

Jindal Steel & Power

BSE SENSEX

63,239

S&P CNX

18,771

CMP: INR583

TP: INR720 (+23%)

Buy

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Stock Info

Bloomberg	JSP IN
Equity Shares (m)	1005
M.Cap.(INRb)/(USDb)	595.6 / 7.3
52-Week Range (INR)	622 / 304
1, 6, 12 Rel. Per (%)	9/5/68
12M Avg Val (INR M)	1704
Free float (%)	38.8

Financials Snapshot (INR b)

Y/E MARCH	2023	2024E	2025E
Sales	527	533	636
EBITDA	99	110	142
Adj. PAT	37	49	71
Cons. Adj. EPS (INR)	36	48	71
EPS Gr. (%)	-57.7	33.0	45.9
BV/Sh. (INR)	385	428	488

Ratios

Net D:E	0.2	0.1	0.1
RoE (%)	9.9	11.9	15.4
RoCE (%)	12.6	13.3	16.9
Payout (%)	5.5	10.3	12.7

Valuations

P/E (x)	16.0	12.0	8.3
P/BV (x)	1.5	1.4	1.2
EV/EBITDA(x)	6.6	5.8	4.5
Div. Yield (%)	0.3	0.9	1.5
FCF Yield (%)	1.4	6.3	3.2

Capacity expansion to drive growth, boost margin

Capacity expansion on track to become a mega steel producer

- JSP is all set to capture rising domestic steel demand amid the rapid expansion in infrastructure, railways, housing and construction. We believe JSP is adding capacity at a right time to capture the robust growth opportunity.
- JSP is a leading integrated steel manufacturer (~9.6mt of crude steel production capacity) in India with strong raw material (RM) linkages, which ensures adequate and timely supply. JSP has two iron ore mines with a cumulative capacity of over 10.6mt and has recently acquired four thermal coal mines with total R&R of ~500mt.
- Around 60% of its iron ore requirement is met via captive mines. Once its thermal coal mines are operational, they will cater to 12-15mt of its thermal coal requirement, which will drive structural cost reduction and make JSP one of the lowest-cost steel producers globally.
- **A multi-pronged strategy:** JSP is taking measures to increase margin and improve cost efficiency. JSP is improving its integration by 1) setting up a coal and iron ore mines, which will ensure consistent RM supply and thus reduce costs; 2) setting up a 12mt pellet facility at Angul, which will further improve the availability of pellets and reduce the freight cost from Barbil; 3) setting up a 18mt 200km slurry pipeline; 4) the acquisition of power assets from Monnet Power, which is in close vicinity to the Angul facility to drive cost synergies, 5) the commissioning of HSM to further enhance the margin profile; and 6) setting up BoF/EAF at Angul, which will further enhance the cumulative crude steel capacity to 15.9mt by FY25 from 9.6mt.
- JSP has been predominantly a long steel manufacturer (~67-70% product portfolio) and offers a wide range of infrastructure steel products. However, after the expansion, the contribution from flats is expected to increase to ~70% from 30%.
- The stock trades at 4.5x FY25E EV/EBITDA. We reiterate BUY on the stock with a TP of INR720 (5.5x FY25E EV/EBITDA).
- Net debt stood at INR67b as of FY23 (down ~INR27b in FY23) and the net debt-to-EBITDA ratio (ND/EBITDA) stood at a healthy level of 0.7x. JSP has one of the lowest ND/EBITDA in the steel sector and expects to keep it below 1.5x.
- **Key downside risk:** A delay in the commissioning of the Angul plant and coal mines may delay growth and margin improvement. Any major write-off in international subsidiaries may impact margins.

JSP on track to increase India capacity to 15.9mt

- JSP is undertaking INR240b capex programme which will to expand its crude steel capacity by 66% to 15.9mt and pellet capacity by 133% to 21mt by FY25.
- The capex is aimed at: 1) margin expansion (INR81b), which would enhance pellet capacity at Angul, along with the installation of a slurry pipeline, and 2) capacity expansion (INR159b), which will enhance the existing crude steel capacity at Angul to 12.4mt from 6mt.
- Capex per tonne works out to ~USD390/t, which is one of the lowest in the industry. The capacity and margin expansions provide growth visibility to JSP.

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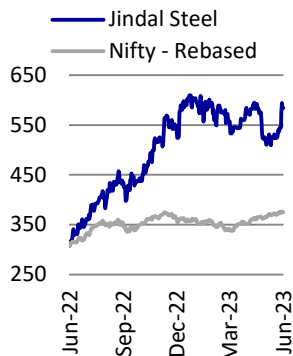
Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilalosal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Shareholding pattern (%)

As On	Mar-23	Dec-22	Mar-22
Promoter	61.2	61.2	60.5
DII	13.9	14.2	17.3
FII	14.9	14.6	9.7
Others	10.0	10.0	12.5

FII Includes depository receipts

Stock Performance (1-year)

- The capacity expansion, which is expected to come on stream in a phased manner, will increase the mix of flat steel to ~70% from 30-33%.
- Historically, flats command a premium over long steel products, and JSP's structural shift from being a long steel manufacturer to a flat steel manufacturer bodes well for the company's long-term strategy.
- The capex is aimed at improving the product mix, reducing the cost, and increasing margin and capacity.
- BoF#2 is expected to be commissioned by 3QFY24 and EAF#2 is expected to be commissioned by 4QFY25. Full benefits of the incremental capacity will accrue from FY26-27 onward.
- Currently around 33% of crude steel is manufactured via the EAF route; however, after the expansion, it is expected to increase to 37-40%.
- Increasing the share of EAF helps the company transition to being a green steel manufacturer and improve margins.

Strong RM linkages to ensure seamless production

- JSP is a leading integrated long steel manufacturer with strong RM linkages, which ensures adequate and timely supply of materials.
- JSP requires ~14.8mt of iron ore and ~14.5mt of coal. JSP has two iron ore mines at Tensa and Kasia with a cumulative capacity of 10.6mt. Around 60% iron ore requirements are met via captive mines.
- JSP has also recently acquired four thermal coal blocks Utkal C, Utkal B1 & B2 and Gare Palma IV/6 with a cumulative R&R of ~500mt. Once operational, it will cater to 12-15mt of thermal coal requirement of JSP.
- The Utkal C coal block is under the final stages of clearance. It is expected to be operational in 2HFY24. Once operational, it will operate at PRC of 3.37mt and will cater to thermal coal requirement of the Angul plant.
- Similarly, once Gare Palma IV/6 is operational, it will add 4mt capacity, which will further provide RM security to the Angul facility and reduce costs.
- The mine and capacity expansions will make JSP one of the lowest-cost steel producers in the world.
- Apart from the mines in India, JSP also has coal mines in Australia and Mozambique; however, these mines only cater a small portion of the RM requirement.

Preferred steel supplier to railways

- JSP is the first non-public (private) enterprise to be granted the 'Regular Rail Supplier' status by Indian Railways.
- JSP has developed multiple products for Indian Railways and has also developed the longest 121m rolled rail track in India, which ensures a length of 484m with mere 3 welds. This ensures higher tensile strength for the rails.
- JSP has also developed hardened rails; a value-added product (VAP) used in metro projects and high speed rail corridors.
- Most of the rail lines in India are of legacy nature and the Ministry of Railways has set a target of building 7,000km of new railway tracks in FY24, which translates to ~19km per day (compared to 4km per day in FY14 and 12km per day in FY23).

- The approval process by railways is quite stringent and time consuming, acting as an entry barrier to other steel manufacturers, thereby providing a competitive edge to JSP.

Robust domestic demand augurs well for JSP

- India was one of the handful countries whose crude steel production increased by 5.5% YoY to ~125mt in CY22.
- India is emerging as the next steel hub for the world and the government's strong push on infrastructure, housing, and construction, along with improved demand for auto and renewable energy (RE) is expected to drive domestic demand for steel.
- India is all set to increase its crude steel capacity to 300mt by FY31, providing significant headroom for growth in steel consumption in India.
- As the per capita steel consumption increases from 81.1kg/pp to a global average of 221.8kg/pp, steel demand is expected to grow in coming years.
- The 'Aatmanirbhar Bharat' and 'PM Gati Shakti' programs have laid down a strong foundation for infrastructure development in India. These schemes are aimed at integrating various schemes/yojanas, such as Bharatmala, Sagarmala, UDAN, etc., which will drive up steel demand.

Strong focus on VAP

- The global steel consumption pattern has witnessed a sea change over the last decade, with higher demand for niche and VAPs.
- JSP has a strong presence in infrastructure steel products and has developed some of the VAPs across plates, rails, track shoe, rebars, etc.
- JSP produces the widest plate of 5m in India, which finds unique applications across shipping and construction sectors.
- JSP has also developed 'Rockhard' plates with advance abrasion and wear resistant known for high strength, longer life, enhanced weldability, toughness, higher hardness, and bendable properties. These plates have a lifespan of 2-3 times longer than other structural steel, finding applications across yellow goods, material handling equipment and hydro projects.
- Apart from VAP in rails, JSP has also developed single, double and triple grouser trackshoe, which was predominantly a 100% import product.
- As the additional capacity comes on stream, JSP would be able to develop more VAPs and thus drive up margins.

Valuations and view

- We expect demand to pick up as customers rush to stock up inventory before the monsoons. Demand is relatively stronger in 2H. Price improvements should also help JSP garner better margins.
- The stock trades at 4.5x FY25E EV/EBITDA. We reiterate BUY on the stock with a TP of INR720 (5.5x FY25E EV/EBITDA).
- Key downside risk: A delay in the commissioning of the Angul plant and coal mines may put pressure on the company. Any major write-off in international subsidiaries may impact margins.

Exhibit 1: Capacity to leap-frog with Angul expansion (in mt)

Plant Location	Current capacity	Expansion FY24E	Expansion FY25E	Post expansion capacity
Angul, Odisha	6	3.3	3.0	12.3
Raigarh, Chhattisgarh	3.6	-	-	3.6
	9.6	3.3	3.0	15.9

Source: MOFSL, Company

- JSP is undertaking capacity expansion at Angul, which will enhance its capacity to 12.3mt from 6mt by FY25. Post expansion, the Angul facility will be one of the largest steel plants in India.
- JSP is also setting up a 12mt pellet plant at Angul under 'Angul Phase II', which is expected to be commissioned in two phases in 1QFY24 and 2QFY24. This pellet plant will reduce its dependence on the Barbil pellet plant and improve the backward integration, which will drive cost efficiency and improving margins.

Exhibit 2: Domestic RM linkages (in mt)

Plant Location	Raw material	Capacity	
Tensa, Odisha	Iron ore	3.1	❖ Fulfills sponge iron demand of JSP
Kasia, Odisha		7.5	❖ High Fe content, EC for mining 7.5mt, R&R 278mt, close proximity to Barbil pellet facility
Utkal-C, Odisha	Thermal coal	3.4	❖ Utkal-C is under final stage of clearance and total R&R is ~500mt
Utkal B11 & B2, Odisha		8.0	
Gare Palma IV/6, Chhattisgarh		4.0	

Source: MOFSL, Company

Exhibit 3: Angul margin and capacity expansion timeline

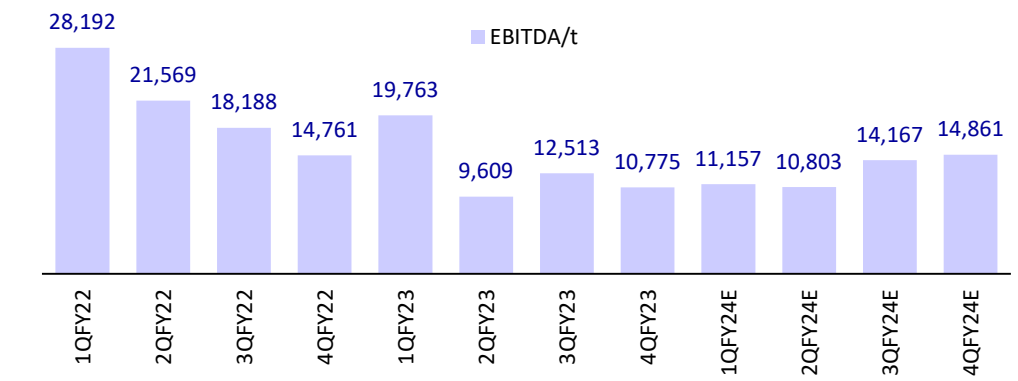
	FY22	FY23	FY24	FY25	Expected COD
Margin Expansion: ₹ 8,100Cr.	Angul Pellet Plant #1: 6MTPA				1QFY24
	HSM Phase #1: 3MTPA				2QFY24
	Angul Pellet Plant #2: 6MTPA				2QFY24
	Slurry Pipeline				2QFY24
Capacity Expansion: ₹ 15,900Cr.	Oxygen plant, Coke oven, RMHS				2QFY24
	HSM Phase #2 Expand to 5.5 MTPA				2QFY24
	Blast Furnace #2: 4.25 MTPA				3QFY24
	Angul BOF #2 : 3.3 MTPA				3QFY24
	CPP:1050 MW *				2QFY25
	Angul EAF #2 : 3 MTPA				4QFY25
	TSCR : 3 MTPA				4QFY25
	DRI #2: 2.7 MTPA				4QFY25

Source: Company

The INR240b capex is aimed at margin expansion and capacity expansion, which will augment the pellet capacity by ~133% to 21mt and crude steel capacity by ~66% to 15.9mt by FY25.

- Currently around 33% of crude steel is manufactured via the EAF route; however, post expansion, this is expected to increase to 37-40%. Increasing the share of EAF helps the company to transition to being a green steel manufacturer and improve margins.
- JSP is also expected to spend around INR14b on Monnet Power, which is in close vicinity to the Angul facility, which will further drive cost synergies for JSP.
- JSP, which has been predominantly a long steel manufacturer, will increase the share of flat steel to ~70% from 30% (most of the expansion in plates).
- HSM, thin slab caster and rail mill, which are expected to be commissioned by 2Q-3QFY24, would aid the product mix and downstream volumes.

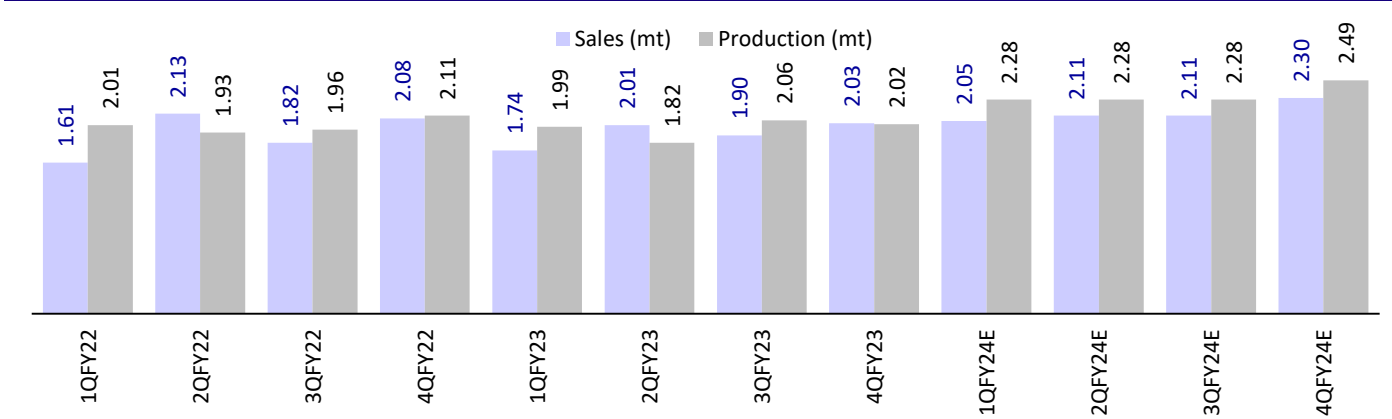
Exhibit 4: We expect consolidated EBITDA/t to pick up in FY24



Source: MOFSL, Company

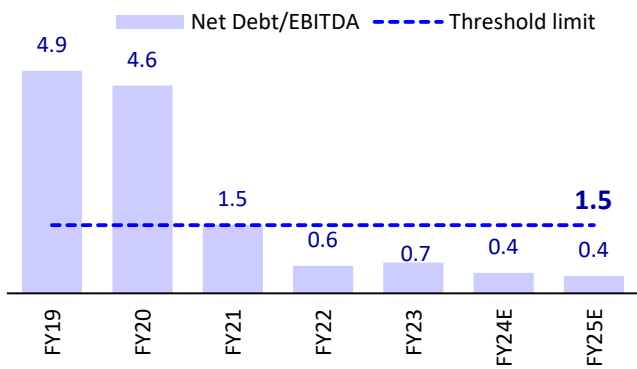
- Going forward, we expect EBITDA/t to pick up in FY24 (except 2QFY24, which will be slightly impacted due to monsoons).
- EBITDA/t is expected to touch Mar'22 levels in 2HFY24.

Exhibit 5: Quarterly sales and production volumes (in mt)



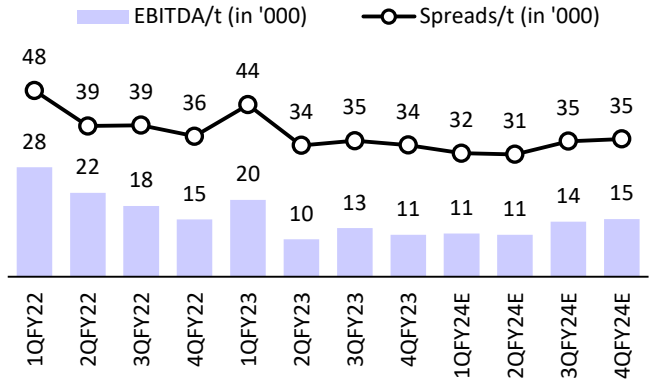
Source: MOFSL, Company

Exhibit 6: ND/EBITDA within the threshold limit of 1.5x; expected to be below the limit



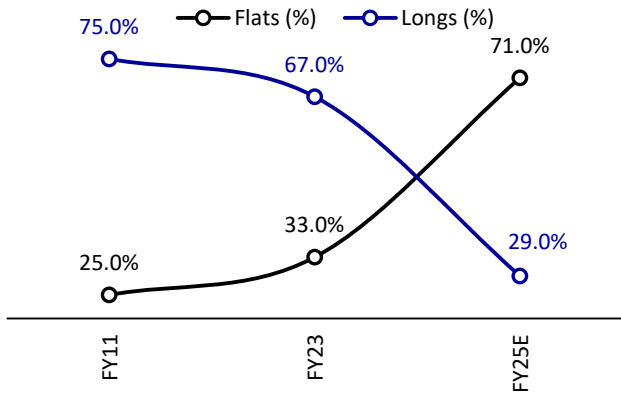
Source: MOFSL, Company

Exhibit 7: EBITDA and spread per tonne (INR/t in '000)



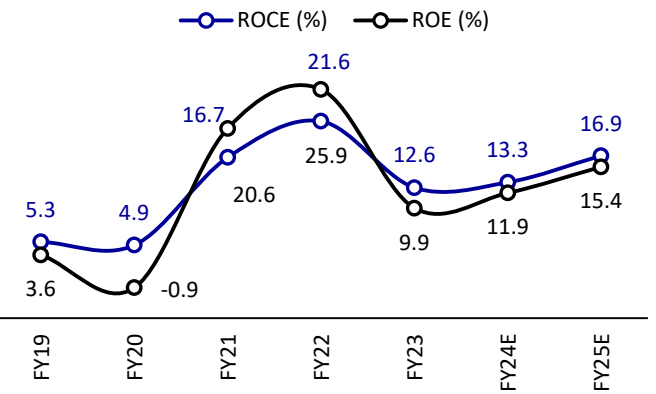
Source: MOFSL, Company

Exhibit 8: Share of flat is expected to increase post expansion



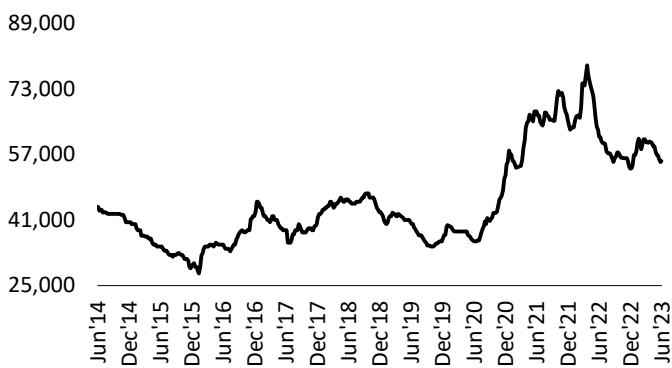
Source: MOFSL, Company

Exhibit 9: ROE (%) and ROCE (%)



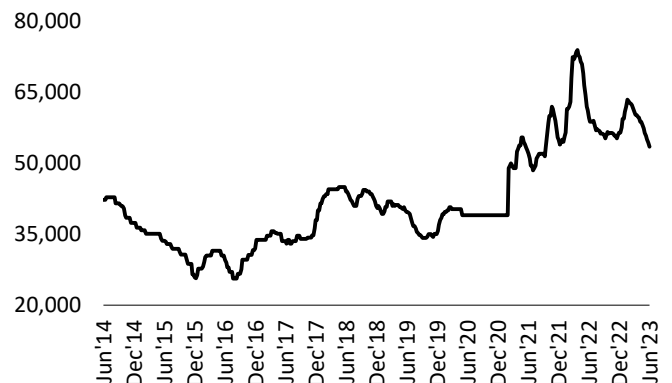
Source: MOFSL, Company

Exhibit 10: Domestic HRC prices (INR/t)



Source: MOFSL, SteelMint

Exhibit 11: Domestic rebar prices (INR/t)



Source: MOFSL, SteelMint

Exhibit 12: FY24E EBITDA sensitivity analysis (INR b) to change in Coal USD/t and ASP (INR/t)

		Coal USD/t				
		-10	-5	0	5	10
ASP (INR/t)	-1,000	141.8	138.4	135.0	131.7	128.3
	-500	145.2	141.8	138.4	135.0	131.7
	0	148.5	145.2	141.8	138.4	135.0
	500	151.9	148.5	145.2	141.8	138.4
	1,000	155.3	151.9	148.5	145.2	141.8

Source: MOFSL

Exhibit 13: FY24E EBITDA sensitivity (% change)

		Coal USD/t				
		-10	-5	0	5	10
ASP (INR/t)	-1,000	0.0%	-2.4%	-4.8%	-7.1%	-9.5%
	-500	2.4%	0.0%	-2.4%	-4.8%	-7.1%
	0	4.8%	2.4%	0.0%	-2.4%	-4.8%
	500	7.1%	4.8%	2.4%	0.0%	-2.4%
	1,000	9.5%	7.1%	4.8%	2.4%	0.0%

Source: MOFSL

- A reduction of USD10/t in the coking coal price and a INR1,000/t increase in ASP will increase EBITDA by 9.5%. However, a coal price increase of USD10/t and a decrease of INR500/t in ASP can erode 7.1% of EBITDA.

Exhibit 14: Target price sensitivity analysis to change in Coal USD/t and ASP (INR/t)

		Coal USD/t				
		-10	-5	0	5	10
ASP (INR/t)	-1,000	720	700	680	660	640
	-500	740	720	700	680	660
	0	760	740	720	700	680
	500	780	760	740	720	700
	1,000	810	780	760	740	720

Source: MOFSL

Exhibit 15: Target price sensitivity (% change)

		Coal USD/t				
		-10	-5	0	5	10
ASP (INR/t)	-1,000	0.0%	-2.8%	-5.6%	-8.3%	-11.1%
	-500	2.8%	0.0%	-2.8%	-5.6%	-8.3%
	0	5.6%	2.8%	0.0%	-2.8%	-5.6%
	500	8.3%	5.6%	2.8%	0.0%	-2.8%
	1,000	12.5%	8.3%	5.6%	2.8%	0.0%

Source: MOFSL

- A reduction of USD10/t in the coking coal price, along with the ASP increase of INR1,000/t, will increase the target price to INR810 from INR720. Similarly, if coking coal cost rises by USD10/t, with no change in ASP, the target price will come down by 5.6% to INR680.

Exhibit 16: TP calculation

Y/E March	UoM	FY25E
Volume	mt	9.7
Blended EBITDA/t	INR	14,682
Consol EBITDA	INR b	142
Target EV/EBITDA(x)	x	5.5
Target EV	INR b	780
Net Debt	INR b	54
Equity Value	INR b	726
No of shares o/s	b	1.0
Target price (INR/share)	INR/sh	720

Source: MOFSL

Exhibit 17: Global comparative valuations

Company	M-Cap USDm	P/E (x)			EV/EBITDA (x)			P/B (x)			RoE (%)		
		CY21/ FY22	CY22/ FY23	CY23/ FY24	CY21/ FY22	CY22/ FY23	CY23/ FY24	CY21/ FY22	CY22/ FY23	CY23/ FY24	CY21/ FY22	CY22/ FY23	CY23/ FY24
India													
Tata*	16,565	3.5	16.1	10.2	3.0	6.4	5.8	1.3	1.4	1.3	44.6	8.3	13.4
JSW*	22,186	8.5	51.3	10.3	6.1	13.0	6.4	2.7	2.8	2.2	37.5	5.3	23.9
JSP*	7,269	6.8	16.0	12.0	4.4	6.6	5.8	1.7	1.5	1.4	25.9	9.9	11.9
SAIL*	4,289	2.8	17.8	9.0	2.4	8.2	5.2	0.7	0.6	0.6	25.1	3.7	7.0
Japan													
JFE	8,745	4.3	7.8	7.2	5.2	6.7	6.4	0.6	0.6	0.5	15.5	7.4	7.6
Nippon Steel	19,764	5.3	4.3	6.8	5.5	4.9	5.5	0.9	0.7	0.6	18.1	17.3	9.7
Kobe Steel	3,711	9.4	8.4	6.2	6.6	7.1	5.0	0.7	0.6	0.5	7.2	7.5	9.1
Korea													
POSCO	25,846	7.7	10.5	8.6	4.7	5.4	4.8	0.6	0.6	0.6	8.3	5.8	6.8
Hyundai Steel	3,497	3.3	5.2	4.4	3.9	4.5	3.9	0.2	0.2	0.2	7.6	4.5	5.1
US													
Nucor	38,161	5.3	9.3	13.6	3.6	5.4	7.3	2.1	1.8	1.6	43.5	21.2	12.2
US Steel	5,297	2.4	5.4	11.9	1.5	3.2	4.6	0.6	0.5	0.5	26.2	10.4	5.3
Steel Dynamics	17,260	4.7	6.6	11.3	3.2	4.5	6.9	2.3	1.8	1.6	51.9	29.4	14.3
Europe													
AM	23,088	2.6	5.7	5.4	2.1	3.7	3.6	0.4	0.4	0.4	18.8	8.1	7.5
SSAB	7,308	3.5	6.3	10.7	2.0	3.2	4.8	0.8	1.1	1.1	26.0	18.0	10.6
TKA	4,652	4.4	18.3	7.8	0.5	0.5	0.5	0.3	0.3	0.3	8.4	1.3	3.8
VOE	6,300	5.4	5.7	8.7	3.8	3.2	4.2	0.9	0.7	0.7	16.7	13.8	8.3
China													
Baosteel	17,147	8.1	7.6	6.7	4.8	4.3	3.8	0.6	0.6	0.6	7.0	7.2	8.0

Source: MOFSL, Company. (*) denotes MOFSL estimates

Financials and Valuations

Consolidated Income Statement

(INR b)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Net sales	210	276	394	370	389	511	527	533	636
Total Expenses	164	212	310	291	241	356	428	424	495
EBITDA	47	65	84	79	148	155	99	110	142
Deprn. and Amortization	39	39	42	42	35	21	27	31	34
EBIT	7	26	42	37	113	134	72	78	108
Net Interest	34	39	43	41	31	19	14	14	14
Other income	0	0	0	0	4	1	1	1	1
PBT before EO	-27	-13	0	-4	86	116	59	65	95
EO income	-4	-6	-28	2	-13	-19	-6	0	0
PBT after EO	-30	-19	-28	-2	73	97	53	65	95
Tax	-5	-2	-4	2	18	29	13	16	24
Reported PAT	-25	-16	-24	-4	55	68	40	49	71
Minority interests	-3	-2	-8	0	3	0	0	0	0
Preference dividend	0	0	0	0	0	0	0	0	0
Share of Associates	0	0	0	0	0	0	0	0	0
Adjusted PAT	-19	-8	11	-3	66	87	37	49	71

Consolidated Balance Sheet

(INR b)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Share Capital	1	1	1	1	1	1	1	1	1
Reserves	300	303	323	320	317	355	386	429	489
Net Worth	301	304	324	321	318	356	387	430	490
Minority Interest	6	4	-3	-8	-9	15	3	3	3
Total Loans	467	443	415	368	293	139	124	119	119
Deferred Tax Liability	54	50	54	56	62	73	59	59	59
Capital Employed	827	802	790	738	665	582	574	612	672
Gross Block	783	847	900	951	833	765	742	802	862
Less: Accum. Deprn.	129	168	210	252	286	307	334	365	399
Net Fixed Assets	654	679	690	699	547	458	408	437	463
Capital WIP	97	50	40	20	9	17	71	67	102
Goodwill and Revaluation	6	6	6	6	5	4	1	1	1
Investments	4	1	1	1	1	1	1	1	1
Curr. Assets	146	157	158	171	216	285	213	227	236
Inventory	36	50	65	64	59	73	59	60	71
Account Receivables	17	18	30	35	28	13	10	10	12
Cash and Bank Balance	5	5	4	10	72	45	57	70	65
Loans and advances and others	88	84	58	62	57	155	87	87	87
Curr. Liability and Prov.	79	91	106	159	113	184	120	121	130
Account Payables	22	28	32	56	41	53	47	48	57
Provisions and Others	57	62	74	104	73	132	73	73	73
Net Current Assets	67	66	52	12	103	101	93	106	105
Appl. of Funds	827	802	790	738	665	582	574	612	672

Financials and Valuations

Consolidated ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Basic (INR)									
EPS	-20.9	-8.5	11.5	-2.9	64.7	86.0	36.4	48.4	70.6
Cash EPS	15.4	23.3	18.4	36.9	88.0	87.7	66.3	79.7	104.4
BV/Share	328.4	313.9	335.0	315.1	311.9	352.5	385.1	427.7	487.9
DPS	0.0	0.0	0.0	0.0	0.0	3.0	2.0	5.0	9.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	3.5	5.5	10.3	12.7
Valuation (x)									
P/E	-27.9	-68.7	50.5	-203.2	9.0	6.8	16.0	12.0	8.3
Cash P/E	37.9	25.0	31.7	15.8	6.6	6.6	8.8	7.3	5.6
P/BV	1.8	1.9	1.7	1.9	1.9	1.7	1.5	1.4	1.2
EV/Sales	4.7	3.6	2.5	2.6	2.1	1.3	1.2	1.2	1.0
EV/EBITDA	21.3	15.5	11.6	12.1	5.5	4.4	6.6	5.8	4.5
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.5	0.3	0.9	1.5
Return Ratios (%)									
EBITDA Margin (%)	22.2	23.4	21.3	21.2	38.0	30.4	18.8	20.6	22.3
Net Profit Margin (%)	-9.1	-3.0	2.8	-0.8	17.0	17.0	6.9	9.1	11.2
RoE	-7.9	-2.6	3.6	-0.9	20.6	25.9	9.9	11.9	15.4
RoCE (pre-tax)	1.0	3.2	5.3	4.9	16.7	21.6	12.6	13.3	16.9
RoIC (pre-tax)	1.1	3.6	5.7	5.1	17.7	24.6	15.1	17.1	22.1
Working Capital Ratios									
Fixed Asset Turnover (x)	0.3	0.4	0.5	0.5	0.7	1.1	1.1	1.1	1.1
Asset Turnover (x)	0.3	0.3	0.5	0.5	0.6	0.9	0.9	0.4	0.4
Inventory (Days)	63	66	60	63	56	52	41	41	41
Debtor (Days)	30	24	28	35	26	9	7	7	7
Payable (Days)	39	38	30	55	38	38	33	33	33
Work. Cap. Turnover (Days)	29	22	12	1	8	11	7	7	7
Leverage Ratio (x)									
Current Ratio	1.8	1.7	1.5	1.1	1.9	1.5	1.8	1.9	1.8
Interest Coverage Ratio	0.2	0.7	1.0	0.9	3.7	7.1	5.0	5.6	7.9
Debt/Equity ratio	1.5	1.4	1.3	1.1	0.7	0.3	0.2	0.1	0.1

Consolidated Cash Flow Statement

(INR b)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
EBITDA	47	65	84	79	148	155	99	110	142
Non-cash exp./(income)	-1	3	1	2	-2	25	-5	0	0
(Inc.)/Dec. in Wkg. Cap.	7	-9	-24	19	-12	-8	11	0	-4
Tax Paid	0	-1	0	0	1	-20	-27	-16	-24
others	16	14	22	16	-14	9	-6	0	0
CF from Op. Activity	69	72	84	115	120	160	73	93	114
(Inc.)/Dec. in FA + CWIP	-25	-26	-14	-17	-9	-29	-64	-56	-95
(Pur.)/Sale of Investments	5	12	2	0	0	1	0	0	0
Loans and advances	-1	-2	3	0	-11	4	23	0	0
Int. and Dividend Income	1	2	1	1	1	2	1	1	1
Other investing activities	2	-1	-1	0	8	-13	5	0	0
CF from Inv. Activity	-18	-15	-9	-16	-11	-36	-35	-55	-94
Equity raised/(repaid)	0	14	0	5	0	-5	-2	0	0
Debt raised/(repaid)	-10	-24	-30	-61	-23	-119	-6	-5	0
Dividend (incl. tax)	0	0	0	0	0	-1	-2	-6	-11
Interest paid	-41	-47	-46	-40	-23	-26	-15	-14	-14
CF from Fin. Activity	-52	-57	-75	-94	-46	-151	-25	-25	-24
(Inc.)/Dec. in Cash	-1	0	-1	5	62	-27	13	13	-5
Add: Opening Balance	6	5	5	4	10	72	45	57	70
Closing Balance	5	5	4	10	72	45	57	70	65

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SELL	< - 10%
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