value food, plastics and specialty additives; (2) its strategic ~160-acre land acquisition in South Carolina in the US marking the beginning of its international manufacturing footprint. (3) Potential acquisitions in the US and Europe regions.

The expansion is the need of the hour as FOIL is facing capacity constraints as utilisation at certain plants reached optimal levels which is hampering its ability to take on new high-value SKUs and additional export demand. With exports contributing ~55–60% of the revenues, incremental capacity is expected to improve the company's ability to service global FMCG, polymer and specialty chemical customers, many of whom require reliable supply continuity before committing to long-term contracts. The SEZ facility is particularly strategic: being export-oriented, and integrates well into its oleochemical value chain, and enhances competitiveness in the US, EU and Asian markets. The SEZ project also allows the company to push deeper into high-end emulsifiers, premium polymer-additive grades and application-specific customised blends—segments that structurally command higher realisations and better margin stability. The management expects to commence production from the SEZ facility in the next 12-18 months post regulatory clearances.

With exports contributing ~55–60% of the revenues, incremental capacity is expected to improve the company's ability to service global FMCG, polymer and specialty chemical customers

The proposed US facility is expected to house a full-fledged manufacturing facility, enabling the company to strengthen its local presence in the US market. By producing locally, FOIL aims to reduce lead times, minimize logistic costs and enhance supply chain agility. The intended facility is expected to enable the company to comply more efficiently with US regulatory standards, improve sustainability performance and respond swiftly to the evolving customer needs.

While the expansion in the SEZ is based on clear visibility with the exports from the existing plants are expected to shift to the new site, the US foray is expected to be gradual and measured. The company will initially start with phase 1 where in it plans to manufacture the same products which are currently exported to the US from the Indian facilities. It will also serve the requirement of localised manufacturing at the behest of some large US based customers.

Besides these two greenfield projects, FOIL has also set up a subsidiary in the United Arab Emirates (UAE) to establish a local commercial presence and improve supply chain efficiency across the GCC countries.

Depending upon the response and economics, the company will expand into phase 2 and maybe phase 3. As the new capacities are expected to go on stream only from FY28 onwards, we expect full blown earnings momentum from FY29 onwards.

The management has also expressed its intention for product specific acquisitions to fill up the portfolio gaps, given the cash pile at its disposal (₹ 1000 crore). Even considering the outgo for proposed expansions, the company will still be left with surplus cash (₹ 200 crore parked in long term deposits).

Peer Comparison

While it's difficult to identify peers for like-to-like comparison due to unique business model with very low product and customer concentration, we have tried to identify certain companies with management's inputs for comparison. There are three players i.e. Kerry Group plc (a multinational flavour and ingredients giant with substantial oleochemicals exposure in food and pharma), Fairchem Organics (domestic player focused on nutraceuticals, pharma intermediates, and aroma chemicals from oleo bases) and Corbion.

Exhibit 11: Peer Comparison – Kerry International; Fairchem Organics; Corbion & Fine Organics

Kerry Group			
Particulars	**FY22**	**FY23**	**FY24**
Revenue (In € mn)	8,772	8,020	7,981
YoY%		-9%	-0.5%
EBITDA	1,216	1,165	1,251
EBITDA Margins	14%	15%	16%
PAT	606	728	734
PAT %	7%	9%	9%
Fairchem Organics			
Particulars	**FY23**	**FY24**	**FY25**
Revenue (In ₹ crore)	648	621	538
YoY%		-4%	-13%
EBITDA	72	67	43
EBITDA Margins	11%	11%	8%
PAT	44	40	22
PAT %	7%	6%	4%
Corbion			
Particulars	**FY22**	**FY23**	**FY24**
Revenue (In € million)	1254	1264	1288
YoY %		1%	2%
EBITDA	184	192	188
EBITDA Margins	15%	15%	15%
PAT	90	73	192
PAT %	7%	6%	15%
Fine Organics			
Particulars	**FY23**	**FY24**	**FY25**
Revenue (In ₹ crore)	3023	2123	2266
YoY %		-30%	7%
EBITDA	831	534	509
EBITDA Margins	27%	25%	22%
PAT	618	412	410
PAT %	20%	19%	18%

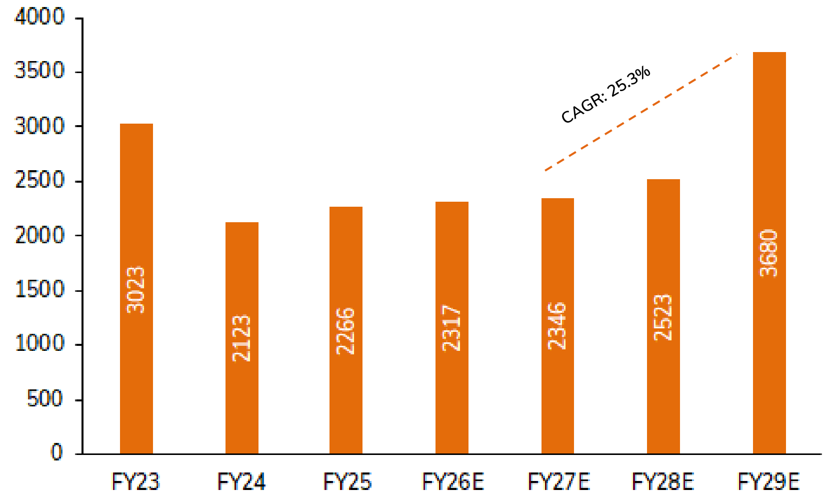
Source: Company, ICICI Direct Research

Key Financial Summary

Revenues growth to be back ended as greenfield facilities to start contribution from FY28

The company's revenues have grown at a CAGR of 8% over the period of 5 years from FY20-25. We expect some stagnancy in revenues during FY26 and FY27 as most of the plants (except Patalganga) are running at optimum capacity. However, from FY29 onwards, we expect the benefits of expansion in the SEZ to materialise to be followed by likely offtake from the US. We expect revenues to grow at a CAGR of 25% to ₹3,680 crore during FY27-29E.

Exhibit 12: Trend in Topline over the years



Source: Company, ICICI Direct Research

EBITDA margins to stabilise at 19-20%...

As per management, the sustainable EBITDA margin level is around ~20% with few aberrations, driven by fluctuations in raw material prices.

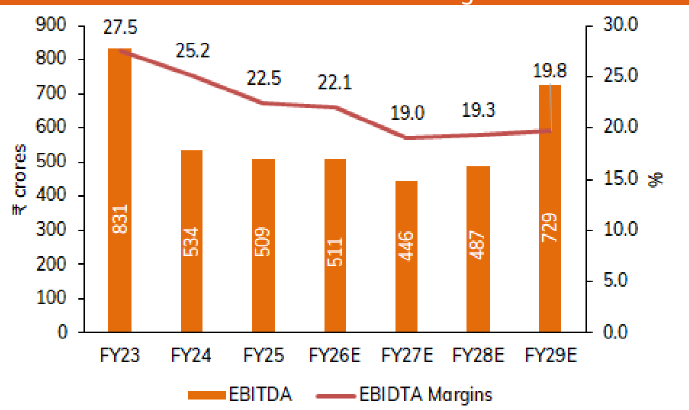
Key raw materials for FOIL are derived from vegetable oils, including rapeseed oil, palm oil, palm kernel oil, sunflower oil, castor oil, soybean oil, rice bran oil among others. It has a mix of short-and medium-term contracts with vendors spanning from 3 months, 6 months to a year.

About 70-75% of the company's raw material is procured from the domestic market and ~40% of the overall contracts are long term in nature. The company has maintained strong relationships with its suppliers to ensure uninterrupted supply of raw materials and mitigate the impact of supply risks. Among imports, palm oil and palm kernel oil are major imports.

It has been observed that the company has been able to pass on the price impact with some lag and maintain average margins over a certain period.

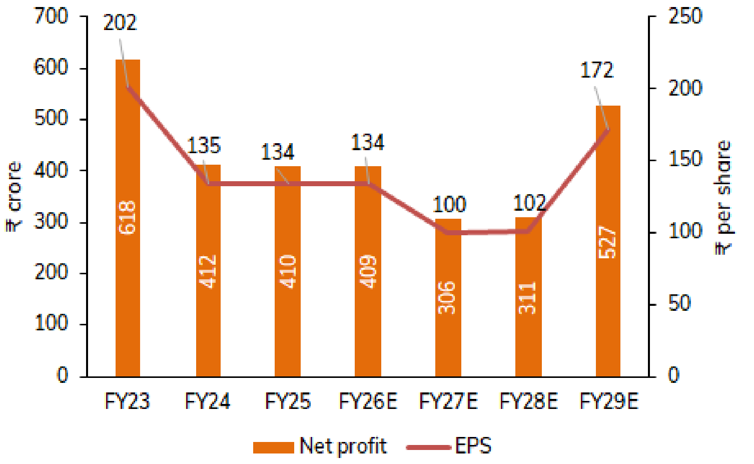
We have faith in FOIL's capability in managing the raw material fluctuations and model 19-20% EBITDA margin trajectory in our projections taking cues from the management guidance.

Exhibit 13: Trend in EBITDA & EBITDA Margins



Source: Company, ICICI Direct Research

Exhibit 14: Trend in Bottom Line & EPS

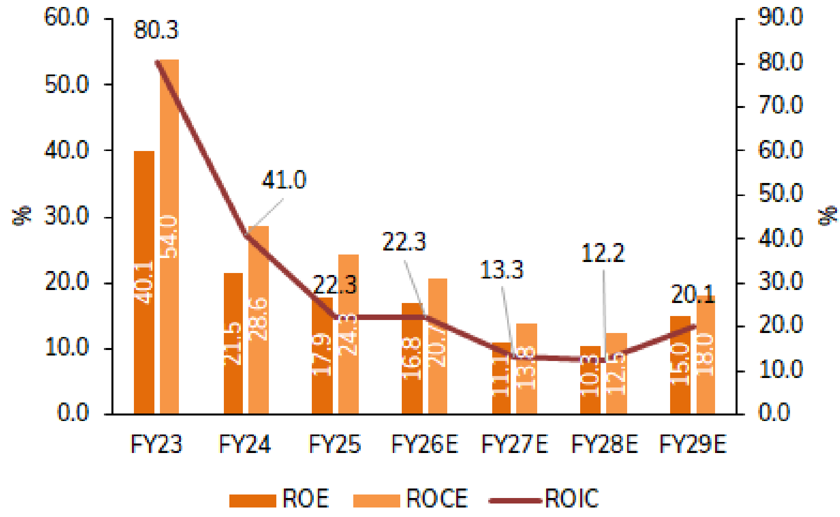


Source: Company, ICICI Direct Research

Impending capex to impact return ratios in the near future

High asset-turnover and stable margins over the years have helped FOIL to maintain strong return profile. As the company embarks into significant capex phase (₹ 1500-1600 crore for JNPA and US expansion over the next 2-3 years as per our estimates), we expect return ratios to come down significantly. The impact of flattish revenues and normalisation of margins is also expected to keep the return ratios under some pressure. We expect gradual monetisation of the SEZ plant from FY28 onwards and from that of US facility thereafter.

Exhibit 15: Trend in Return Ratios- expected dent on the back of capex



Source: Company, ICICI Direct Research

Valuation-

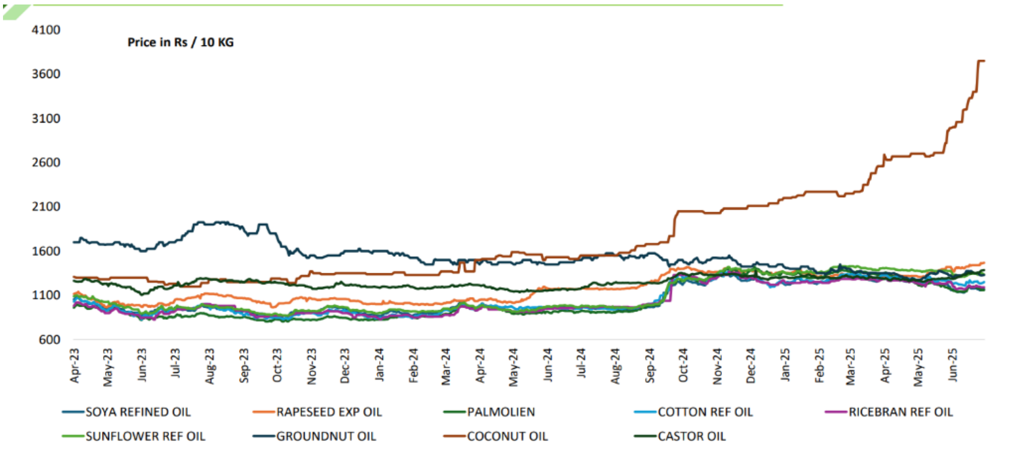
Focus on Oleochemicals is the main differentiator for FOIL which stands out in an era where green chemistry is being aspired by many countries and user industries. Oleochemical industry is still evolving with very few organised and global players. High barriers to entry and customer stickiness due to handful of players has created conducive business environment. ~50 years of experience in handling the industry nuances and low product and customer concentration are some of the additional hallmarks for FOIL. We expect real revenue momentum from FY29 onwards as the SEZ facility goes on stream. We expect revenues, EBITDA and PAT to grow at a CAGR of 25%, 28% and 31% to ₹3,680 crore, ₹729 crore and ₹527 crore respectively during FY25-29E with back-ended traction. Our target price is ₹5,365 based on 22x FY29E EBITDA of ₹728.6 crore.

Risk and Concerns

Vulnerability to volatility in raw material prices

The company's key raw materials include, vegetable oil, palm oil and palm oil-based derivatives, the prices of which have been volatile. The company is hence susceptible to any sharp changes in the input prices since its contracts are usually long term in nature (~1 year). However, the company has established relations with its customers and suppliers which has allowed it to protect its margins in recent years.

Exhibit 16: Raw Material Prices Volatility



Source: Company, ICICI Direct Research

Delay in the planned expansion of capacities

Fine organics has planned the expansion of a couple of facilities. Notably, the JNPA capacity is expected to commence since FY27, till then the company doesn't expect any noteworthy revenue growth as they won't be able to onboard any new clients, because all their capacities are running at full utilization. So, the key monitorable would be the on-time initiation of the planned expansion of facilities.

Financial summary

Profit and loss statement
₹ crore

(Year-end March)	FY25	FY26E	FY27E	FY28E	FY29E
Total Operating Income	2,265.5	2,316.9	2,345.7	2,522.6	3,680.0
Growth (%)	6.7	2.3	1.2	7.5	45.9
Raw Material Expenses	1,328.6	1,360.5	1,395.7	1,500.9	2,189.6
Gross Profit	937.0	956.4	950.0	1,021.6	1,490.4
Gross Profit Margins (%)	41.4	41.3	40.5	40.5	40.5
Employee Expenses	135.2	148.0	175.9	181.6	246.6
Other Expenditure	292.9	297.3	328.4	353.2	515.2
Total Operating Expenditu	1,756.6	1,805.7	1,900.0	2,035.7	2,951.4
EBITDA	**508.9**	**511.2**	**445.7**	**486.9**	**728.6**
Growth (%)	-4.7	0.4	-12.8	9.2	49.7
Interest	2.2	4.4	19.0	31.0	31.0
Depreciation	52.0	56.4	105.2	134.4	134.4
Other Income	101.2	82.0	83.0	89.2	130.2
PBT before Exceptional Ite	**556.0**	**532.2**	**404.4**	**410.7**	**693.4**
Less: Exceptional Items	0.0	7.0	0.0	0.0	0.0
PBT after Exceptional Item	556.0	525.3	404.4	410.7	693.4
Total Tax	144.7	126.2	94.3	95.8	162.4
PAT before MI	411.3	399.1	310.1	314.9	531.0
PAT	**410.5**	**409.2**	**305.9**	**310.7**	**526.8**
Adjusted PAT	**410.5**	**410.5**	**305.9**	**310.7**	**526.8**
Growth (%)	-0.5	0.0	-25.5	1.6	69.6
EPS (Adjusted)	**134.1**	**136.0**	**100.0**	**101.5**	**172.2**

Source: Company, ICICI Direct Research

Cash flow statement
₹ crore

(Year-end March)	FY25	FY26E	FY27E	FY28E	FY29E
Profit/(Loss) after taxation	409.7	409.2	305.9	310.7	526.8
Add: Depreciation & Amortizati	52.2	56.4	105.2	134.4	134.4
Net Increase in Current Assets	-124.2	6.7	93.9	25.5	-253.7
Net Increase in Current Liabiliti	-44.5	-45.9	21.2	24.7	50.8
Others	-89.1	4.4	19.0	31.0	31.0
CF from Operating activities	**204.0**	**430.9**	**545.3**	**526.3**	**489.4**
Investments	-609.3	74.7	-200.0	0.0	-300.0
(Purchase)/Sale of Fixed Assets	-127.3	-318.3	-780.0	-560.0	-50.0
Others	68.0	0.0	0.0	0.0	0.0
CF from Investing activities	**-668.6**	**-243.6**	**-980.0**	**-560.0**	**-350.0**
(inc)/Dec in Loan	0.0	113.6	200.0	200.0	0.0
Dividend & Dividend tax	-30.7	-40.5	-40.5	-40.5	-40.5
Other	-3.7	-4.4	-19.0	-31.0	-31.0
CF from Financing activities	-34.3	68.6	140.5	128.5	-71.5
Net Cash Flow	**-526.4**	**256.0**	**-294.2**	**94.9**	**67.9**
Cash and Cash Equivalent	695.1	189.2	482.4	188.2	283.1
Cash	**168.7**	**445.2**	**188.2**	**283.1**	**351.0**

Source: Company, ICICI Direct Research

Exhibit 5: Balance Sheet
₹ crore

(Year-end March)	FY25	FY26E	FY27E	FY28E	FY29E
Equity Capital	15.3	15.3	15.3	15.3	15.3
Reserve and Surplus	2,279.9	2,461.9	2,739.3	3,009.6	3,495.9
Total Shareholders funds	2,295.2	2,477.2	2,754.7	3,024.9	3,511.2
Total Debt	2.8	116.4	316.4	516.4	516.4
Deferred Tax Liability	0.0	0.0	0.0	0.0	0.0
Long-Term Provisions	0.0	0.0	0.0	0.0	0.0
Other Non Current Liabiliti	0.0	0.0	0.0	0.0	0.0
Source of Funds	**2,298.0**	**2,593.6**	**3,071.0**	**3,541.3**	**4,027.6**
		48%	77%	30%	0%
Gross Block - Fixed Assets	640.5	950.5	1,680.5	2,190.5	2,190.5
Accumulated Depreciation	277.1	333.5	438.8	573.2	707.7
Net Block	363.4	617.0	1,241.7	1,617.3	1,482.8
Capital WIP	27.2	35.5	85.5	135.5	185.5
Goodwill	0.0	0.0	0.0	0.0	0.0
Fixed Assets	390.6	652.5	1,327.2	1,752.8	1,668.4
Investments	306.7	232.0	432.0	432.0	732.0
Other non-Current Assets	0.0	0.0	0.0	0.0	0.0
Inventory	362.9	399.4	289.2	276.4	403.3
Debtors	331.5	261.0	289.2	276.4	403.3
Other Current Assets	169.0	184.4	184.4	184.4	184.4
Cash	950	1,031	737	832	900
Total Current Assets	**1,813.4**	**1,876.0**	**1,499.8**	**1,569.1**	**1,890.7**
Creditors	155.5	108.5	128.5	152.0	201.6
Provisions	29.7	35.7	36.4	37.1	37.8
Other Current Liabilities	27.5	22.6	23.1	23.6	24.0
Total Current Liabilities	**212.6**	**166.8**	**188.0**	**212.7**	**263.5**
Net Current Assets	1,600.7	1,709.2	1,311.8	1,356.4	1,627.2
Application of Funds	**2,298.0**	**2,593.6**	**3,071**	**3,541.2**	**4,027.5**

Source: Company, ICICI Direct Research

Key ratios

(Year-end March)	FY25	FY26E	FY27E	FY28E	FY29E
Per share data (₹)					
Reported EPS	134.1	133.7	100.0	101.5	172.2
Cash EPS	120.9	122.8	86.7	88.3	158.9
BV per share	750.1	809.6	900.2	988.5	1,147.5
Cash per Share	61.8	157.6	61.5	92.5	114.7
Dividend per share	13.2	13.2	13.2	13.2	13.2
Operating Ratios (%)					
Gross Profit Margins	41.4	41.3	40.5	40.5	40.5
EBITDA margins	22.5	22.1	19.0	19.3	19.8
PAT Margins	18.1	18.0	13.0	12.3	14.3
Cash Conversion Cycle	78	60	65	62	60
Asset Turnover	3.5	2.4	1.4	1.2	1.7
EBITDA conversion Rate	40.1	84.3	122.4	108.1	67.2
Return Ratios (%)					
RoE	17.9	16.8	11.1	10.3	15.0
RoCE	24.3	20.7	13.8	12.5	18.0
RoIC	22.3	22.3	13.3	12.2	20.1
Valuation Ratios (x)					
P/E (Adjusted)	10.7	10.5	14.3	14.1	8.3
EV / EBITDA	26.3	25.9	30.3	28.0	18.2
EV / Net Sales	5.9	5.7	5.8	5.4	3.6
Market Cap / Sales	6.0	5.9	5.8	5.4	3.7
Price to Book Value	1.9	1.8	1.6	1.4	1.2
Solvency Ratios					
Debt / EBITDA	0.0	0.2	0.7	1.1	0.7
Current Ratio	4.1	5.1	4.1	3.5	3.8
Quick Ratio	2.4	2.7	2.5	2.2	2.2
Inventory days	58.5	62.9	45.0	40.0	40.0
Debtor days	53	43	45	40	40
Creditor days	25	17	20	22	20
Debt / Equity	0.0	0.0	0.1	0.2	0.1

Source: Company, ICICI Direct Research

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