Supreme Industries Ltd (SUPIND)

ICICI Direct

CMP: ₹ 4215 | Target: ₹ 5060 (20%) | Target Period: 12 months | BUY

July 18, 2025

Supremely positioned for growth...

About stock: Supreme Industries Ltd. (SIL) is the largest domestic manufacturer of PVC pipes with a market share of ~14%.

- It has 30 manufacturing units, with a combined capacity of ~1.1 MMTPA, across India.
- It holds 30.78% stake in Supreme Petrochemical

Investment Rationale

Leadership positioning with ~14% market share/ almost 2x growth rate over FY20-25 in plastic piping sector: SIL has become an undisputed leader (~14% market share, ~400bps expansion over FY20-FY25) in the domestic plastic piping sector. It has outpaced plastic piping sector growth rate over FY20-FY25, growing its plastic piping revenues (~70% revenue mix) by 1.9x (13.6% CAGR vs industry growth of 8% CAGR). The same has been achieved by continuous capacity expansions (11.4% CAGR), rising product SKUs (14,500) and increasing pan-India distribution reach (5600+ channel partners). The plastic piping industry is targeted to grow at ~9-10% CAGR over FY25-FY27 to reach ₹ 600 billion in FY27. We estimate SIL's overall sales volumes to grow at ~11% CAGR over FY2025-FY27E aided by capacity additions (1.2 mtpa by FY26E) and sustained outperformance to industry growth rates.

Rising share of VAP to aid OPMs in the wake of volatility in non-value product margins: Supreme Industries' value added products revenues (EBITDA margins >17%, 39% of overall revenues) have grown at a 14% CAGR over FY2020-FY2025. Its plastic piping division's VAP revenues (75-80% of overall VAP revenues during FY23-FY25) has grown at a brisk pace of 19% CAGR over FY20-FY25. Going ahead, its sustained focus on increasing VAP share is expected to help support overall EBITDA margins in the wake of volatility in margins in non-value product category.

Wavin acquisition and venture into Windows/Doors – potential new product developments: The Company has signed MoU with Orbia Advance Corporation S.A.B. de CV, a global leader in plastic pipes and fittings, to acquire Orbia Wavin's pipes and fittings business in India. The acquisition of Wavin would add 73,000 mtpa capacity and provide exclusive access for India and SAARC countries from Wavin's existing technology and future new technology. Further, SIL is putting up an initial 5000 tpa capacity at Kanpur to manufacture PVC profiles for windows (expected to commence selling from July 2025).

Rating and Target Price

- We estimate its Revenues/EBITDA/PAT to grow at ~14%/18%/19% CAGR over FY2025-FY2027E.
- We assign BUY rating with Target Price of ₹ 5060/- i.e. 47x P/E on FY27E (~22% discount to Astral's target P/E multiple).

Supreme — People who know plastics best

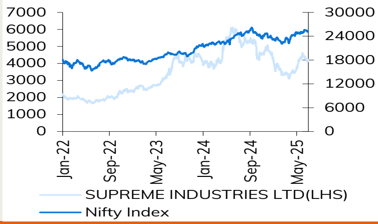
Particulars

Particular	₹ crore
Market Capitalisation	53541
Gross Debt (FY25)	0
Cash (FY25)	952
EV (₹crore)	52588
52 week H/L	5940/3020
Equity capital	25
Face value	2

Shareholding pattern

Particular	Sep-24	Dec-24	Mar-25	Jun-25
Promoters	48.9	48.9	48.9	48.9
FIIs	25.9	24.7	22.9	21.9
DIIs	10.6	12.0	13.3	14.6
Others	14.6	14.5	15.0	14.6

Price Chart



Key risks

- Sharp decline in PVC/CPVC resin prices
- Slowdown in agriculture, infrastructure, real estate sectors

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Conviction Pick

ICICI Securities – Retail Equity Research

Key Financial Summary

Key Financials (₹ Crore)	FY23	FY24	FY25	2-Year CAGR (FY23-25)	FY26E	FY27E	2 year CAGR (FY25-27E)
Revenues	9202	10134	10446	6.5%	11947	13534	13.8%
EBIDTA	1,200	1,547	1,432	9.2%	1,758	2,009	18.5%
EBIDTA Margins(%)	13.0	15.3	13.7		14.7	14.8	
Adjusted PAT	865	1070	961	5.4%	1197	1368	19.3%
EPS (Rs.)	68.1	84.2	75.7		94.3	107.7	
EV to EBIDTA (x)	44.0	33.8	36.7		29.9	26.1	
RoNW (%)	19.7	20.9	17.0		18.7	18.8	
RoCE (%)	28.7	32.6	24.7		27.7	27.5	

Source: Company, ICICI Direct Research

Company background

Supreme Industries, incorporated in 1942 by Kantilal K Modi, is one of the India's leading plastic manufacturing companies. In 1996, Taparia family took full control of company through an outright purchase of shares. Today, Supreme Industries is the most diversified plastic products company in the country operating across various sectors including construction, agriculture, automotive, consumer goods and packaging.

The company handles over 670,000 MT of plastic polymers annually. It has an installed capacity of 10,91,000 MT commanding a market share of 14% as on FY25. It is the largest producer of PVC pipes and second largest in CPVC. Additionally, the company owns a 30.78% stake in Supreme Petrochemical.

The company's products are categorised across four groups 1) Plastic Piping Systems (Value/Volume Mix – 67%/79%), 2) Packaging products (Value/Volume Mix – 15%/10%), 3) Industrial Products (Value/Volume Mix – 13%/9%), and 4) Consumer Products (Value/Volume Mix – 67%/79%).

Exhibit 1: Business Verticals

uPVC Pipes, Injection Moulded PVC fittings and handmade fittings, Polypropylene Random Co-polymer pipe system, HDPE Pipe Systems, CPVC Pipes Systems, Inspection Chambers, manholes, Bath fittings and Sanitaryware Roto moulded Tanks and Fittings and Solvents, Industrial Piping System, DWC Pipe System, PERT Pipe System, O-PVC Pipe System and Fire Sprinkler System

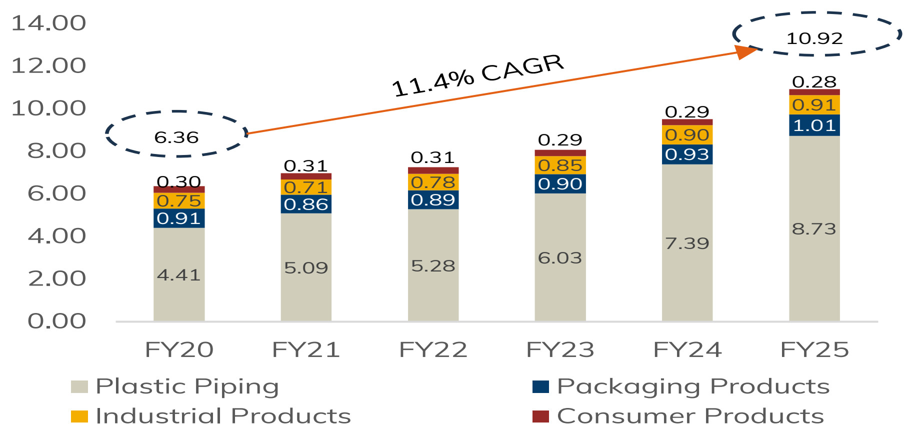
Furniture

Flexible packaging film products, Protective Packaging Products, Cross Laminated Film products

Industrial Components, Material handling System and Pallets - Roto moulded crates, pallets and garbage bins and Composite LPG Cylinders.

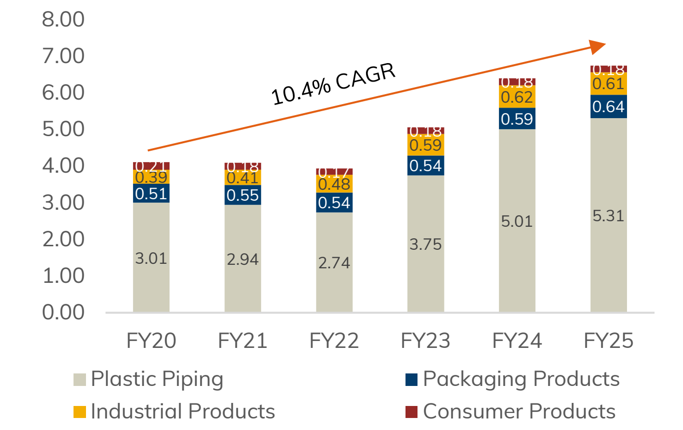
Source: Company, ICICI Direct Research

Exhibit 2: Installed capacity growth trend (lakh tons)



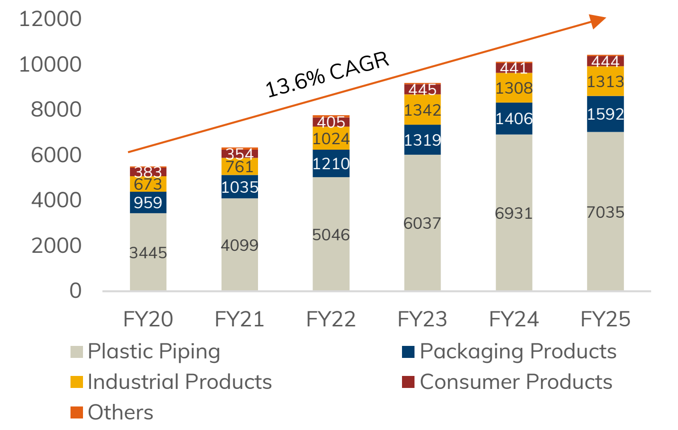
Source: Industry, ICICI Direct Research

Exhibit 3: Segment-wise volume trend (lakh tons)



Source: Company, ICICI Direct Research

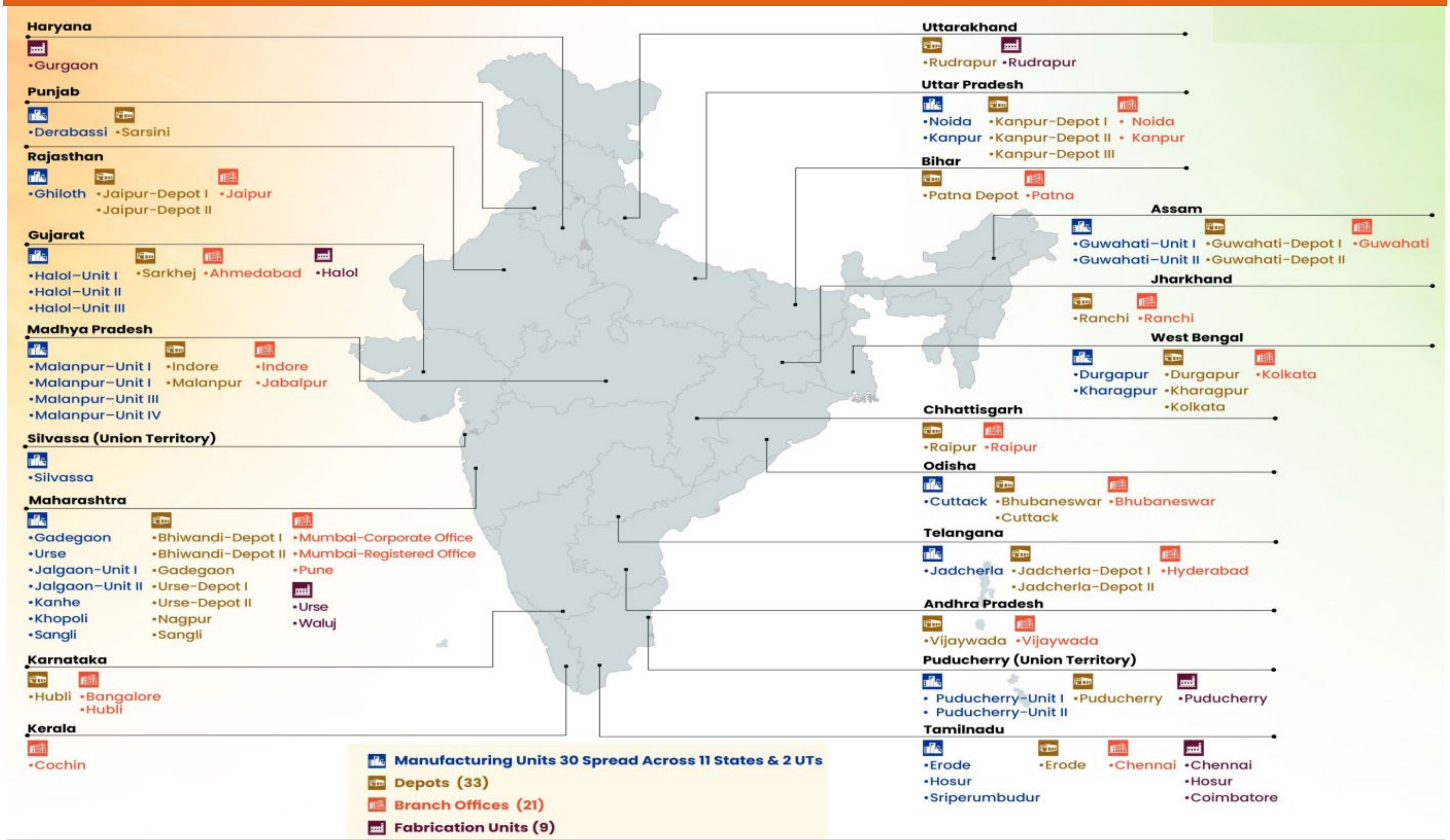
Exhibit 4: Segment-wise revenue trend (₹ crore)



Source: Company, ICICI Direct Research

The Company has a strong pan-India presence and is increasing its reach in various parts of the country where it is less represented. It operates 30 manufacturing units across India, with key facilities located in Noida, Durgapur, Talegaon, Pondicherry and Chennai and exports to 54 countries world-wide. The Company's active Channels Partners strength stood at 5658 Nos as on FY25 (5060 Nos in FY24). It continues to open more Depots & fabrication facilities to provide value-added services in a cost-efficient manner. It has a total of 33 Depots and 9 Fabrication facilities for its various product.

Exhibit 5: Business Verticals



Source: Company, ICICI Direct Research

Investment Rationale

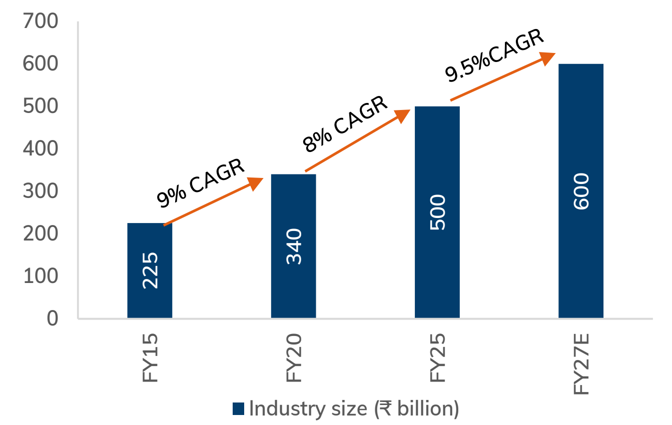
Plastic pipes set to grow at 9-10% CAGR over FY25-FY27E led by structural demand growth drivers

Indian plastic pipes industry has historically grown higher than the GDP. The Indian plastic piping industry plays a pivotal role in country's infrastructure and industrial development. Driven by government's push towards infrastructural development, improved irrigation facilities and rising real estate development, plastic piping industry has shown robust growth in the past decade. Further, increased awareness, adoption and replacement of metal pipes with plastic pipes have also aided this growth. Plastic pipes market size has been growing at a CAGR of 9% and 8% during FY15-FY20 and FY20-FY25 respectively and is estimated at ₹ 500 billion in size.

Going ahead, the industry is expected to expand at 9.5% CAGR over FY25-FY27 to ₹ 600 billion, led by demand from real estate, WSS projects (water supply and sanitation), urban infrastructure and replacement demand. As per Anarock, India's top seven cities have launched and sold almost 18 lakh units and 19 lakh units over the period CY2024 to H1CY25. Strong residential sales over the trailing four and half years coupled with replacement demand is expected to drive demand for plastic pipes going ahead.

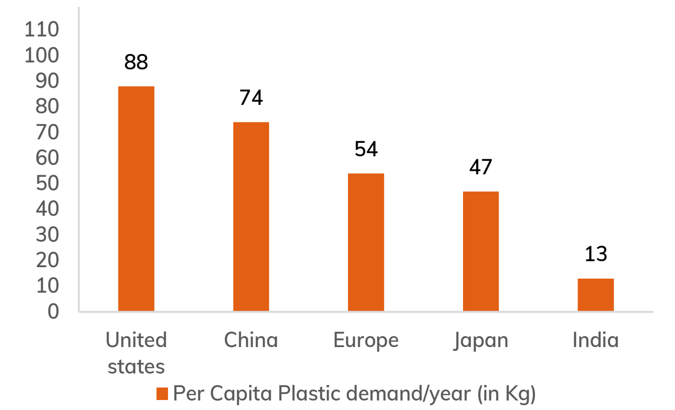
India's per capita plastic products consumption is relatively low at 13 kg/person/year compared to other major economies in the world and global average indicating significant potential for growth as economic development continues and infrastructure spend increases.

Exhibit 6: Plastic pipe industry growth trend



Source: Industry, ICICI Direct Research

Exhibit 7: Per Capita plastic demand

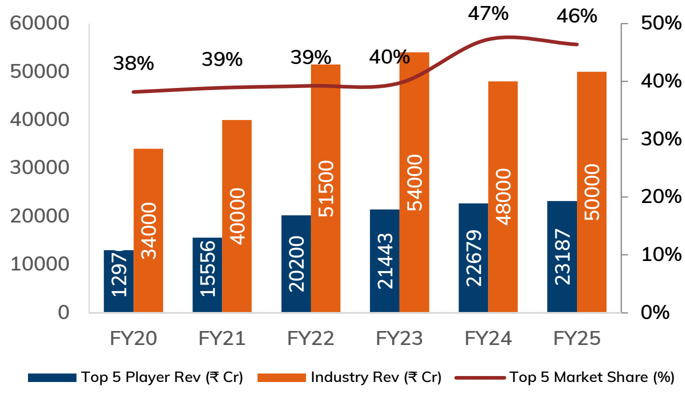


Source: Industry, ICICI Direct Research

Top five players outpace industry growth leading to consistent market share gains

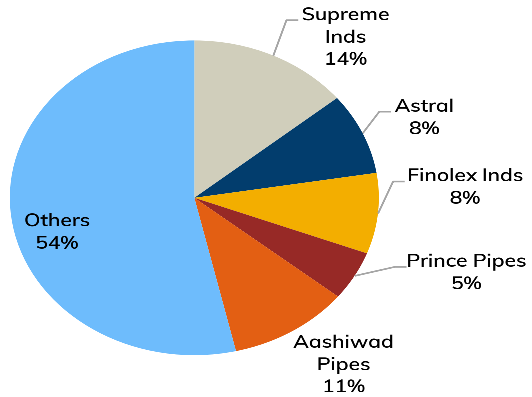
The plastic pipe industry is fragmented but has been undergoing consolidation with increase in market share of organised sector over the last decade. The main reason of consolidation is increased product standardisation, quality assurance and brand recognition. Top five players of industry include Supreme Industries, Astral Pipes, Finolex Industries, Ashirvad Pipes and Prince Pipes. These companies provide similar products but cater to different market segments. The plastic piping industry is estimated to have grown at a CAGR of 8% over FY2020 to FY2025 while industry's top five players have grown at a brisk pace of 12% CAGR over the same period indicating market share gains (from 38% in FY2020 to 46% in FY2025). Going ahead, we expect the top players in the industry to continue to hold dominant position leading to significant pricing power and higher entry barriers.

Exhibit 8: Top 5 Vs Industry Growth trend/Market Share



Source: Industry, Company, ICICI Direct Research

Exhibit 9: Top 5 players industry revenue share as on FY25



Source: Industry, Company, ICICI Direct Research

Normalisation of PVC prices to drive industry volume growth

Polyethylene (PE), PPR, polyvinyl chloride (PVC) and chlorinated polyvinyl chloride (CPVC) resin are the key raw materials used in the plastic pipes industry, comprising 65-70% of the sales. Their prices are dependent on crude oil price movements and global demand-supply dynamics.

PVC resin requirements are almost equally met by imports (~50-55%) and domestic manufacturing. PVC resin is imported majorly from Taiwan, Japan, South Korea and China. Domestically, Reliance Industries, DCM Sriram, Chemplast are major manufacturers of PVC resins. CPVC resin requirement is predominantly met through imports (majorly from four manufacturers) across South Korea, Japan, China and Europe.

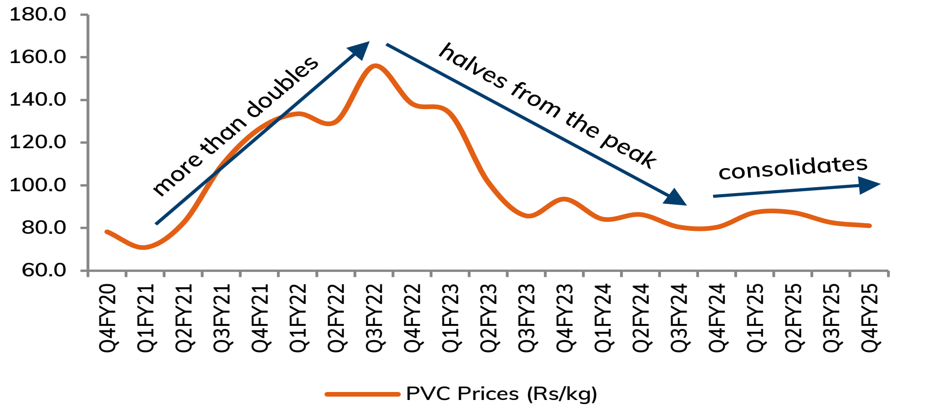
PVC prices have experienced considerable volatility in recent years. Post Covid, PVC prices had almost doubled from the trough of ~₹ 71/kg in Q1FY2021 to ₹ 156/kg in Q3FY2022 primarily due to supply chain disruptions. Covid led uncertainty in demand of PVC resulted in reduced production in various units at China and in other countries. Post Covid, construction activities resumed and demand for PVC products increased multi-fold. This was accompanied by an increase in price of ethylene, a key raw material, whose cost is closely linked to crude oil prices. Increased demand with continued global supply chain disruptions and rising crude oil prices led to a rise in price of PVC. The same had led to increased channel stocking resulting in 23% CAGR industry size growth and 25% CAGR top five players sales growth over FY2020-FY2022.

However, as global supply chain issues resolved and shipments arrived, the market experienced a significant increase in PVC supplies in beginning of FY23. This influx led to an oversupply, putting downward pressure on prices and prices started correcting in FY23. The PVC prices halved from ₹ 156/kg in Q3FY2022 to ~₹ 81/kg in Q3FY24 led to industry size contracting by 3% CAGR over FY2022-FY2024. However, top five players grew by 6% CAGR over the same period gaining market share. The continuous fall in price led to destocking of inventory by dealers. They reduced their inventory holding period from three weeks to one week. Consequently, manufacturers saw a decline in sales in previous quarters.

Since Q3FY24, PVC prices have normalised in the range of ₹ 80-87/kg. The demand is expected to pick up going ahead with normalisation of PVC prices, addressing the issue of destocking. Additionally, the end of monsoon season is likely to boost demand, with construction activities set to resume.

To protect domestic manufacturers, Government is expected to introduce Anti-Dumping Duty (ADD) in PVC and BIS certification mandatory for all PVC products (expected in Q2FY26). This move aims to curb the influx of sub-standard imports of PVC resin and ensure that only certified PVC products are available in the market. This is likely to cause a significant decline in sales of small unorganised players who struggle to obtain BIS certification, while market share of organised players is expected to increase. ADD may also result in an increase in price of polymer.

Exhibit 10: PVC resin price trend

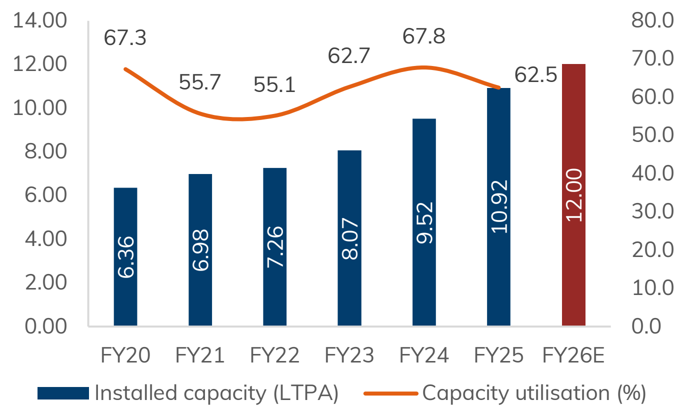


Source: Industry, ICICI Direct Research

Capacity expansions to continue – To achieve 1.2 MTPA in FY26

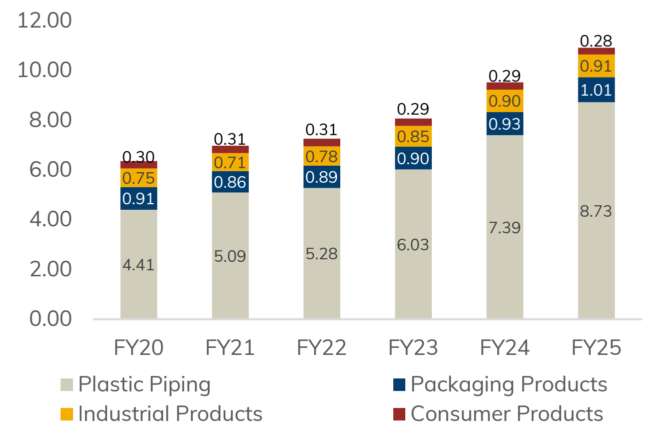
Supreme Industries has been consistent in increasing its overall installed capacity, which has grown at 11.4% CAGR over FY2020-FY2025. The major capacity additions has been in plastic piping division, which has grown at 14.6% CAGR over the same period. The company plans to expand its installed capacity to 1.2 million tonnes by FY2026, which includes its recently acquired Wavin's capacity of 73000 tonnes and window profile of 5000 tonnes.

Exhibit 11: Overall installed capacity trend



Source: Company, ICICI Direct Research

Exhibit 12: Division-wise installed capacity trend

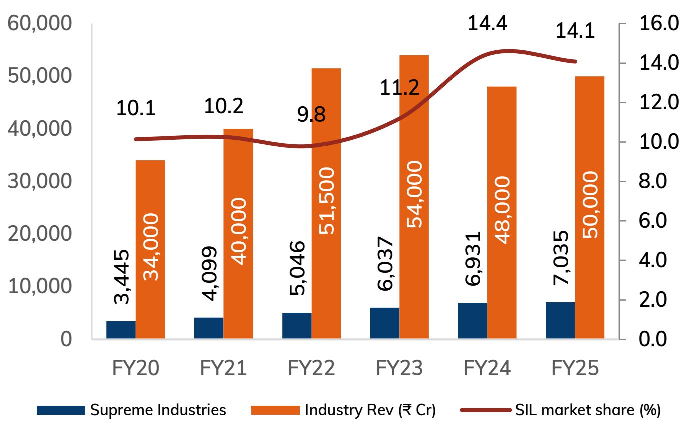


Source: Company, ICICI Direct Research

Leadership positioning and demand pick-up to yield ~11% CAGR in sales volumes over FY25-FY27E

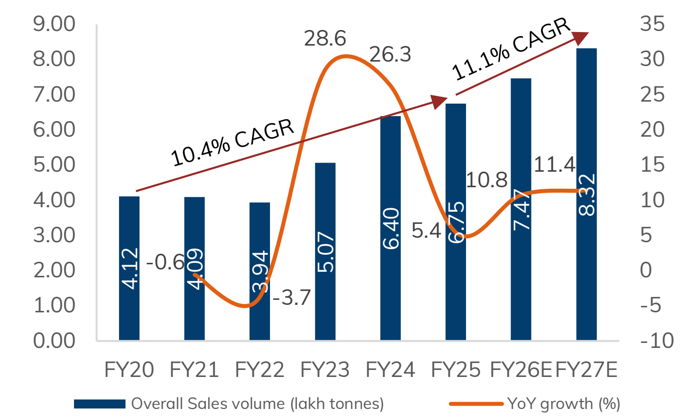
SIL's consistent capacity expansions, rising number of product SKUs (14,500 as of FY25) and increasing pan-India distribution reach (5600+ channel partners) has enabled it to grow faster than industry growth rate. Consequently, it has increased its value market share by ~400 bps from ~10% in FY2020 to ~14% in FY2025. Its overall sales volumes have grown at 10.4% CAGR over FY2020-FY2025 aided by plastic piping sales volumes growth of 12% CAGR. Going ahead, we estimate its overall sales volumes to grow at ~11% CAGR over FY2025-FY27E aided by capacity additions and sustained outperformance to industry growth rates.

Exhibit 13: SIL market share trend



Source: Company, ICICI Direct Research

Exhibit 14: SIL's sales volume trend



Source: Company, ICICI Direct Research

Capex of ₹ 1100 crore across divisions for FY26

The Company has plans to invest around ₹ 1100 crores which includes acquisition of Wavin India business assets ($30 million/~260 crore plus net working capital), manufacturing facility for uPVC Profiles/Windows & Doors at Kanpur (~200 crore including working capital), increase in O-PVC Pipe manufacturing capacity at Sangli, new O-PVC Pipe manufacturing capacity at Jadcherla and Cuttack plant, putting up/ expand capacities for CPVC piping products at Gadegaon, putting up/ expand Roto/blow Moulding capacities at various locations, increase the range of solutions in its plastic Piping division such as Pe gas piping system, and Industrial Piping system, new facility in Gadegaon for making PP silent piping SWR system for low noise requirement, product range expansion of its bath fitting products at Puducherry, additional varieties of new injection moulded fitting products, increase injection moulded fittings capacity at Jalgaon, Erode and Kharagpur, addition of new models of Injection moulded furniture, Crates & pallets in the Company's range of furniture and Material Handling Products, new facility for Protective Packaging Products in Maharashtra both for domestic and export market, addition of necessary equipment at its Protective Packaging to increase the range of value added products and to cater to customised solutions. All these investments are expected to be made by the Company from its own resources.

Wavin acquisition to add 5000 tonnes capacity

The Company has signed Memorandum of Understanding with Orbia Advance Corporation S.A.B. de CV, a global leader in plastic pipes and fittings, at an aggregate consideration of $30 million (~260 crore) plus net working capital. Orbia's Building & Infrastructure business, represented by the commercial brand Wavin, is a global leader in pipes and fittings and pioneer in water management solutions, serving over 90 countries with innovative products backed by more than 65 years of expertise. Orbia operates actively in over 100 countries and has headquarters in Boston, Mexico City, Amsterdam and Tel Aviv.

As per the agreement, Company will acquire Orbia Wavin's pipes and fittings business in India and will have exclusive access to Orbia Wavin's leading Piping technologies for India and SAARC countries. The acquisition of Wavin would inter alia result in increasing the capacity of the Piping Division by 73,000 M.T. per annum being operated from three manufacturing sites situated at Banmore (M.P.), Hyderabad (Telangana) and Neemrana (Rajasthan). The acquisition will facilitate catering to districts/area of North and South India economically and efficiently.

Supreme is expected to benefit from exclusive access for India and SAARC countries from Wavin's existing technology and new technology which will be made available to Wavin from Orbia. Together, Orbia Wavin's technologies for water management and Supreme's manufacturing and distribution strengths, it is poised to secure India's water management needs with advanced solutions.

Venturing into Windows and Door business

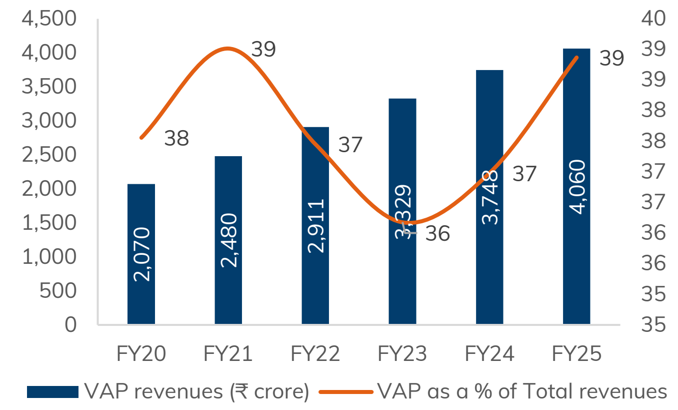
The Company has taken in hand to put up a Windows making unit at 34 acres new site at Kanpur Dehat. The initial capacity is expected to be 5000 tons per annum. The

Company will be making varieties of PVC profiles for large range of windows. The initial window making capacities will be installed at same site. It has ordered all requisite equipment and the work is in progress at the site. The Company expects to start selling standard off the shelf and customised windows from July'25. The total capex with working capital is estimated to be around ₹ 200 Crores.

Rising share of high margin Value added products

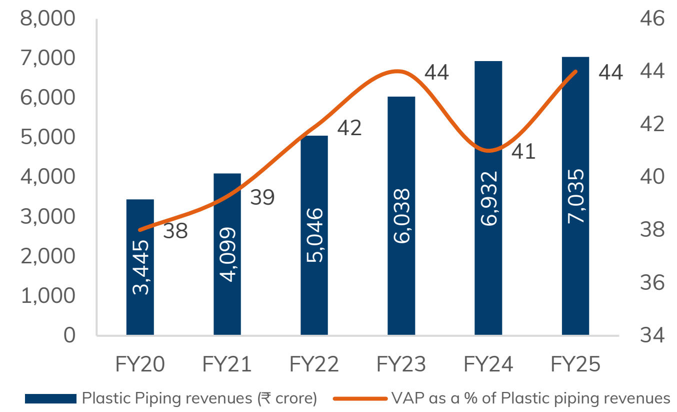
Supreme Industries continues to focus on increasing share of Value added products (EBITDA margins >17%) through technological innovations and designs. Value added products (VAP) revenues have grown at a 14% CAGR over FY2020-FY2025, comprising 39% of overall revenues. The lower contribution of VAP during FY2023 and FY2024 is attributable to high growth in HDPE pipes sale in non-value added category. Its plastic piping division's VAP share (75-80% of overall VAP revenues during FY23-FY25) in total sale has increased from 38% in FY2020 to 44% in FY2025, thereby clocking 19% CAGR. Going ahead, its sustained focus on increasing VAP share is expected to help support overall EBITDA margins in the wake of volatility in margins in non-value product category.

Exhibit 15: VAP contribution in Total revenues



Source: Company, ICICI Direct Research

Exhibit 16: Plastic Piping VAP share



Source: Company, ICICI Direct Research

Risk and Concerns

Sharp decline in PVC/CPVC prices affect demand & OPMs

Plastic pipe industry is exposed to the sharp fluctuations of polymer prices especially PVC/CPVC resins. Sharp downfall in PVC/CPVC prices leads to channel de-stocking impacting overall demand for PVC pipes. Further, it also impacts operational profitability owing to inventory losses suffered by the companies. Supreme has been focusing on increasing Value-Added Products share which has limited the impact of sharp downfall in PVC/CPVC on operating margins in the past.

Weak demand from end-user sectors

Plastic pipe demand is dependent on the performance of end user sectors such as Agriculture, Infrastructure, Real Estate among others. Slowdown in these sectors affects the demand for plastic pipes. Factors such as rainfall deficit, lower government/private infrastructure spends and slowdown in real estate demand affects the offtake for plastic pipes. The industry being highly competitive may face pressure on operating margins in the wake of weak demand.

Market share loss, decline in VAP share

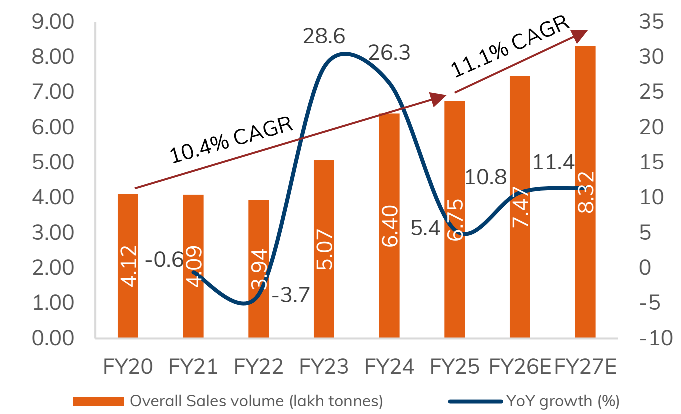
Supreme Industries has been gaining market share over the trailing five years despite the sharp volatility in PVC prices and increased competitive intensity. Heightened competitive intensity amidst weak rural demand, decline in Jal Jeevan Mission spending can result in lower volume growth and operating margin pressures for the industry in general including for Supreme Industries. Further, decline in the share of high margin value added products can impact overall operating margins negatively.

Key Financial Summary

Revenue to grow at ~14% CAGR over FY25-27E

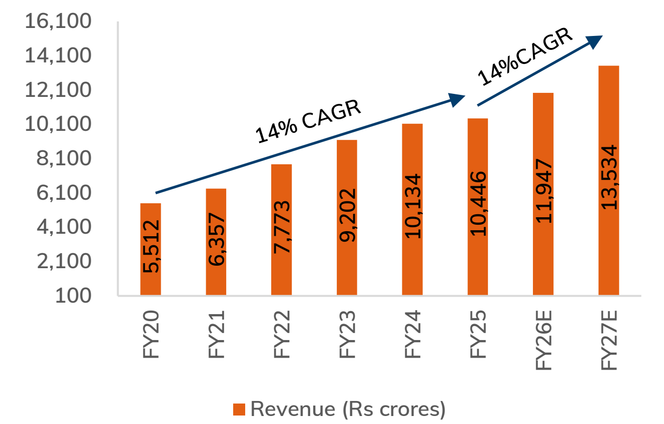
SIL's revenue grew at 14% CAGR over FY20-25 led by strong demand, healthy replacement demand and sustained market share gains. Going forward, we expect growth to sustain on account of healthy demand environment across agriculture, infrastructure and housing segments. Additionally, normalisation of PVC prices, increase in installed capacity and possibility of further market share gains are other key volume growth triggers for the company. Consequently, we expect its revenues to grow at ~14% CAGR over FY25-FY27E aided by ~11% CAGR in sales volumes.

Exhibit 17: Sales Volumes trend



Source: Company, ICICI Direct Research

Exhibit 18: Revenues trend

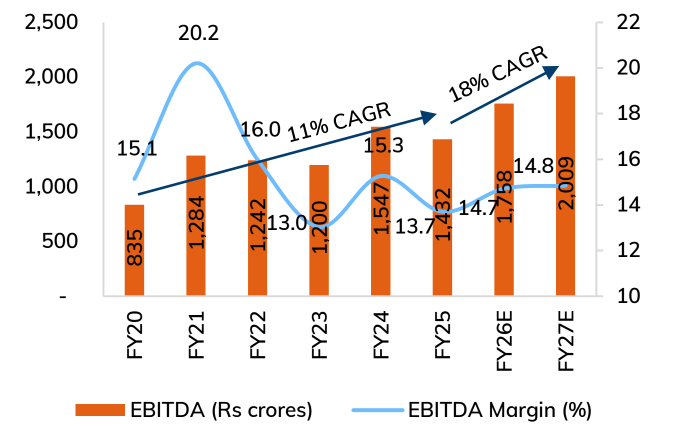


Source: Company, ICICI Direct Research

EBITDA to Grow at ~18% CAGR over FY25-FY27E

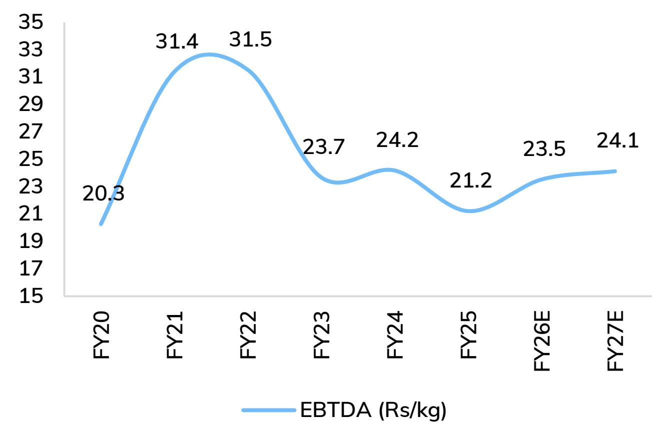
SIL's consolidated EBITDA has grown at 11% CAGR over FY20-FY25 led by 14% CAGR in revenues although EBITDA margins have remained volatile during the period owing to high volatility in PVC prices. Its EBITDA/kg have seen a sharp rise and fall during FY21 and FY23 respectively in sync with the sharp movement in PVC prices. Going ahead, we expect EBITDA margin and EBITDA/kg to resume its upward trajectory over FY25-27E expecting gradual improvement in PVC prices and aided by rising share of value added products.

Exhibit 19: EBITDA/EBITDA margin trend



Source: Company, ICICI Direct Research

Exhibit 20: EBITDA (Rs/kg) trend

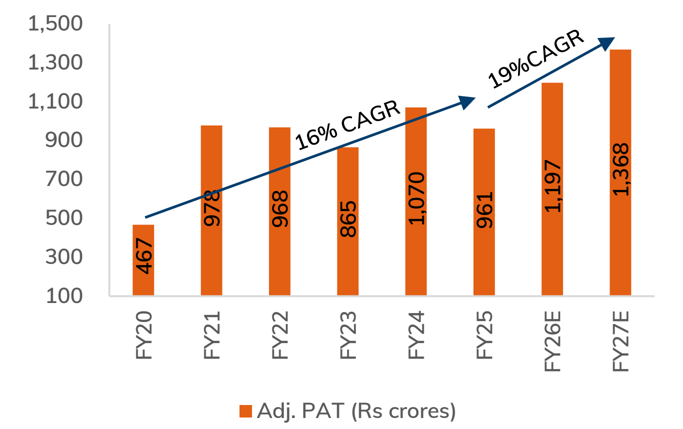


Source: Company, ICICI Direct Research

Adj PAT to Grow at ~19% CAGR over FY25-FY27E

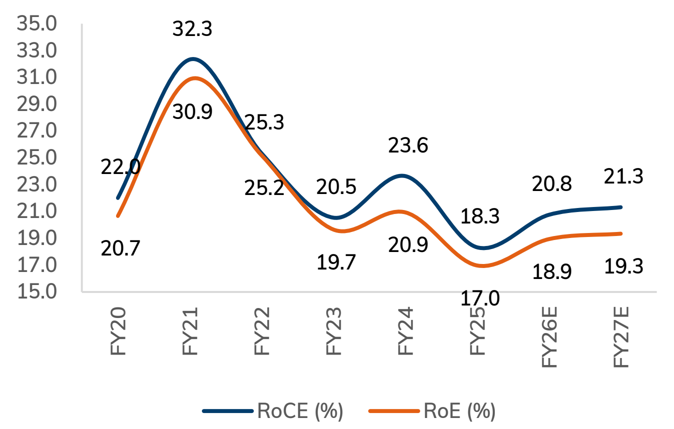
SIL's consolidated net profit has grown at 16% CAGR over FY20-FY25 led by 14% CAGR in revenues while EBITDA margins have remained volatile during the period owing to high volatility in PVC prices. Going forward, we estimate its consolidated adjusted PAT to grow at ~19% CAGR over FY25-FY27E led by ~14% CAGR in revenues and over 110 bps expansion in operating margins. Subsequently, we expect its return ratios to improve from the trough of FY25 over the next two years.

Exhibit 21: Adj PAT trend



Source: Company, ICICI Direct Research

Exhibit 22: Return Ratios trend

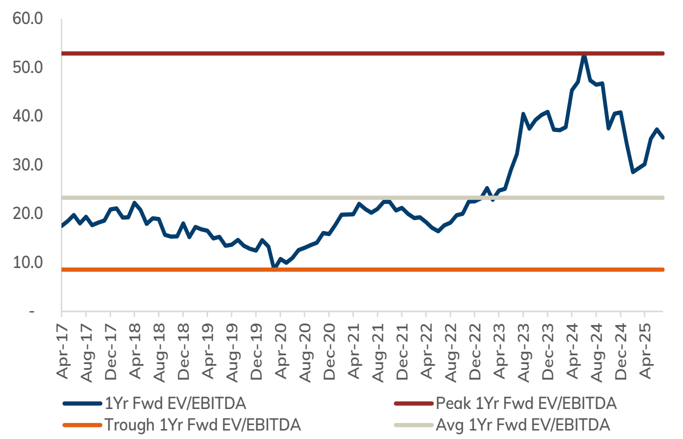


Source: Company, ICICI Direct Research

Valuation

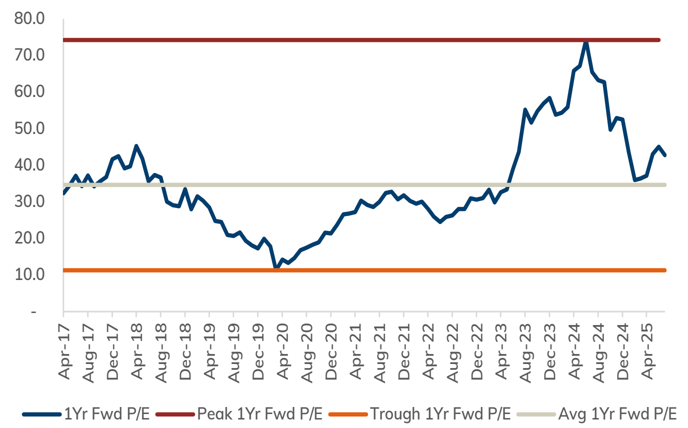
Supreme Industries is expected to resume its earnings growth trajectory over the next two years post a flattish PAT growth over FY22-FY25 (almost 230 bps decline in EBITDA margins led by steep fall in PVC prices). Healthy demand coupled with normalisation of PVC prices is expected to drive volume and EBITDA margins over FY25-FY27E. We estimate its consolidated Revenues/EBITDA/PAT to grow at ~14%/18%/19% CAGR over FY2025-FY2027E. We assign BUY rating with Target Price of ₹ 5060/- i.e. 47x P/E on FY27E (~22% discount to Astral's target P/E multiple).

Exhibit 23: One-year Fwd EV/EBITDA trend



Source: Company, ICICI Direct Research

Exhibit 24: One-year Fwd P/E trend



Source: Company, ICICI Direct Research

Financial summary

Exhibit 25: Profit and loss statement (₹ crore)

(Year-end March)	FY24	FY25	FY26E	FY27E
Total Operating Income	**10134**	**10446**	**11947**	**13534**
Growth (%)	10.1%	3.1%	14.4%	13.3%
Operating Expenses	6858	7146	8220	9311
Gross Profit	3276	3300	3728	4223
Gross Profit Margins (%)	32.3%	31.6%	31.2%	31.2%
Employee Expenses	442	487	536	590
Other Expenditure	1286	1381	1434	1624
Total Operating Exp.	8587	9015	10190	11525
EBITDA	**1547**	**1432**	**1758**	**2009**
Growth (%)	29.0%	-7.5%	22.8%	14.3%
Interest	16.1	11.9	12.0	12.0
Depreciation	298.4	358.6	406.2	460.1
Other Income	65.7	57.8	60.7	63.8
PBT before Excl. item	**1298.5**	**1119.0**	**1400.4**	**1600.4**
Total tax	335.7	278.2	352.9	403.3
PAT before MI	962.9	840.8	1047.5	1197.1
Income from Associates	106.9	120.1	149.6	170.9
Exceptional items	0.0	0.0	0.0	0.0
PAT	**1069.7**	**960.9**	**1197.0**	**1368.1**
Growth (%)	23.6%	-10.2%	24.6%	14.3%
EPS (Adjusted)	**84.2**	**75.7**	**94.3**	**107.7**

Source: Company, ICICI Direct Research

Exhibit 26: Cash flow statement (₹ crore)

(Year-end March)	FY24	FY25	FY26E	FY27E
Profit/loss after taxation	1405	1239	1550	1771
Add: Dep. & Amortization	298	359	406	460
Change in working capital	180	-99	-140	-150
Total tax paid	-323	-302	-353	-403
Others	-147	-192	0	0
CF from operating activities	**1413**	**1004**	**1463**	**1678**
(Purchase)/Sale of Fixed Assets	-686	-888	-956	-1083
Others	96	89	0	0
CF from Investing activities	**-590**	**-799**	**-956**	**-1083**
(inc)/Dec in Loan	-22	-28	0	0
Divident & Divident tax	-356	-406	-457	-483
Equity raised	0	0	0	0
Others	-4	-6	0	0
CF from Financing activities	**-382**	**-440**	**-457**	**-483**
Net Cash Flow	441	-235	50	113
Opening Cash & Cash Equivalent	746	1187	952	1003
Closing Cash & Cash Equivalent	**1187**	**952**	**1003**	**1116**

Source: Company, ICICI Direct Research

Exhibit 27: Balance sheet (₹ crore)

(Year-end March)	FY24	FY25	FY26E	FY27E
Equity Capital	25	25	25	25
Reserve and Surplus	5083	5635	6375	7260
Total Shareholders funds	**5109**	**5660**	**6400**	**7286**
Minority Interest	0	0	0	0
Total Debt	**0**	**0**	**0**	**0**
Deferred Tax Liability	96	87	87	87
Long-Term Provisions	30	38	38	38
Other Non Current Liabilities	48	68	68	68
Total Liabilities	**5283**	**5854**	**6593**	**7479**
Net Block	2180	2501	3051	3673
Capital WIP	144	403	403	403
Fixed Assets	**2324**	**2904**	**3453**	**4076**
Goodwill & Other intangible assets	62	55	55	55
Investments	638	720	720	720
Other non-Current Assets	244	400	400	400
Inventory	1359	1334	1535	1739
Debtors	511	540	655	742
Other Current Assets	226	255	255	255
Loans & Advances	4	9	36	41
Cash	1187	952	1003	1116
Total Current Assets	**3287**	**3090**	**3484**	**3892**
Creditors	1016	893	1097	1242
Provisions	16	11	11	11
Other Current Liabilities	241	410	410	410
Total Current Liabilities	**1273**	**1314**	**1517**	**1663**
Net Current Assets	2015	1776	1966	2229
Application of Funds	**5283**	**5854**	**6593**	**7479**

Source: Company, ICICI Direct Research

Exhibit 28: Key ratios

(Year-end March)	FY24	FY25	FY26E	FY27E
Per share data (₹)				
Adjusted EPS	84.2	75.7	94.3	107.7
Cash EPS	111.2	79.0	115.2	132.1
BV per share	402.2	445.6	503.9	573.6
Dividend per share	30.0	34.0	36.0	38.0
Operating Ratios (%)				
Gross Profit Margins	32.3	31.6	31.2	31.2
Operating EBIDTA margins (%)	15.3	13.7	14.7	14.8
(Adjusted) PAT Margins	10.6	9.2	10.0	10.1
Cash Conversion Cycle	31	34	33	33
Fixed asset turnover (x)	4.4	3.6	3.5	3.3
Return Ratios (%)				
RoE	20.9	17.0	18.7	18.8
RoCE	32.6	24.7	27.7	27.5
RoIC	22.5	15.7	18.2	18.3
Valuation Ratios (x)				
P/E	50.0	55.7	44.7	39.1
EV / EBITDA	33.8	36.7	29.9	26.1
EV / Net Sales	5.2	5.0	4.4	3.9
Market Cap / Sales	5.3	5.1	4.5	4.0
Price to Book Value	10.5	9.5	8.4	7.3
Solvency Ratios				
Debt / EBITDA	0.0	0.0	0.0	0.0
Debt / Equity	0.0	0.0	0.0	0.0

Source: Company, ICICI Direct Research

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Sell: <-15%

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