February 3, 2026

## Weaving trust through diversification...

**About the stock:** Pearl Global Industries Ltd. (PGIL) is a multi-national apparel manufacturer offering end-to end sustainable solutions across the fashion value chain. It has 25 manufacturing facilities with capacity of 93.2mn pieces across multiple locations such as India, Bangladesh, Vietnam and Indonesia, etc. PGIL has a robust customer profile with top brands such as Zara, Tommy Hilfiger and GAP.

## Investment Rationale

**Diversified business model; helps de-risking global uncertainties:** PGIL's diversified production base, customer and product profile positions it strongly amid ongoing trade wars and geopolitical uncertainties. US government recent stance of reducing the tariff rate to 18% vs earlier rate of 50% (including 25% penal tariff) provides edge to India textile companies over developing Asian countries. Further, India-EU and India-Uk trade deal provides an opportunity to explore more export opportunities across geographies. With expanding customer base across global locations, PGIL has reduced US revenue dependence to ~50% from ~86% in FY21. It has India: Non-India production mix of 26:74 by expanding capacities in countries such as Bangladesh, Vietnam and Indonesia. This diversified structure enhances agility, strengthens its relation with global customers resulting in consistent revenue inflows and consistent improvement in the profitability. Profitability gains are visible, with Bangladesh and Vietnam delivering double-digit EBITDA margins, India margins are expected to improve as new facilities mature, resulting in 100–120bps annual expansion in EBITDA margins in the coming years.

**Transformed into professionally managed entity:** PGIL transformed itself into a professionally managed company following promoter handing over day to day operations in the hands of experience leadership to bring in more professionalism and efficiency in the operations. In this transformation journey several steps were undertaken including 1) hiring of global talent, 2) improved corporate governance practices and brought in more transparency in the operations 3) Change in the auditors 4) entering into asset-light partnership model and 5) introduction of consistent dividend policy (with dividend payout of 20%+). This led to strong improvement in the operating performance with revenues, operating profit and PAT growing at CAGR of 22%, 43% and 58% over FY20-25.

**Scaling up capacities through capital investment and asset light partnership model:** PGIL aims to double its capacity to 130mn pieces by FY28E from 66mn pieces in FY17 (12% CAGR) through sustained investment in greenfield facilities along with expansion of capacities through asset-light partnership model. It is plans to do capex of ~Rs.700crore over the next three years (including Rs250cr in FY26) to expand capacities across various location to cater to the growing clientele. Alongside this, the company is accelerating its asset-light partnership model which comprises of 9 units accounting for 26% of production to drive capital efficiency, faster capacity ramp-up, and flexibility across key global markets. This integrated approach supports sustained volume growth, improved profitability, strengthened balance sheet and improved return profile in the medium to long run.

### Rating and Target Price

PGIL's diversified business model brings in more resilience in the performance with revenues and PAT expected to grow at CAGR of 12% and 23% respectively over FY25-28E. It is trading at a valuation of 21x and 17x its FY27E and FY28E EPS. **We recommend BUY on the stock with a price target of Rs2,255 (valuing at 23x FY28E EPS of Rs.94)**

### Key Financial Summary

| Key Financials (Rs Crore) | FY23 | FY24 | FY25 | 2 year CAGR (FY23-25) | FY26E | FY27E | FY28E | 3 year CAGR (FY25-28E) |
|---|---|---|---|---|---|---|---|---|
| Revenues | 3158.4 | 3436.2 | 4506.3 | 19.4 | 4984.3 | 5642.3 | 6299.1 | 12% |
| EBIDTA | 255.5 | 307.8 | 403.6 | 25.7 | 454.3 | 581.2 | 704.3 | 20% |
| EBIDTA Margins(%) | 8.1 | 9.0 | 9.0 | | 9.1 | 10.3 | 11.2 | |
| Adjusted PAT | 144.4 | 175.4 | 244.6 | 30.2 | 258.4 | 349.8 | 431.6 | 21% |
| EPS (Rs.) | 31.4 | 38.2 | 53.3 | | 56.2 | 76.1 | 94.0 | |
| PE (x) | 50.8 | 41.8 | 30.0 | | 28.4 | 21.0 | 17.0 | |
| EV to EBIDTA (x) | 29.4 | 24.2 | 18.2 | | 16.1 | 12.7 | 10.3 | |
| RoE (%) | 22.4 | 22.3 | 23.2 | | 19.9 | 23.0 | 24.1 | |
| RoCE (%) | 17.0 | 19.6 | 21.0 | | 19.1 | 21.6 | 22.6 | |

Source: Company, ICICI Direct Research

PEARL GLOBAL
Exceeding Expectations...Always

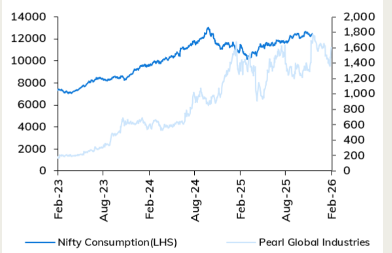
### Particulars

| Particular | Amount |
|---|---|
| Market Capitalisation (Rs crore) | 7336 |
| Debt (FY25) - Rs crore | 564 |
| Cash (FY25) - Rs crore | 566 |
| EV (Rs crore) | 7333 |
| 52 week H/L (Rs) | 1993 / 884 |
| Equity capital (Rs crore) | 23.0 |
| Face value (Rs) | 5 |

### Shareholding pattern

| | Dec-24 | Mar-25 | Jun-25 | Sep-25 |
|---|---|---|---|---|
| Promoters | 62.8 | 62.8 | 62.8 | 62.8 |
| FII | 5.2 | 7.4 | 6.8 | 6.5 |
| DII | 11.2 | 11.6 | 12.8 | 14.0 |
| Others | 20.7 | 18.2 | 17.7 | 16.7 |

### Price Chart




### Key risks

- High concentration of revenues from top 5 customers
- Demand slowdown and uncertainty in key operating countries.

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## Company Background

Pearl Global Industries Ltd. (PGIL), established in 1987, is a leading multi-national apparel manufacturer offering end-to end sustainable solutions across the fashion value chain. The company has leveraged upon its multi-geographical presence both from customers and manufacturing points to become a sustainable and efficient business model. It has presence in 10 countries and operates 25 manufacturing facilities with a combined annual manufacturing capacity of 93.2mn pieces across India, Bangladesh, Vietnam, Indonesia and Guatemala supported by design studios across Spain, US, UK, Hong Kong and UAE. Further the company is focusing on asset light model through partnerships for scaling up capacities and production in various countries. Resilience of the business model has aided in fortifying the balance sheet, improve operating efficiencies and create more growth opportunities in the domestic and international markets.

Exhibit 1: PGIL's international presence.


Source: Company, ICICI Direct Research

PGIL leverage on its strengths of 75 designers worldwide offering customised design solutions across diverse segments by blending local insights with global trends to create innovation fashions. It helps in quickly adapting to marketing needs across various regions and latest fashion trends. The company's product portfolio spans across woven, knit denims, athleisure, sleepwear, loungewear catering to men, women and kids wear.

Exhibit 2: PGIL's diverse product portfolio

| Gender wise Split | Wovens | Knits |
|---|---|---|
| Women | Tops, Shirts, Long Shirts, Dresses, Sleepwear, Hoodies, Leggings | Dresses, Tops, Skirts, Sweaters, T-Shirts, Joggers |
| Men | Shirts, Polo T-shirts, Sleepwear, Pyjamas | T-Shirts, Hoodies |
| Boys | Shirts | T-shirts, Two-Piece Sets |
| Girls | Tops, Skirts, Dresses | T-Shirts, Skirts, Dresses, Rompers, Tank Tops |
| Toddlers | - | Rompers |

Adaptation to global trends through design studios


Source: Company, ICICI Direct Research

PGIL has a diverse and well-established client base across geographies. It has marquee clients such as Zara, Big W, Tommy Hilfiger, Calvin Klien, Ralph Lauren and various other global fashion brands in its portfolio. Apart from these, the company also has long term relationships with large retail format stores such as

Macy's, Target Australia, JC Penny etc. Specialised retail format stores such as Bershka, Gap, Old Navy and various others also form part of its client base.

PGIL became a professionally managed multinational company following a strategic shift in its top management with promoter handing day to day operations in the hands of experience leadership to bring in more professionalism and efficiency in the operations. In this transformation journey several steps were taken including 1) hiring of global talent, 2) improved cooperate governance practices and brought in more transparency in the operations 3) Change in the auditors and 4) introduction of consistent dividend policy. This led to strong improvement in the operating performance of the company with revenues, operating profit and PAT growing at CAGR of 22%, 43% and 58% over FY20-25.

## Brief profile of promoter and top management

- **Dr. Deepak Kumar Seth (Chairman & Non-Executive Director):** He is an Economics graduate from St. Stephens College, Delhi University and MBA from Jamnalal Bajaj Institute of Management Studies, Mumbai. He is also an active member of the Apparel Export Promotion Council of India. He has also been awarded the "Udyog Ratna" Award by the Haryana government in 2006.

- **Mr. Pulkit Seth (Vice-Chairman & Non-Executive Director):** He has been associated with the apparel industry for the last 25 years and is in charge of the domestic and overseas operations of the company and has been instrumental in streamlining business processes and enhancing relationship with leading retailers in US. He has Bachelor's degree in Business Management from Leonard. N. Stern School of Business, New York, USA.

- **Mrs. Shifalli Seth (Non-Executive Director):** She has varied experience in Garments and Textile industry including design and product development. She also has international experience in trading, marketing of readymade garments and knowledge of the Southeast Asia region. She has a Bachelor's degree in Business Administration from University of Bradford, UK.

- **Mr. Pallab Banerjee (Managing Director):** He has been in the apparel industry for 30 years with his experience spanning across supply chain strategic solutions. He is a diploma holder in Apparel marketing & merchandising from NIFT and Financial Management from ECornell. He has a Bachelor's degree from Delhi University.

- **Mr. Sanjay Gandhi (Group CFO):** He joined PGIL as Group CFO in 2019. Prior to joining PGIL, he has industry experience of 19 years. He was associated as CFO with companies such as Sterlite Power and Toshiba water solutions and was CFO and executive director at Kalyani group of companies. He is a qualified Chartered Accountant and holds a bachelor's degree from Shri Ram College of Commerce, New Delhi.

## Industry overview

**India to witness transformation with trade agreements and supportive measures from government.**

India's textile and apparel sector is expected to witness further transformation led by recent trade deals with US, EU and UK. The textile industry is valued at US $134bn as of early 2025 and is expected to scale to US $350bn in 2030. India's RMG exports across the globe stood at ~US $16bn as of FY25 which is expected to reach ~US $ 40bn in 2030.

On the policy front, the recently concluded India-UK FTA is expected to significantly boost trade between these countries. India's textile exports to the UK stood at US ~$2bn (6% share in UK's textile exports). The incremental opportunity from the FTA is expected at ~US $1bn which is set to take India's textile exports to UK to ~US $3bn in the medium to long term.

Further, India has signed FTA with EU which placed India alongside its peers such as Bangladesh, China and Vietnam who have free access to EU markets. The EU-27 currently imports ~USD 218bn (CY2024) of textiles across the globe. India's exports to EU stood at ~USD 5.6bn (CY2024) implying share of 2.5% in the EU market and further indication of high headroom for growth in the market,

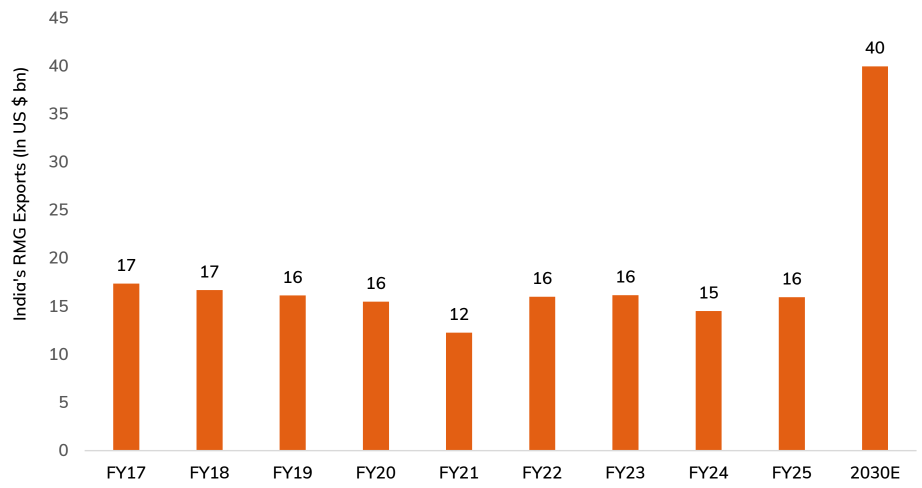
US government reduces Tariff rate to 18% from 50% earlier with India and US government agreeing to enter into trade deal. US imports of textiles from across the globe stood at ~US $102.7bn as of CY2024. India's textile exports to the US stood at ~US $8.2bn in CY 2024 implying share of ~8% in the US textile imports. The trade deal puts India ahead of its counterparts such as China, Bangladesh and Vietnam in terms of tariffs which will further enhance India's share in the US textile imports.

India also exploring FTAs with Canada and Gulf Cooperation Council (GCC) which is set to provide the country with access to high-value markets with strong demand for high-quality textiles. As of May 2025, India has signed 14 Free trade agreements (FTA) and 6 Preferential trade agreements (PTA) enhancing the market access to over 50 countries.

On the domestic front, the government has introduced schemes such as PM Mitra parks and PLI schemes to bolster exports. The government has allocated Rs.4,445cr for seven mega textile parks which aims to boost manufacturing capacity, reduce logistics cost.

These initiatives position India to strengthen its global presence and emerge as key sourcing hub for apparel retailers across the globe.

Exhibit 3: India's RMG Exports to reach US $40bn in 2030



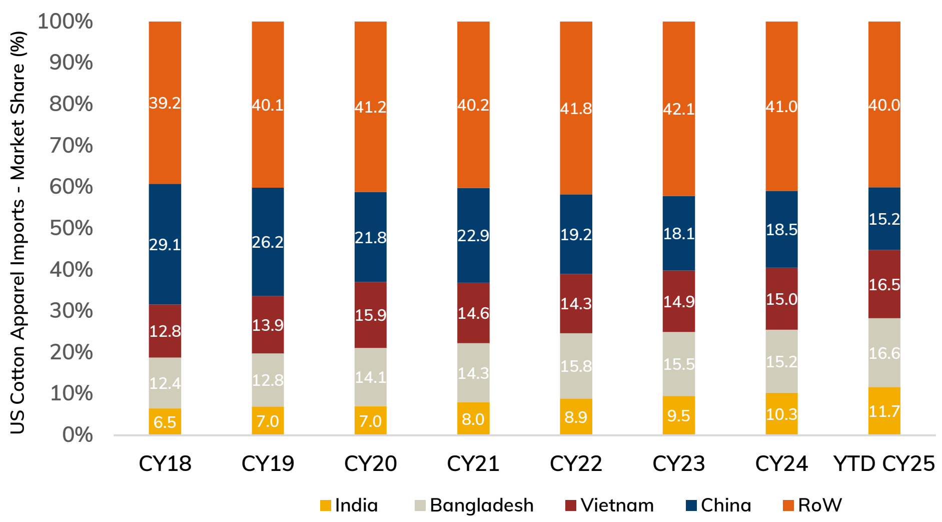

Source: Company, ICICI Direct Research

**China's share in US Apparel imports continues to decline post Covid-19; India, Bangladesh and Vietnam gain**

China's share in the US market has witnessed decline over the years driven majorly by rising political instability and higher cost of production. This led to the generation of "China +1" strategy which opened up opportunities for India, Bangladesh and Vietnam. Post Covid-19, the shift of sourcing from China to other hubs intensified due to a reliable and consistent sourcing base.

China's share in US imports has declined over the last 7 years declining from ~29% in FY18 to just 19% in CY24. The decline has been beneficial for key textile manufacturing hubs such as India, Bangladesh and Vietnam. During the same period, India's share in US apparel imports improved from 6.5% in CY18 to 9.5% in CY24. Bangladesh also has witnessed improvement in market share from ~12% in CY18 to ~15% in CY24 while Vietnam's share improved from ~13% in CY18 to ~15% in CY24.

Exhibit 4: China's share declines; India, Bangladesh and Vietnam gain




Source: Company, ICICI Direct Research

Bangladesh and Vietnam continue to be key textile sourcing hub

Bangladesh continues to witness steady demand from retailers as they shift their base from China. The country offers one of the lowest labour costs among the key textile manufacturing countries. Along with, low labour costs the country also offers high operational efficiency. The country has a well-established textile infrastructure attracts interests from textile manufacturers to either setup facilities in the country or work in partnership with already established manufacturers. Further, on the policy front, the country continues to derive advantage out of its Least Development Country (LDC) status with duty free access to EU and UK markets which extends up to 2029 providing competitive edge. Category wise, the country poses strength in woven and knitted tops and bottoms across genders and age groups including denim products thereby commanding better margins compared to peer countries. Despite political unrest in 2024, the country was able to maintain steady production and timely shipment of textile products to key markets as ~80% of countries economy depends on textile industry. Under the new leadership, Bangladesh is working towards improving supply chain infrastructure and introducing favourable policies to further improve the growth prospects of textile sector in the country.

Vietnam continues to be key sourcing hub for high-end fashion retailers. The country specialises in premium outerwear down jackets, wool coats, puffers etc. Vietnam also differentiates itself from its peers through competitive advantage from trade agreements such as Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) which provide duty free access to select global markets. Further, the country is also well positioned for textile manufacturers to set up facilities as lending rates in the country is lower thereby aiding Vietnam to be one of the key global sourcing hubs.

## Investment rationale

### Transformed into a diversified business model to mitigate global uncertainties related to trade wars

In the backdrop of ongoing trade wars and geopolitical unrest, diversification acts as key risk-mitigating strategy, making your business more resilient against global uncertainties. Post covid-19, India was considered as consistent supply base by global retailers/brands under the China + 1 strategy. India's share in the US apparel and home textile market witnessed an uptick in last five years. However, the recent imposition of reciprocal + penal tariff of 50% by US government on India's export vis-à-vis 20% tariff on other major textile exporting countries such as Vietnam, Bangladesh and Indonesia has put stress on textile companies' profitability. Higher US tariffs have made Indian exports less competitive compared to other key textile exporting countries. To retain its existing client Indian textile companies has to take the partial burden of tariff hike and take hit on profitability. However, US and Indian government decided to enter into trade deal and reduce the tariff rate to 18% from 50% earlier. This will provide further scope to increase exports to US and gain share in US textile imports in the coming years. As a long-term measure, to mitigate the risk of trade tariffs and geopolitical uncertainties the textile companies are opting for multi-location production base and diversified customer profile.

Exhibit 5: Diversified production base

| Particulars | Capacity | FY25 Utilisation | Production Contribution (%) | Advantage | Current US Tariff Rate |
|---|---|---|---|---|---|
| India | 24.5 | 78% | 26% | i. The US-India trade deal will benefit India as reduction of tariffs to 18% from 50% puts India ahead of key competitors such as Bangladesh and Vietnam which are levied 20% tariffs by US.<br>ii. Recently signed UK FTA to benefit India as the country will be now in level playing field compared to Bangladesh, Cambodia and Vietnam<br>iii. Cost-efficient production model in Tier 2 & 3 supported by skilled workforce.<br>iv. Broader product manufacturing capabilities makes India an attractive sourcing destinations.<br>iv. Robust infrastructure to meet global standards attracts leading fashion brands. | 18% |
| Bangladesh | 54.8 | 88% | 59% | i. Offers lowest manufacturing cost bases globally with high operating efficiency.<br>ii. Well established textile ecosystem enabling rapid scalability.<br>iii. Duty free access to EU and UK markets until 2029 under Least Developed Country status.<br>iv. Demonstrates strength in woven and knitted tops and bottoms across age groups including specialised denim products. | 20% |
| Vietnam | 6.5 | 63% | 7% | i. Focus on premium outerwear downjackets, wool coats, puffers, parkas, blazers and swim trunks<br>ii. Competitive advantage from trade agreements such as CPTPP offering duty free access to key global markets.<br>iii. Manufacturing for well established global fashion players such as Tommy Hilfiger, Calvin Klien and Polo Ralph Lauren. | 20% |
| Indonesia | 4.1 | 39% | 4% | i. Efficient workforce with high operational stability, low absenteeism and low attrition<br>ii. Specialising in premium segments: Women workwear, performance wear, active wear, woven tops, sleepwear, dresses and lounge wear.<br>iii. Strong client base including leading global fashion brands. | 19% |
| Guatemala | 3.3 | 38% | 4% | i. Strategically located close to US. Logistical advantage compared to other countries as shipment lead times are just over a week which enables faster fullfillment.<br>ii. Cost effective sourcing destinations due to Zero WTO tariffs on exports to the US. | NIL |

Source: Company, ICICI Direct Research

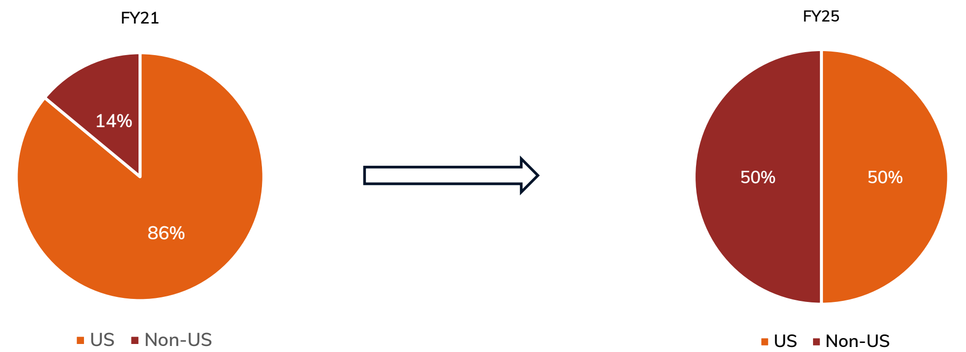
PGIL has diversified production, customer and product base which is a key differentiator compared with its close peers. In its transformation journey under the leadership of Mr. Pallab Banerjee, the company has undertaken bold steps of expanding its production base beyond India to other countries such as Bangladesh, Vietnam, Indonesia and Guatemala. Backed by a global network of skilled apparel designers, PGIL operates seamlessly across multiple countries to tap into local cultural insights and global fashion trends, delivering apparel collections that are market-relevant. Its India: Non-India production mix stands at 26:74 after expanding capacities in countries such as Bangladesh, Vietnam and Indonesia. Further, the company expanded its customer base across the United States, Europe, Japan, Australia, and Canada, ensuring a more evenly distributed geographical revenue mix. PGIL revenue contribution from US has reduced to ~50% from ~86% in FY21.

Exhibit 6: Better diversified compared with close peers

| Particulars | Capacity (mn pieces) | Utilisation (%) | Manufacturing Locations | US Contribution | Other contributing countries |
|---|---|---|---|---|---|
| Pearl Global Industries Ltd. | 93.2 | 80% | India, Bangladesh, Vietnam, Indonesia and Guatemala | US - 50% | UK - 4-5%<br>EU - 15-16%<br>Japan - 6-7%<br>Canada - 3-4%<br>Australia - 3-4% |
| Gokaldas Exports Ltd. | 90 | 75% | India and Africa | US - 81% | Europe - 6%<br>Others - 13% |
| KPR Mills | 187 | 93% | India | Europe - 58% | US - 21%<br>Australia - 15%<br>Asia - 4%<br>Others - 1% |

Source: Company, ICICI Direct Research

Exhibit 7: Contribution from US has consistently reduced in the last 4 years




Source: Company, ICICI Direct Research

With a diversified, multi-country manufacturing base, a broad portfolio of product categories, and a sharp focus on design agility at the ground level, the company has created a flexible and responsive framework that enables to adapt swiftly to changing market demands. This diversified presence across multiple countries has also strengthened PGIL's client value proposition, as large global retailers increasingly prefer suppliers who can offer multi-geography manufacturing to mitigate any supply risk. Hence, PGIL has been able to retain customers and also attract new partnerships, leveraging on its flexibility and geographic spread.

PGIL's profitability further benefited from this diversification strategy. Bangladesh and Vietnam consistently deliver double-digit EBIDTA margins, supported by scale, lower labour costs, and higher operating efficiencies. India, which currently operates at mid-single-digit EBIDTA margins, is expected to see gradual improvement in profitability by attaining maturity in the operations of its new brownfield/greenfield facilities. Guatemala is now on a recovery path with operational losses narrowing as utilisation levels are consistently improving. Thus, at Consolidated level, PGIL's EBIDTA margins expected to consistently improve by 100-120bps p.a. in the coming years.

## Manufacturing with precision; backed by diversified design footprints

PGIL is end to end supply chain solution provider to the leading global brands (from product inception to on-time deliveries at stores). It combines the scalability of technology and skills of people to bring in more efficiency in the manufacturing across key regions. Its manufacturing processes and operational excellence helped it to deliver bulk production to the biggest clients in the fashion industry.

Exhibit 8: PGIL's manufacturing strength

| | |
|---|---|
| **Purpose-Built Units** | Scalable production with uncompromised quality. |
| **Agile Operations** | Quick response to global brands and market demands. |
| **Value Chain Control** | Faster time-to-market and optimised efficiency. |

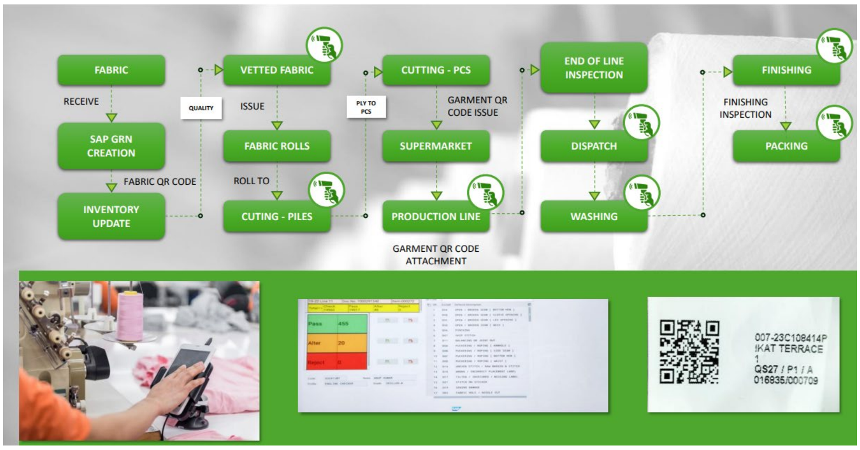
**TECHNOLOGICAL ADVANCEMENTS**

| | |
|---|---|
| **Sustainable Tech Adoption** | Eco-conscious processes driving textile innovation. |
| **Advanced Machinery** | Ozone wash, laser finishing, dip dyeing, and auto drying minimise environmental impact. |
| **Smart Software Integration** | Tools like Magic Box and E-software streamline design to production workflows. |
| **Operational Efficiency** | Faster turnaround with assured quality and customisation. |
| **Digital Design Tools** | Use of 3D CAD, Optitex, CLO, and Browzwear for creative, real-time design execution. |

Source: Company, ICICI Direct Research

By harnessing the power of digital transformation, PGIL has successfully adapted to the evolving market landscape while elevating industry standards. It enhances agility, responsiveness, and competitiveness in today's fast paced fashion ecosystem.

Exhibit 9: Transforming through digitization




Source: Company, ICICI Direct Research

Innovation remains central of PGIL's product philosophy, as the company design trend-driven apparel that caters to the evolving preferences of the consumers across globe. This also helps in premiumising the customer base with higher value products. With a network of over 75 designers across 8 design units worldwide, the company operate seamlessly across multiple countries to tap into local cultural insights and global fashion trends, delivering collections that are market-relevant.

Exhibit 10: PGIL's design strengths

| | |
|---|---|
| **Multi-Gender, Category-Specific Design** | Customised design solutions across diverse product segments. |
| **Graphic Artwork Creation** | Trend-forward, market-specific visuals for global brand appeal. |
| **Digital Fitting Rooms** | Lower sample costs and faster development cycles. |
| **Digital Fabric Library** | Efficient material selection and collaborative product development. |
| **Advanced Digital Studio** | Realistic simulations and virtual denim wash tools reduce environmental footprint. |
| **Global + In-House Design Libraries** | Smooth regional integration and faster go-to-market alignment. |

**Denim Co-Creation: From Vision to Reality**

Pearl Global has established a distinct edge in denim co-creation, offering an end-to-end design ecosystem that spans fabric selection, wash innovation, fit development, and advanced techniques. Our proven capabilities in seasonal wash solutions, laser design, and CAD-based options have enabled us to consistently deliver high-performance, market-ready denim garments. This integrated approach has positioned us as a trusted partner for brands seeking creativity, consistency, and speed-to-market in the denim segment.

**'Threads of the World'**

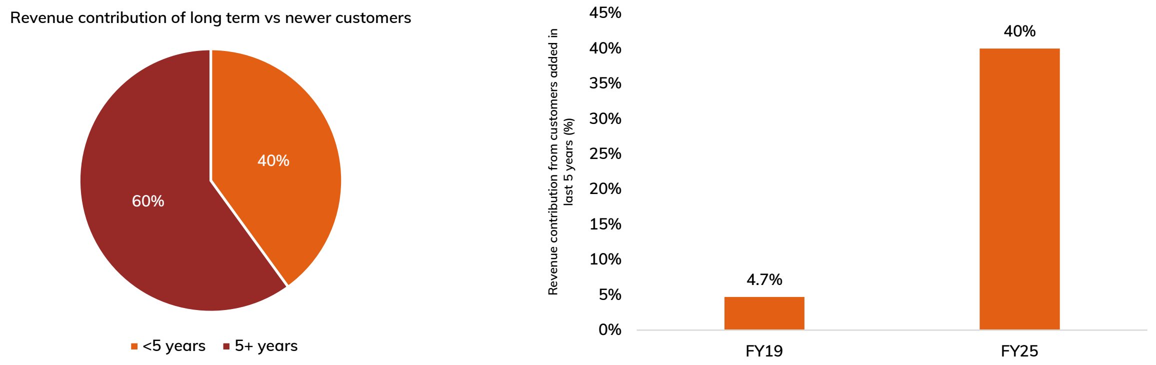
During the year, we proudly unveiled a unique showcase of our design excellence for the first time in a consolidated format at our new flagship New York office. Created by a dedicated core design team, this exclusive collection showcased our creative expertise with sustainability at its core. This milestone event marked a significant step in bringing our innovative and responsible design philosophy closer to our valued global clientele.

Source: Company, ICICI Direct Research

### Well-balanced customer portfolio; getting bigger with new partnerships

PGIL focuses on consistent performance from existing customers and aims at increasing the share of their business by offering enhanced value, speed, and innovation. Further the company is actively cultivating relationships with emerging brands and future-focussed retailers; those who demonstrate financial stability, strong market traction, and long-term growth potential. This dual strategy creates a well-balanced, future-ready customer portfolio. It has strong customer portfolio of 31 brands (including top player such as Walmart, Target, GAP, Tommy Hilfiger and Calvin Klein) out of which 60% of the customers are more than 5 years while remaining 40% are maturing customers having partnership with PGIL for last 0-5 years. Having said that, the company witnessed strong addition in new customers in the last 5-6 years and hence the contribution of customers onboarded for less than 5 years have gone up to 40% in FY25 from just ~5% in FY19.

## Exhibit 11: Growing Customer Partnerships




Source: Company, ICICI Direct Research

The company has segmented clients into three tiers based on long-term revenue potential. The “top-tier” segment comprises the top 3–4 customers, each offering revenue potential of USD 100mn having a strong partnership of more than 5 years with the company. In the top-tier segment large global retailers such as Walmart and Target provide a higher revenue opportunity of USD 200–300mn. The “second tier” includes customers with USD 40–60mn revenue potential, while the third consists of “tactical” customers with about USD 20mn revenue potential each. The strategy introduced in FY19 has already yielded significant results with several customers added 5 years ago have scaled meaningfully. In the recent times, one of the existing customers have surpassed USD 100mn revenues getting into top-tier segment, while another has reached USD 55–60mn and growing rapidly toward its to reach the top basket. The second-tier customers are also maturing, with one crossing USD 40mn and others are in the revenue trajectory of USD 35–40mn. As older customers matures, the company continues to scout for more clients based on this tiered approach, ensuring that mature customers keep adding to revenues while newer ones offer an additional lever for consistent growth.

## Exhibit 12: Customer Onboarded

| | | | | |
|---|---|---|---|---|
| Tommy Hilfiger | Calvin Klein | Bershka | Ann Taylor | GAP |
| Old Navy | American Eagle Outfitters | Ralph Lauren | Chico’s | Next |
| Loft | Zara | Muji | Mango | Kohl’s |
| Macy’s | Ross | Aerie | Walmart | Nordstorm |
| Belk | JC Penny | Bass pro Shops | Talbots | Target Australia |
| Kmart Australia | Aritzia | Primark | T J Maxx | Big W |
| | WHBM | Levis | | |

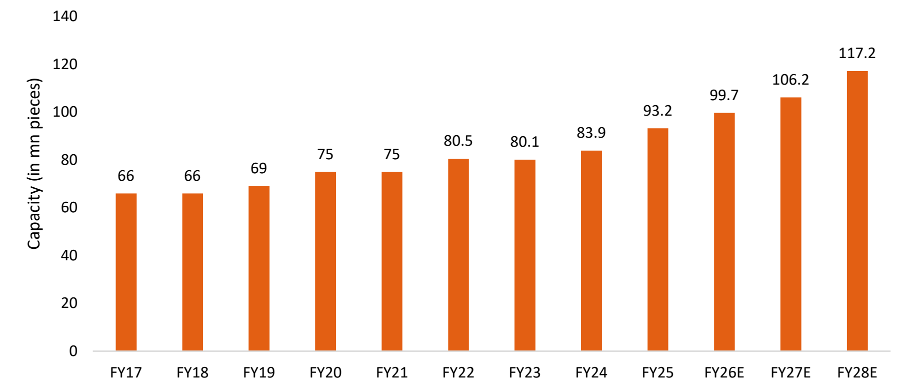
Source: Company, ICICI Direct Research

Further, the company is also consciously diversifying its customer base to mitigate the risk of revenue dependence on a select few customers. The top five customers earlier contributed 80% to revenues, which has now declined to 55–60%, reflecting a more balanced portfolio. With an expanded manufacturing footprint, a diversified customer mix, and a strengthening customer segmentation strategy, PGIL is well-positioned to scale its revenues in the coming years. Additionally, the continued improvement in realisation driven by the addition of high-value customers is expected to provide good support to the margins going forward. India-UK FTA deal and trade agreements with other countries will help PGIL to add more clients in the coming years.

### Capacity expansion to drive next leg of growth

PGIL is enhancing its capacities, strengthening its manufacturing footprint, and building an efficient operating system. The company has steadily scaled production capacity from 66mn pieces in FY17 to 93.2mn pieces in FY25, supported by both in-house expansion and partner facilities. PGIL has announced a multi-year capex program aimed at unlocking higher volumes, lowering costs, and improving profitability. It aims to increase its capacity to 130mn pieces by FY28 (growing at CAGR of ~12%).

Exhibit 13: Expanding capacities to cater to growing demand




Source: Company, ICICI Direct Research

For FY26, PGIL has planned a capex of ~Rs. 250cr as part of its broader 3-year capex plan of ~Rs700cr. Out of FY26 capex plan of Rs250cr, Rs.110cr is for capacity expansion in Bangladesh, where construction of a new apparel manufacturing unit is in full swing and completion is targeted by Q2FY27. In India, the company has earmarked Rs.20cr, largely directed toward the Bihar expansion, which has already been completed and commercialisation is in progress. The capacity expansion investment will lead to capacity expanding by 8mn pieces by H1FY27. Further it will be investing Rs.90cr in-house laundry facility as part of its cost efficiency measures. It has installed solar power across its facilities with an investment of Rs5cr and power generation has started in 3 out of 5 plants. Another Rs.25cr will be utilised for capex related maintenance and enhancing efficiencies at plant level.

Exhibit 14: Capex plan for FY26

Total Planned Capex of **~Rs. 250 crore** for FY26

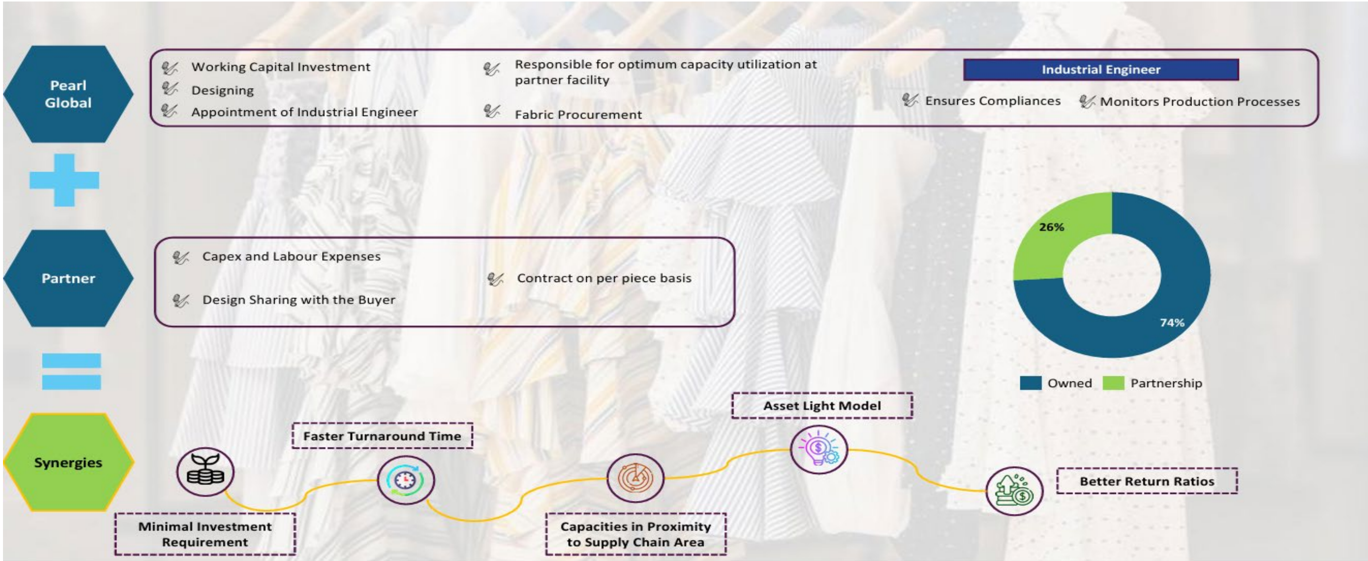
| Planned Capex for FY26 | | Current Update |
|---|---|---|
| Capacity Expansion in Bangladesh | Rs. 110 crore | Construction of the apparel manufacturing unit is in full swing and is targeted for completion by Q2FY27. Out of Rs. 110 crore allocated, Rs. 65 crore has been committed. |
| Capacity Expansion in India | Rs. 20 crore | Capacity Expansion in Bihar completed and commercialisation is in progress. |
| Sustainable laundry capacity expansion | Rs. 90 crore | Construction of the laundry facility is in full swing and is targeted for completion by Q2FY27. Out of Rs. 90 crore allocated, Rs. 33 crore has been committed. |
| Solar Power Installation | Rs. 5 crore | Solar Power Installation is completed for all plants and power generation has started in 3 out of 5 plants. |
| Other Capex for Replacement / Efficiency Improvement | Rs. 25 crore | Ongoing capex. Of the total Rs. 25 crore planned, Rs. 11 crore has already been committed. |

Source: Company, ICICI Direct Research

### Driving growth through capital efficient partnership model

PGIL focused on gradual transformation of its business model from sole garment manufacturer to asset-light partnership model to enhance its operational performance, improve capital efficiency and become a sustainable business model in the long run. The partnership model provides synergies in the form of reduces capex requirement, helps in faster ramping of the capacity (as per requirement), capacity in close proximity the supply chain areas and continues to offer scalability and flexibility, helping serve key markets including the EU, the UK, the US, Japan, and Australia. It drives growth without putting stress on the balance sheet, while maintaining high returns on capital and financial flexibility. These improvements have enabled reduced borrowing costs and easier access to new lines of credit, enabling the company to reinvest cash generated in capacity, innovation, sustainable practices and steady dividend payout.

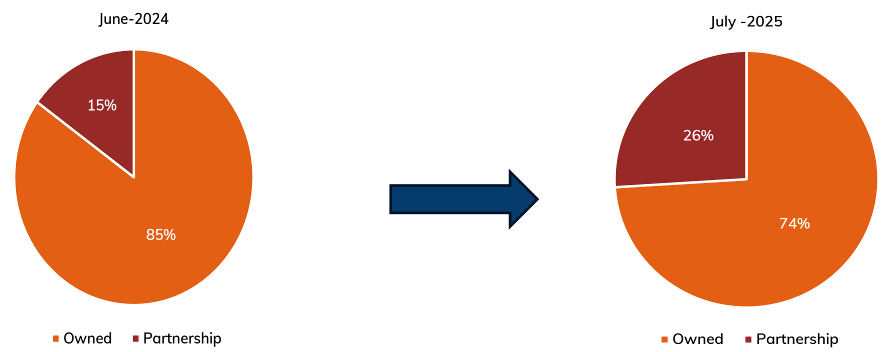
Exhibit 15: Asset-light partnership model




Source: Company, ICICI Direct Research

In the partnership model, role of PGIL and the partner are clearly defined where PGIL provides the working capital investment, the designing and product development, fabric procurement and focuses on execution and optimum capacity utilization of these partner facilities. Whereas the partner undertakes the capex to build the facility, workforce dynamics, and regulatory landscapes. Additionally, with the partnership facilities, PGIL also ensures customer retention. With growing clientele base, PGIL has been able to manage the order flow efficiently by servicing certain set of clients through partnership facilities. It currently has 9 partnership units, which currently accounts of 26% of the company's consolidated production. PGIL is opting for more partnership options in international markets, which is leads to capital efficiency and de-risk the business from any geo-political uncertainties aiding consistent earnings growth.

Exhibit 16: Production from partnership firms is gradually increasing




Source: Company, ICICI Direct Research

## PGIL to leverage UK FTA to fuel further growth

The India–UK FTA, which is set to take effect from 2026, will reduce the current 12% tariff on Indian apparel exports to Nil, placing India on par with Bangladesh, Cambodia, and Vietnam in terms of competitiveness. This tariff parity meaningfully enhances PGIL's competitiveness in the UK's USD 18.4bn apparel import market (as of FY24) and removes a structural cost disadvantage that previously limited India's share.

PGIL currently services most of its US clients through Bangladesh and Vietnam, while also consistently expanding its Indian manufacturing base over the past 2 years. These incremental capacities in India are now well placed to cater to UK clients once the FTA becomes operational. With only ~5% current exposure to the UK, PGIL has significant headroom to scale with UK revenues are expected to increase by 2–3x over the next 1–2 years post-FTA.

The timing is further supported by a shift in UK sourcing trends. China's share of UK's textile imports has fallen from 35% in 2020 to 21% in early 2025, creating opportunities for alternative suppliers. PGIL's UK-based design and sales office, along with its production base in Bangladesh, positions it favourably to capture market share, with several clients already indicating a willingness to double business once duties are eliminated once UK-FTA gets effective from 2026. With enhanced competitiveness, rising capacities in India, and strengthening customer traction, PGIL is well placed to leverage the UK FTA for enhanced revenue growth and improved profitability over the medium term.

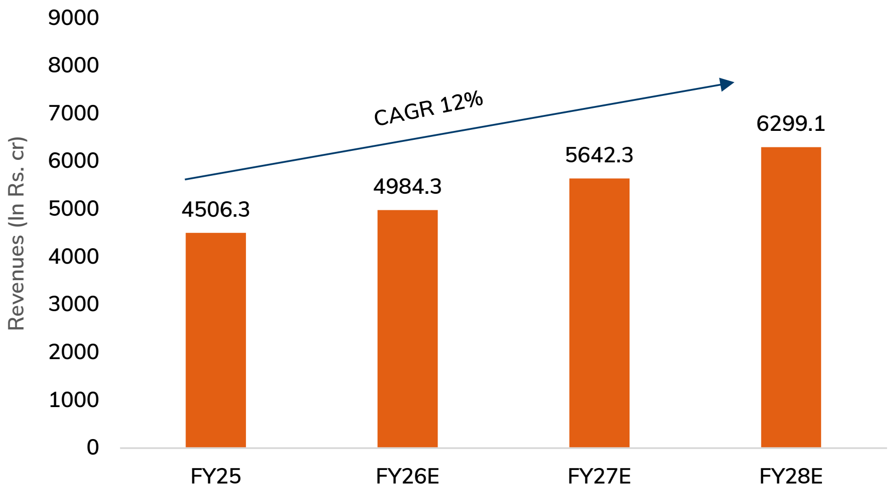
India and US have announced a trade deal through which US will reduce the tariff rate on imports from India from to 18% from 50%. This will significantly boost competitiveness for India compared to its peers in the US market. US imports of textiles from across the globe stood at ~US $102.7bn as of CY2024. India's textile exports to the US stood at ~US $8.2bn in CY 2024 implying share of ~8% in the US textile imports. Even though, PGIL reduced its exposure to US, the trade with US will incrementally add to the revenues in the near term. India has also signed a trade deal with EU which is expected to take effect from FY27 with benefits starting flow from FY28. The EU-27 currently imports ~US $218bn (CY2024) of textiles across the globe. India's exports to EU stood at ~US $5.6bn (CY2024) implying share of 2.5%. With 15-16% exposure to EU, PGIL is well positioned to capture the EU market which will provide additional lever for growth.

## Key Financial Summary

**Revenues to grow at CAGR of 12% between FY25-28E; aided by new customer additions, capacity expansions and UK FTA**

PGIL has reported strong revenue CAGR of 22% over FY20-25 driven by focus on adding higher value customers, capacity expansions and diversification of the portfolio. In FY19-20, PGIL started to strategize its customer segmentation and started to onboard customers with targeted revenue potentials. The addition of higher value customers in the portfolio along with prudent expansion of the capacity helped the company scale its volumes and thereby leading to strong revenue growth. It expects the UK FTA to aid revenues generated from UK exports to scale by 2x-3x in the next 3 years while Bangladesh and Vietnam will continue to aid the growth through their servicing of existing and new customers. The company is also growing through asset light model of partnerships to further retain and grow its order book. We expect PGIL's revenues to grow at CAGR of ~12% over FY25-28E to reach Rs.6299cr in FY28E from Rs.4506cr in FY25.

Exhibit 17: Revenues to grow at 12% CAGR over FY25-FY28E

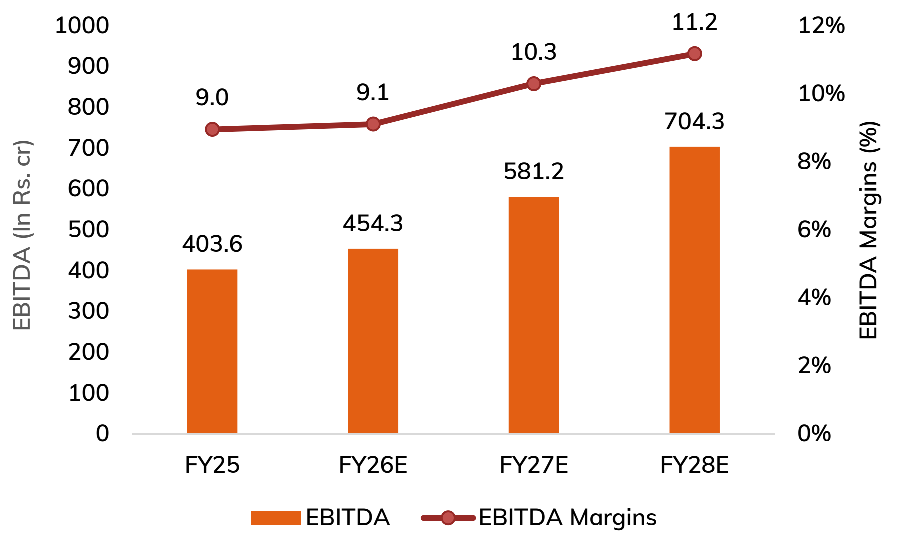



Source: Company, ICICI Direct Research

**EBIDTA margins to show consistent improvement from FY27**

PGIL's EBITDA margins has doubled from 4% in FY20 to 9% in FY25 due to improved operational efficiencies, improvement in product mix with increasing sales of high value products and strategy-based addition of new customers to the portfolio. We expect EBITDA margins to be flat at 9% in FY26 due addition of new capacities in Bangladesh and India and also due to higher flow through of US tariffs impact (largely in Q2FY26 and Q3FY26). Going ahead, the new domestic facilities in Bihar and partnership facility in Odisha are expected to enhance the revenue growth of India business in the coming years. These facilities operate on liner cost metrics and hence expected to deliver better profits in the coming years. Bangladesh capacity addition is likely to generate incremental opportunities as they continue to add customers through strategic tier-based method with strong revenue potential, which is expected to provide some cushioning to the existing double-digit EBITDA margins. Vietnam is expected to continue its double-digit EBITDA margins journey. Indonesia and Guatemala are expected to witness recovery and start contributing to the margins in the coming years. Further, measures such as addition of laundry facility in Bangladesh will reduce the cost thereby enhancing the operating leverage and the margin profile over the medium to long term. We expect the EBITDA margins to witness ~220bps improvement in margins between FY25-28E to ~11.2%.

Exhibit 18: EBITDA margins to witness ~220bps expansion over FY25-28E

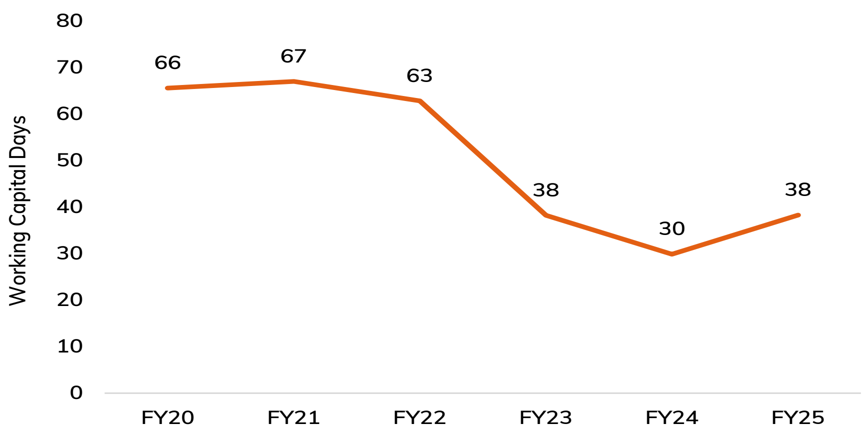



Source: Company, ICICI Direct Research

**Improvement in Working capital aided by partnership model, digitization and inventory control**

PGIL has been able to manage its working capital days efficiently primarily aided by investments in digitization, control over inventory levels and better credit terms. In FY22, the company started to scale up its production through partnership model, which requires limited capital investment and provides benefit of reduced lead time for servicing customers. Further, the company also focused on investments in digitization which effectively reduced the time between raw material procurement and to conversion into final product. These measures led to reduction in working capital days from 66 days in FY20 to just 38 days in FY25. Lower working capital resulted in significant improvement in the cash flows over the last 3-4 years.

Exhibit 19: Significant improvement in working capital days

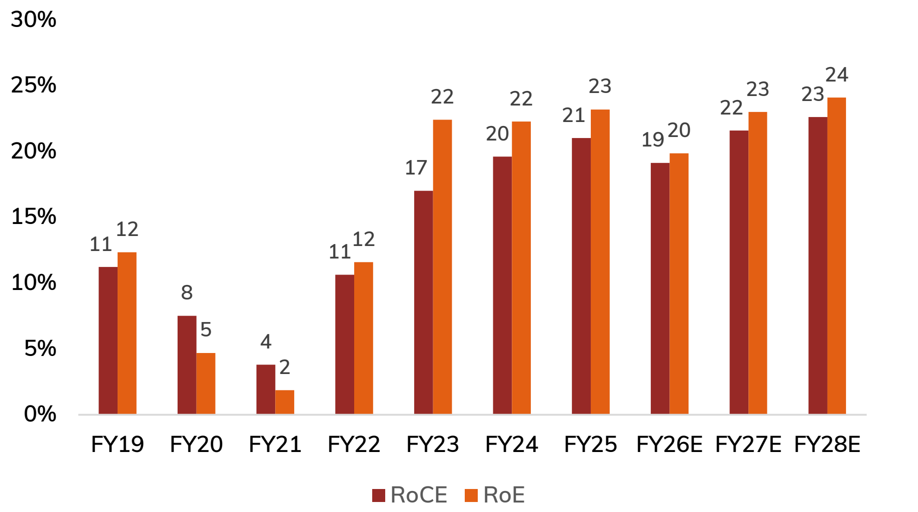



Source: Company, ICICI Direct Research

**PGIL's return profile witnessed consistent improvement in past few years**

Strong improvement in the profitability; reduction in the working capital and increasing production through asset light model aided the company's return profile to consistently improve with RoE and RoCE witnessing an uptick from its low of 10-12% to around 21-23% in FY25. The same is expected to further improve in the coming years.

Exhibit 20: Return ratios have consistently improved in the recent past

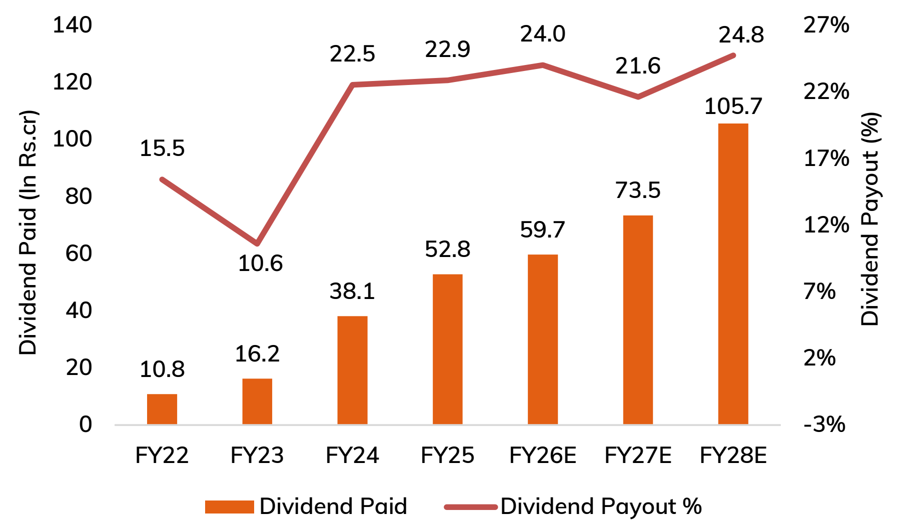



Source: Company, ICICI Direct Research

**Consistent dividend payout**

PGIL has finalised a dividend policy wherein the company will declare dividend of at least 20% of the consolidated PAT in a given year to the shareholders. The company has been consistently declaring dividend from its subsidiary companies in Bangladesh and Hong Kong since FY22. PGIL shares the dividend received from its international subsidiaries with its shareholders through consistent dividend payout. In FY24 and FY25, the dividend payout ratio stood at 22%+. Further it has declared interim dividend of Rs.6 per share in H1FY26, which indicates ~20% dividend payout.

Exhibit 21: Consistent dividend payment over the last three years




Source: Company, ICICI Direct Research

## Risk and Concerns

**Indian textile sector is prone to tariff risk**

Indian textile sector is highly prone to tariff risk due to recent imposition of reciprocal tariff by US government, which have made its exports expensive, causing delay in getting the order and large impact on profitability. US had imposed a tariff of 50% on Indian exports vs. 20% tariff on other textile exporting countries such as Bangladesh, Vietnam and Indonesia. This had significant impact on the profitability of textile companies in Q2FY26 and Q3FY26 having higher exports to US. Both India and US government has agreed on trade deal and tariff rate will reduce to 18% from 50% earlier which will reduce stress on the profitability of the textile companies having strong presence in the US market.

**Significant revenue contribution from Top 5 customers**

PGIL derives 55-60% of its revenues from its Top 5 customers exposing it to customer concentration risk. Any changes to procurement policies, financial condition of the customers will likely to lead to impact on the revenues and profitability of PGIL.

**Shift in consumer preference to higher quality and sustainable products**

Change in fashion and trends is very fast in the global apparels market, resulting change in the consumer preference to high quality and more trending products. These changes can lead to order cancellations, excess inventory, or brand/retailer shifting to other global manufacturers. To stay in-line with the changing consumer preference, the company is investing in R&D, keep design and production cycles agile, and use real-time market intelligence to anticipate trends and respond proactively in the market.

## Key assumptions & Peer Comparison

Exhibit 22: Assumptions (Utilisation rate, volumes & realisation etc.)

| Particulars | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Capacity (in mn pieces) | 84 | 93 | 100 | 106 | 117 |
| Utilisation (%) | 68.0 | 79.6 | 78.4 | 81.6 | 81.0 |
| | | | | | |
| Volumes (In mn pieces) | 57 | 74 | 78 | 87 | 95 |
| *Growth (%)* | *12.1%* | *29.9%* | *5.3%* | *11.0%* | *9.5%* |
| Realisation (Rs./piece) | 602 | 608 | 638 | 651 | 664 |
| *Growth (%)* | *-3.0%* | *0.9%* | *5.0%* | *2.0%* | *2.0%* |
| Total Revenues (in Rs. Cr) | 3436 | 4506 | 4984 | 5642 | 6299 |
| *Growth (%)* | *8.8%* | *31.1%* | *10.6%* | *13.2%* | *11.6%* |

Source: Company, ICICI Direct Research

# Financial Summary

Exhibit 23: Profit and loss statement ₹ cr

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| **Total Operating Income** | **3436.2** | **4506.3** | **4984.3** | **5642.3** | **6299.1** |
| *Growth (%)* | *8.8* | *31.1* | *10.6* | *13.2* | *11.6* |
| Raw Material Expenses | 1697.9 | 2372.1 | 2666.6 | 2990.4 | 3297.6 |
| Gross Profit | 1738.3 | 2134.2 | 2317.7 | 2651.9 | 3001.5 |
| Employee Expenses | 670.4 | 839.3 | 906.4 | 1015.2 | 1162.4 |
| Other Expenditure | 760.1 | 891.3 | 956.9 | 1055.4 | 1134.8 |
| **Total Operating Expenditure** | **3128.3** | **4102.7** | **4530.0** | **5061.1** | **5594.8** |
| **EBITDA** | **307.8** | **403.6** | **454.3** | **581.2** | **704.3** |
| *Growth (%)* | *20.5* | *31.1* | *12.6* | *27.9* | *21.2* |
| Interest | 83.3 | 99.2 | 107.4 | 111.9 | 119.4 |
| Depreciation | 64.2 | 75.2 | 89.7 | 107.2 | 123.2 |
| Other Income | 32.4 | 33.6 | 34.9 | 37.6 | 40.2 |
| PBT | 192.7 | 262.8 | 292.2 | 399.7 | 501.9 |
| Less Tax | 22.9 | 35.7 | 43.8 | 60.0 | 75.3 |
| **Adjusted PAT** | **169.7** | **227.1** | **248.4** | **339.8** | **426.6** |
| Growth (%) | 14.6 | 33.8 | 9.4 | 36.8 | 25.6 |
| Exceptional item - gain / (loss) | -0.6 | 3.7 | 0.0 | 0.0 | 0.0 |
| **Reported PAT** | **169.1** | **230.8** | **248.4** | **339.8** | **426.6** |
| Growth (%) | 10.5 | 36.5 | 7.6 | 36.8 | 25.6 |
| **EPS (Diluted)** | **38.2** | **53.3** | **56.2** | **76.1** | **94.0** |

*Source: Company, ICICI Direct Research*

Exhibit 24: Cash flow statement ₹ cr

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Profit/(Loss) after taxation | 137.4 | 193.5 | 213.5 | 302.2 | 386.4 |
| Add: Depreciation & Amort. | 64.2 | 75.2 | 89.7 | 107.2 | 123.2 |
| Add:Other income | 32.4 | 33.6 | 34.9 | 37.6 | 40.2 |
| Net Increase in Current Assets | -51.4 | -279.0 | -84.2 | -245.8 | -197.9 |
| less: 'Net Increase in Current Liabilities | -88.0 | -97.7 | -64.0 | -87.8 | -88.3 |
| **CF from Operating activities** | **270.6** | **120.9** | **317.8** | **289.0** | **440.2** |
| Investments & Bank bal | -112.4 | -110.5 | -43.7 | -50.3 | -57.5 |
| (Purchase)/Sale of Fixed Assets | -173.8 | -198.7 | -250.0 | -275.0 | -200.0 |
| Intangible assets | -3.4 | -0.8 | -0.3 | -0.3 | -0.3 |
| Others | 1.8 | -12.8 | -3.3 | -4.1 | -4.5 |
| **CF from Investing activities** | **-287.9** | **-322.9** | **-297.2** | **-329.7** | **-262.3** |
| (inc)/Dec in Loan | 2.4 | 94.6 | 35.2 | 65.5 | 70.4 |
| (inc)/Dec in lease liabilities | 33.9 | 78.2 | 0.0 | 20.0 | 15.0 |
| Change in equity & reserves | -56.9 | 154.8 | -10.0 | -10.0 | -5.0 |
| Dividend paid | -38.1 | -52.8 | -59.7 | -73.5 | -105.7 |
| Deferred Tax and Other Non Current Liabilities | 5.8 | 10.8 | 4.6 | 5.1 | 5.6 |
| **CF from Financing activities** | **(52.9)** | **285.6** | **(29.9)** | **7.1** | **(19.7)** |
| Net Cash Flow | -70.2 | 83.7 | -9.3 | -33.6 | 158.2 |
| Cash and Cash Equivalent | 256.1 | 186.0 | 269.6 | 260.3 | 226.7 |
| **Cash** | **186.0** | **269.6** | **260.3** | **226.7** | **384.9** |
| **Free Cash Flow** | **96.8** | **-77.8** | **67.8** | **14.0** | **240.2** |

*Source: Company, ICICI Direct Research*

Exhibit 25: Balance Sheet ₹ cr

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Equity Capital | 21.8 | 23.0 | 23.0 | 23.0 | 23.0 |
| Reserve and Surplus | 780.2 | 1132.7 | 1321.4 | 1587.6 | 1908.6 |
| Non-Controlling Interest | 15.4 | -9.2 | -19.2 | -29.2 | -34.2 |
| Total Shareholders funds | 817.5 | 1146.5 | 1325.1 | 1581.4 | 1897.4 |
| Total Debt | 469.2 | 563.8 | 598.9 | 664.4 | 734.8 |
| Lease Liabilities | 143.2 | 221.4 | 221.4 | 241.4 | 256.4 |
| Deferred Tax Liability | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Long-Term Provisions | 35.1 | 46.1 | 50.7 | 55.7 | 61.3 |
| Other Non Current Liabilities | 0.7 | 0.6 | 0.6 | 0.6 | 0.7 |
| **Total Liabilities** | **1466.2** | **1978.8** | **2197.2** | **2544.1** | **2951.0** |
| Gross Block - Fixed Assets | 911.1 | 1073.4 | 1317.4 | 1542.4 | 1742.4 |
| Accumulated Depreciation | 323.8 | 371.7 | 461.3 | 568.6 | 691.7 |
| Net Block | 587.4 | 701.7 | 856.0 | 973.8 | 1050.6 |
| Capital WIP | 34.9 | 44.0 | 50.0 | 100.0 | 100.0 |
| Fixed Assets | 622.2 | 745.7 | 906.0 | 1073.8 | 1150.6 |
| Goodwill & Other intangible ass | 24.2 | 25.1 | 25.3 | 25.6 | 26.0 |
| Investments | 30.0 | 24.3 | 25.5 | 26.8 | 28.1 |
| Other non-Current Assets | 30.0 | 32.7 | 35.9 | 39.5 | 43.5 |
| Non-Current Loans & Advance | 0.1 | 10.2 | 10.2 | 10.7 | 11.3 |
| Inventory | 502.7 | 705.1 | 751.1 | 881.1 | 966.4 |
| Debtors | 265.4 | 324.4 | 341.4 | 432.8 | 517.7 |
| Other Current Assets | 111.1 | 131.4 | 151.1 | 173.7 | 199.8 |
| Loans & Advances & other financial assets | 33.2 | 30.6 | 32.1 | 33.7 | 35.4 |
| Cash | 186.0 | 269.6 | 260.3 | 226.7 | 384.9 |
| Bank balance | 180.5 | 296.8 | 339.3 | 388.3 | 444.4 |
| Total Current Assets | 1278.9 | 1757.9 | 1875.2 | 2136.4 | 2548.6 |
| Creditors | 486.4 | 556.6 | 614.5 | 695.6 | 776.6 |
| Provisions | 6.6 | 11.5 | 12.6 | 13.9 | 15.3 |
| Other Current Liabilities | 26.2 | 49.0 | 53.9 | 59.3 | 65.2 |
| Total Current Liabilities | 519.3 | 617.0 | 681.0 | 768.8 | 857.0 |
| Net Current Assets | 759.6 | 1140.9 | 1194.2 | 1367.6 | 1691.6 |
| **Application of Funds** | **1466.2** | **1978.8** | **2197.2** | **2544.1** | **2951.0** |

*Source: Company, ICICI Direct Research*

Exhibit 26: Key ratios

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| **Per share data (₹)** | | | | | |
| Diluted EPS | 38.2 | 53.3 | 56.2 | 76.1 | 94.0 |
| Cash EPS | 50.9 | 65.8 | 73.6 | 97.3 | 119.7 |
| BV per share | 174.6 | 251.6 | 292.7 | 350.6 | 420.5 |
| Dividend per share | 17.5 | 11.5 | 13.0 | 16.0 | 23.0 |
| Dividend payout ratio (%) | 22.5 | 22.9 | 24.0 | 21.6 | 24.8 |
| **Operating Ratios (%)** | | | | | |
| Gross Profit Margins | 50.6 | 47.4 | 46.5 | 47.0 | 47.7 |
| OPM | 9.0 | 9.0 | 9.1 | 10.3 | 11.2 |
| PAT Margins | 4.9 | 5.0 | 5.0 | 6.0 | 6.8 |
| Asset Turnover (x) | 3.8 | 4.2 | 3.8 | 3.7 | 3.6 |
| **Return Ratios (%)** | | | | | |
| RoE | 22.3 | 23.2 | 19.9 | 23.0 | 24.1 |
| RoCE | 19.6 | 21.0 | 19.1 | 21.6 | 22.6 |
| **Valuation Ratios (x)** | | | | | |
| P/E | 41.8 | 30.0 | 28.4 | 21.0 | 17.0 |
| EV / EBITDA | 24.2 | 18.2 | 16.1 | 12.7 | 10.3 |
| EV / Net Sales | 2.2 | 1.6 | 1.5 | 1.3 | 1.1 |
| Market Cap / Sales | 2.1 | 1.6 | 1.5 | 1.3 | 1.2 |
| Price to Book Value | 9.1 | 6.3 | 5.5 | 4.6 | 3.8 |
| **Solvency Ratios** | | | | | |
| Debt / EBITDA | 1.5 | 1.4 | 1.3 | 1.1 | 1.0 |
| Debt / Equity | 0.6 | 0.5 | 0.4 | 0.4 | 0.4 |
| Inventory days | 53 | 57 | 55 | 57 | 56 |
| Debtor days | 28 | 26 | 25 | 28 | 30 |
| Creditor days | 52 | 45 | 45 | 45 | 45 |
| WC Days | 30 | 38 | 35 | 40 | 41 |

*Source: Company, ICICI Direct Research*

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Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

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