# Pearl Global Industries Ltd [PGIL]

3QFY25 Result Update | **Textiles**

DALAL & BROACHA
STOCK BROKING PVT. LTD.

Equity Research Desk

12 February 2025

## Strong Growth Momentum Continues

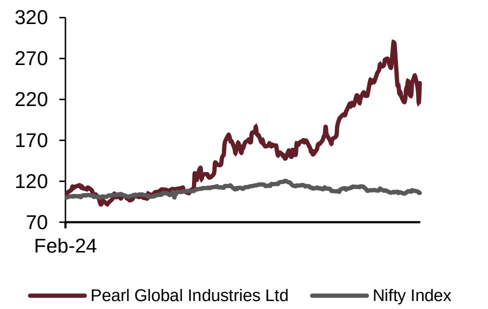
| Rating | TP (Rs) | Up/Dn (%) |
|---|---|---|
| **BUY** | **1,600** | **14** |

| **Market data** | | |
|---|---|---|
| **Current price** | **Rs** | **1,400** |
| Market Cap (Rs.Bn) | (Rs Bn) | 64 |
| Market Cap (US$ Mn) | (US$ Mn) | 740 |
| Face Value | Rs | 5 |
| 52 Weeks High/Low | Rs | 1,718/524 |
| Average Daily Volume | ('000) | 82 |
| BSE Code | | 532808 |
| Bloomberg | | PGIL.IN |

Source: Bloomberg

**Pearl Global Industries Ltd (PGIL) reported consolidated revenue/gross margin/ebitda/pat/eps growth of 45%/29%/40%/43%/53% YoY. PGIL reported its highest ever quarter 3 and 9-month performance in terms of consolidated revenue, adjusted EBITDA, and profitability. Consolidated revenue stood at Rs.10.2 bn (+45% YoY), driven by a strong sales volume growth of +66% YoY across geographies. Average realization was Rs.574 (-12% YoY). Bangladesh operations sustained strong performance in 3QFY25, with all facilities operating at optimal capacity utilization. Gross margin came in at 50.5% (618 bps lower YoY). Gross margin fluctuations stem from product mix but are offset by lower manufacturing costs, keeping EBITDA stable. While gross contribution has declined, gross margin (post-manufacturing cost) remains unchanged due to cost reductions from product mix adjustments. Adjusted EBITDA margin (excluding ESOP expenses) stood at 9.1%, down 60 bps YoY, impacted by front-loaded opex from new operations in Guatemala and Bihar (India). Depreciation increased +19% YoY, primarily due to higher PPE capitalization and new leases recognized during the period. Finance cost rose +39% YoY, driven by higher interest on lease amortization following new leases taken by the company. Credit rating upgrade: Long-term: Upgraded to [ICRA] A (Stable) from [ICRA] A- (Stable) ; Short-term: Upgraded to [ICRA] A1 from [ICRA] A2+**

### One Year Performance




Source: Bloomberg

| **% Shareholding** | **Dec-24** | **Sep-24** |
|---|---|---|
| Promoters | 63 | 63 |
| Public | 37 | 37 |
| Others | | |
| **Total** | **100** | **100** |

Source: Bloomberg

### Key financial highlights

- Revenues at ₹10.2 bn,45.3%YoY/-15%QoQ
- Gross Margin at ₹5.2 bn,29.5%YoY/-3%QoQ
- EBITDA (Excl OI) at ₹914Mn,39.7%YoY/-5.6%QoQ
- PAT at ₹483Mn,43.1%YoY/-18.7%QoQ
- Gross Margin came in at 50.5% vs 56.7% YoY/44.3% QoQ
- Gross Margin saw decline of -619 bps on YoY basis
- EBITDA Margin (Excl OI) came in at 9% vs 9.3% YoY/8.1% QoQ
- EBITDA Margin (Excl OI) saw decline of -36 bps on YoY basis

**Key Risks:**

- Customer concentration
- Geographical concentration/risk
- Seasonality element
- Tariffs

### Financial Summary

| Y/E Mar (Rs mn) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25e | FY26e | FY27e |
|---|---|---|---|---|---|---|---|---|
| Net sales | 16,851 | 14,909 | 27,135 | 31,584 | 34,362 | 42,774 | 52,726 | 56,944 |
| EBIDTA | 669 | 606 | 1,405 | 2,555 | 3,078 | 3,728 | 4,933 | 5,892 |
| Margins | 4.0 | 4.1 | 5.2 | 8.1 | 9.0 | 8.7 | 9.4 | 10.3 |
| PAT (adj) | 222 | 48 | 616 | 1,361 | 1,755 | 2,291 | 2,956 | 3,488 |
| Growth (%) | -67.6 | -19.5 | 301.0 | 118.2 | 10.5 | 23.2 | 31.2 | 19.5 |
| EPS | 4.98 | 3.99 | 15.73 | 34.45 | 40.11 | 52.91 | 67.83 | 80.03 |
| P/E (x) | 283 | 353 | 90 | 41 | 35 | 27 | 21 | 18 |
| P/B (x) | 12 | 12 | 10 | 8 | 8 | 6 | 5 | 4 |
| EV/EBITDA (x) | 95 | 105 | 47 | 25 | 20 | 17 | 13 | 11 |
| RoE (%) | 5 | 1 | 11 | 21 | 23 | 26 | 27 | 26 |
| ROCE (%) | 9 | 5 | 12 | 20 | 23 | 23 | 25 | 24 |
| RoIC (%) | 7 | -19 | 10 | 22 | 26 | 25 | 23 | 24 |

Source: Company, Dalal & Broacha Research


**Bhavya Gandhi**
+91 22 6714 1438
bhavya.gandhi@dalal-broacha.com

### On track to achieve 125-130 mn pieces installed capacity by FY27

PGIL aims to reach an installed capacity of 105-110 mn pieces by FY26 and 125-130 mn pieces by FY27. By FY25-end, capacity is expected to be ~90 mn pieces. The company is evaluating opportunities in Bangladesh, Vietnam, and Indonesia to maximize ROCE and is exploring value-accretive expansions in Bangladesh to capitalize on growth opportunities.

### Robust revenue growth of 45% YoY driven by volumes

Consolidated revenue stood at Rs.10.2 bn (+45% YoY), driven by robust sales volume growth of +66% YoY across geographies. Average realization was Rs.574 (-12% YoY). Bangladesh operations continued strong performance in 3QFY25, with all facilities running at optimal capacity utilization.

### Majority of Capex Commitment to be Completed by 1HFY27

PGIL has guided an investment of Rs.4.5-5 bn in key geographies, leveraging its multi-country, multiproduct capabilities. ~Rs.350 mn is being invested in Bihar, India, with Rs.220 mn for phase 1, to be capitalized by March-April. Rs.210 mn has been committed for an Indonesia acquisition. The company is investing ~$1 mn in renewable energy in India. A significant portion of capex will be allocated in FY26 to scale capacity to 125-130 mn pieces.

### Region-wise Strategy

PGIL is expanding across key geographies to strengthen its multi-country, multiproduct capabilities. Guatemala has scaled up to 12 production lines, incurring additional costs but is expected to reach cash break-even next year, aided by onboarding a key customer. Bangladesh continues to perform strongly, operating at optimal utilization despite political unrest, leveraging its cost advantages, skilled workforce, and improving infrastructure, with a shift from acquiring ready factories to building new ones. Vietnam is witnessing strong growth with a new partnership factory, securing long-term capacity to cater to high-end customers. Indonesia is recovering, with a new fully operational factory and expected 20%+ growth in volume and value next year. India reported strong growth in 3QFY25 (+49.5% YoY), with ongoing capacity expansions in metro and tier-2 cities, and is targeting high single-digit EBITDA, with 4Q typically being its best quarter.

### Valuation & Outlook

**Pearl Global Industries Ltd (PGIL)** stands as a leading global manufacturer and exporter of readymade garments to global brands & retailers. PGIL is the only Indian listed entity with a diversified manufacturing footprint across India, Bangladesh, Vietnam, Indonesia, and Guatemala (covering three of the four major textile supply chains), is well-positioned to benefit from the anticipated shift in procurement by large global brands and retailers from China to these markets. PGIL's multi-stream business model enables the company to offer multi-country and multi-product solutions across knit and woven clothing categories, efficiently serving its global customers. Global vendors in this category typically operate within the $1 bn to $3 bn revenue range (~2x to 6x size of PGIL), whereas PGIL is currently positioned at ~0.5 bn, merely scratching the surface of its potential.

In 2019, PGIL transformed its corporate structure by bringing in seasoned industry professionals to lead the company. This strategic move has strengthened its operational capabilities and market positioning. With ambitious plans to nearly double its revenue from Rs.34 bn in FY24 to Rs.63 bn by FY28, PGIL has added new clients, significantly increasing their revenue contribution. To support its growth, PGIL plans to invest Rs.4.5-5 bn in key geographies, leveraging its multi-country, multiproduct capabilities. This investment is expected to generate additional revenues of Rs.18-20 bn. PGIL stands out as the only listed multi-product, multi-country manufacturer from India, positioning itself as a key player in the global apparel industry.

Stock currently trades at 18x FY27e EPS of Rs.80.We maintain our **BUY** rating on the stock and recommend that investors consider adding the stock during any corrections in the midcap and smallcap sectors**. We value the company at 20x FY27e EPS of Rs.80 arriving at a target price of Rs.1,600, offering a 14% upside to CMP of Rs.1,400.** The valuation implies a <1 PEG ratio, which we consider reasonable in the context of the broader market.

## Conference Call KTAs

### Guidance:

- Maintains topline guidance of Rs.60bn by FY28
- EBITDA margin guidance of 10-12% (retained)
- Capacity Utilization: Expected to be ~78-80% by March 31, 2025

### Market & Industry:

- **Market Recovery:** The textile and apparel markets are showing signs of recovery after challenges in 2023 and early 2024, driven by improving consumer sentiment, rising demand for casual and athleisure wear, and easing supply chain disruptions.
- **US Market:** US apparel sales reached $29.5 bn in Dec-24, a 6% YoY increase.US YTD apparel imports have risen by a percentage point as of November 2024, reaching $73.9 bn, indicating a positive outlook. The US market has experienced an annual growth rate of 2-5% over the past few years, and this trend is expected to continue. Retailers have reduced inventory levels, indicating stable demand in the market.
- **European Union:** YTD apparel imports into the EU have risen by a percentage point as of November 2024.
- **UK and Japan:** While the UK and Japan have experienced a decline in imports, PGIL is seeing an improvement in these markets, with increasing business shares from brands with a strong international presence.

### Customer Base:

- The company's order book share from US-based customers is trending towards 65%, and non-US customers towards 35%, compared to 85/15 three years ago.
- The largest non-US customer segment is from the EU, followed by Japan, Australia, the UK, and Canada.

### Demand Generation:

- PGIL is focusing on increasing its wallet share with existing customers and acquiring new customers with strong financial and future growth potential.
- The company is strategically driven, targeting customers across the globe rather than relying on market size.

### Operational Overview

**Guatemala:**

- The Guatemala facility has increased production lines to 12, incurring additional costs for manpower, training, and assets.
- The facility is expected to reach a cash break-even point by next year. In process of onboarding of a key customer with year-round buys.

**Bangladesh:**

- Bangladesh operations are performing strongly with high shipment volumes, despite political unrest in 2024.

- All facilities are running at optimum utilization, with greater collaboration from partner factories.
- Bangladesh has advantages of lower cost, higher efficiency, skilled workforce, and favorable trade agreements.
- The country continues to improve its logistics infrastructure, making it attractive to international brands.
- They are changing their strategy from acquiring a ready factory to building their own facilities.

**Vietnam:**

- Vietnam is experiencing strong growth, with a new partnership factory.
- PGIL is securing long-term capacity through agreements with existing partner factories.
- The company will continue to expand in Vietnam, providing exceptional service to its higher-end customers.

**Indonesia:**

- Indonesia is recovering, with a new factory now fully operational and receiving positive customer feedback.
- The company expects 20%+ growth in both volume and value in the coming financial year, supported by strong customer demand.

**India:**

- India reported a robust performance with a 49.5% YoY growth in 3QFY25 and 26.1% in the 9MFY25.
- The adjusted EBITDA margin stood at 3.7% in 3QFY25.
- PGIL is augmenting capacities in existing facilities in metro areas and adding newer capacities in tier 2 cities.
- The Madhya Pradesh facility will be launched after assessing the progress of factories in the tier 2 cities.
- The company is working towards achieving high single-digit EBITDA in India.
- 4Q is historically the best quarter for Indian operations.

## Capacity Expansion:

- PGIL is aiming for an installed capacity of 105-110 mn pieces by the end of FY26 and 125-130 mn pieces by FY27
- By the end of this year (FY25), the installed capacity is expected to reach around 90 mn pieces.
- The company is evaluating various opportunities to maximize return on capital employed, including potential expansions in Bangladesh, Vietnam, and Indonesia.
- The company is looking at value accretive capacity expansion opportunities to tap into the growth opportunity in Bangladesh.

## Capex:

- ~Rs.350 mn is being invested in capital expenditure in Bihar, India, with Rs.220 mn allocated to phase 1 which will be capitalized by March-April.
- Rs.210 mn has been committed for Indonesia acquisition.
- The company is investing in renewable energy with a capex close to a million dollars in India.
- A large part of the capex will be committed in FY26 to take the capacity to 125-130 mn pieces.

## Other Key Points:

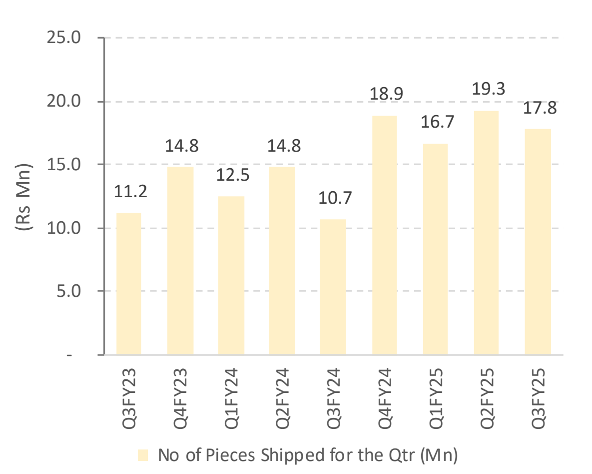
- **Rupee Depreciation:** The depreciation of the rupee has a favorable impact on the company's top and bottom lines as the company's exports are from India and they do not import any fabric in India.
- The company has a hedging strategy and takes a hedging forward cover in a very calibrated manner, hedging about 20-30% of the order book.
- **Gross Margin:** Gross margin fluctuations are due to product mix and are offset by reductions in manufacturing costs, maintaining consistent EBITDA. The gross contribution has come down, but the gross margin (after manufacturing cost) has remained the same, as manufacturing costs have decreased due to changes in the product mix.
- **Partnership Model:** PGIL prefers to have ownership of most of its manufacturing facilities, keeping partnership models to about 15% of their total capacity.
- **Forex Gains :** Forex gains are reported in other income, and some are included in sales figures.

## Quarterly Financials

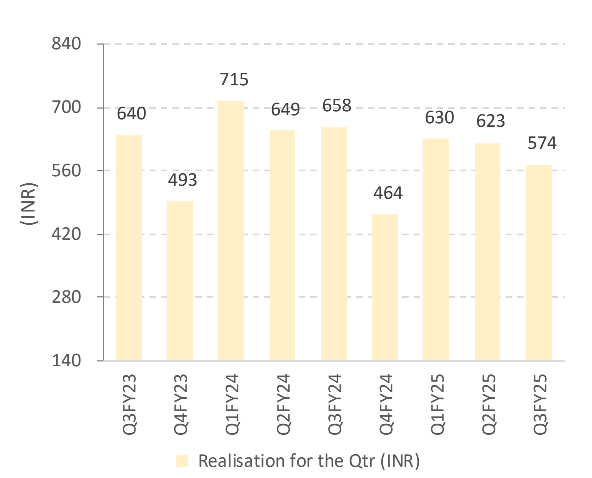
| (Rs.Mn) | Q3FY25 | Q3FY24 | YoY Growth (%) | Q2FY25 | QoQ Growth (%) |
|---|---|---|---|---|---|
| **Revenue** | **10,225** | **7,040** | **45%** | **12,019** | **-15%** |
| Other Income | 59 | 28 | 114% | 127 | -53% |
| Total RM Cost | 5,062 | 3,050 | 66% | 6,696 | -24% |
| **Gross Margin** | 5,164 | 3,990 | **29%** | 5,323 | **-3%** |
| Employee Expense | 2,145 | 1,668 | 29% | 2,106 | 2% |
| Other Expenses | 2,106 | 1,668 | 26% | 2,250 | -6% |
| Total Expenses | 9,312 | 6,386 | 46% | 11,052 | -16% |
| **EBITDA (Excluding OI)** | **913** | **654** | **40%** | **967** | **-6%** |
| Depreciation | 194 | 162 | 19% | 181 | 7% |
| **EBIT / PBIT** | **779** | **519** | **50%** | **914** | **-15%** |
| Finance Costs | 242 | 174 | 39% | 246 | -2% |
| **EBT/ PBT** | **537** | **345** | **56%** | **668** | **-20%** |
| Tax Expense | 55 | 8 | 608% | 75 | -27% |
| **Net Profit after Tax** | **482** | **337** | **43%** | **593** | **-19%** |
| Adj Earning Per Share | 12.52 | 8.21 | 53% | 12.90 | -3% |
| | | | | | |
| **Margins (%)** | | | **(In bps)** | | **(In bps)** |
| Gross Margins | 50.5% | 56.7% | -618 | 44.3% | 621 |
| EBITDA Margins (Excl OI) | 8.9% | 9.3% | -36 | 8.0% | 88 |
| PAT Margins | 5.5% | 5.0% | 43 | 5.1% | 33 |
| | | | | | |
| **As a % to sales** | | | | | |
| RM as a % to sales | 49.5% | 43.3% | | 55.7% | |
| EE Cost as a % to sales | 21.0% | 23.7% | | 17.5% | |
| Other exps as a % to sales | 20.6% | 23.7% | | 18.7% | |
| | | | | | |

Source: Dalal & Broacha Research

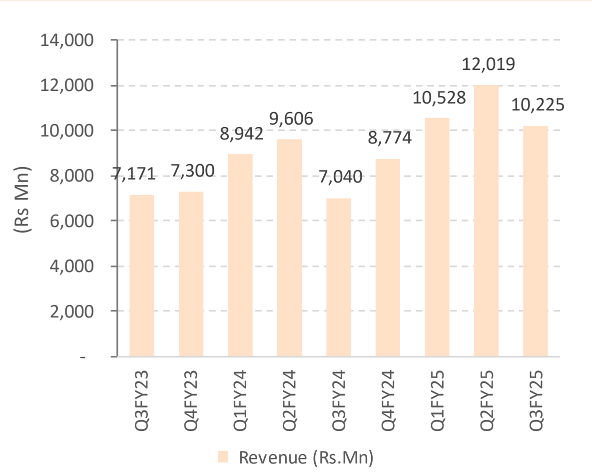
**No of Pieces Shipped for the Qtr (Mn)**



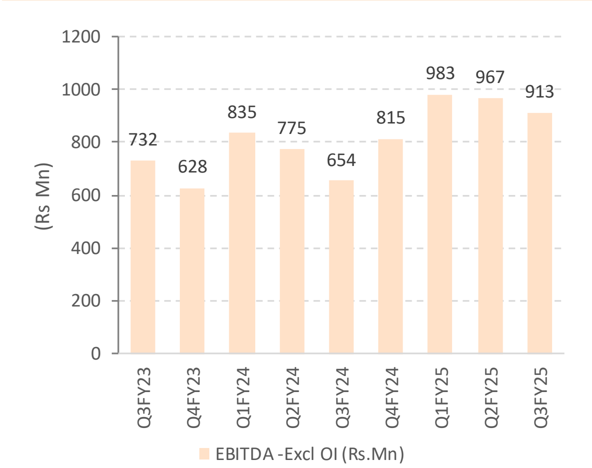

**Realisation for the Qtr (INR)**



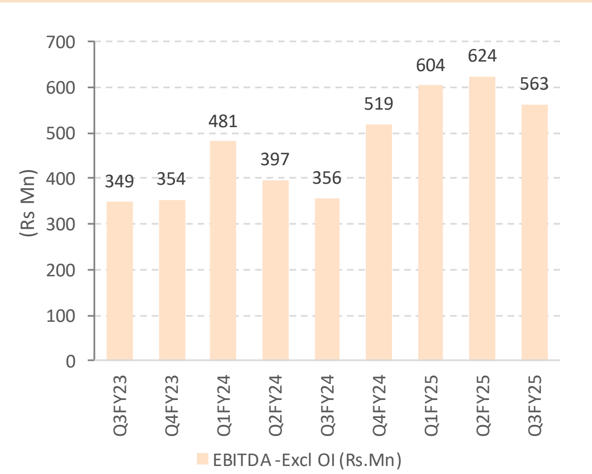

**Revenue (Rs.Mn)**



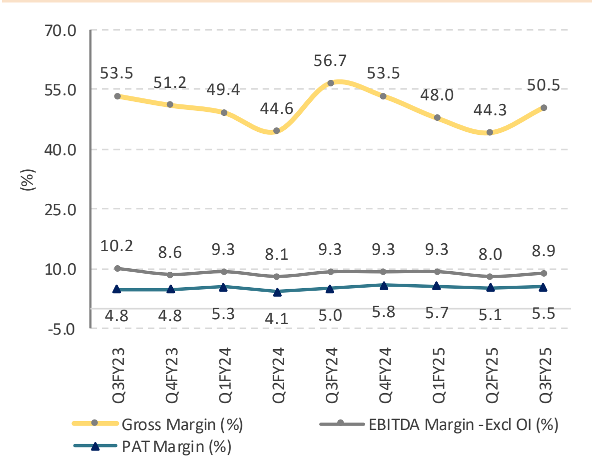

**EBITDA -Excl OI (Rs.Mn)**




**Adjusted PAT (Rs.Mn)**

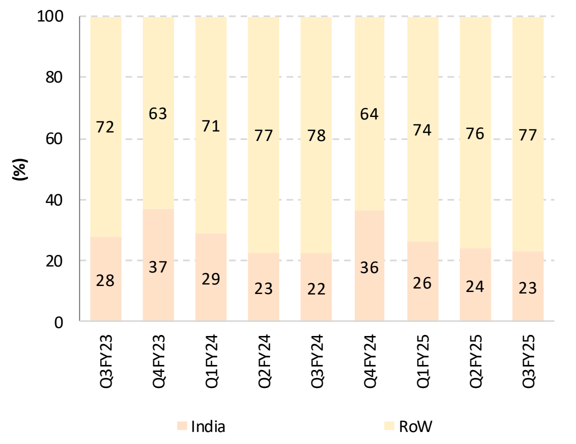



**Gross, EBITDA, PAT Margin**

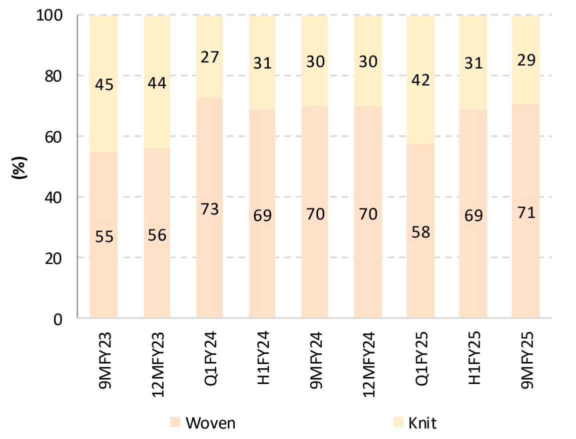



Source: Dalal & Broacha Research, Company

**Geographical Split for the Quarter (%)**




**Product Mix (%)**




Source: Dalal & Broacha Research, Company

## Financials

| P&L (Rs mn) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25e | FY26e | FY27e |
|---|---|---|---|---|---|---|---|---|
| Net Sales | 16,851 | 14,909 | 27,135 | 31,584 | 34,362 | 42,774 | 52,726 | 56,944 |
| Operating Expenses | -8,083 | -7,689 | -15,106 | -16,295 | -16,979 | -22,029 | -26,890 | -28,757 |
| **Gross Profit** | **8,768** | **7,220** | **12,029** | **15,289** | **17,383** | **20,746** | **25,836** | **28,187** |
| Employee Cost | -3,933 | -3,253 | -4,586 | -5,615 | -6,704 | -8,382 | -9,946 | -11,273 |
| Other Expenses | -4,166 | -3,361 | -6,038 | -7,119 | -7,601 | -8,636 | -10,956 | -11,023 |
| **Operating Profit** | **669** | **606** | **1,405** | **2,555** | **3,078** | **3,728** | **4,933** | **5,892** |
| Depreciation | -420 | -441 | -483 | -508 | -642 | -781 | -946 | -1,122 |
| PBIT | 249 | 165 | 921 | 2,048 | 2,436 | 2,947 | 3,987 | 4,769 |
| Other income | 491 | 235 | 335 | 228 | 324 | 344 | 344 | 344 |
| Interest | -420 | -413 | -465 | -652 | -833 | -964 | -1,116 | -1,272 |
| PBT | 319 | -13 | 791 | 1,624 | 1,927 | 2,326 | 3,215 | 3,841 |
| Profit before tax | 312 | 114 | 858 | 1,758 | 1,921 | 2,340 | 3,215 | 3,841 |
| Provision for tax | -95 | 61 | -157 | -229 | -229 | -257 | -482 | -576 |
| Profit & Loss from | - | - | - | - | - | - | - | - |
| Reported PAT | 217 | 175 | 701 | 1,530 | 1,691 | 2,083 | 2,733 | 3,265 |
| MI | -2 | -2 | -20 | -37 | 57 | 223 | 223 | 223 |
| Owners PAT | 216 | 173 | 681 | 1,493 | 1,748 | 2,306 | 2,956 | 3,488 |
| **Adjusted Profit** | **222** | **48** | **616** | **1,361** | **1,755** | **2,291** | **2,956** | **3,488** |

| Balance Sheet (Rs mn) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25e | FY26e | FY27e |
|---|---|---|---|---|---|---|---|---|
| Equity capital | 217 | 217 | 217 | 217 | 218 | 218 | 218 | 218 |
| Reserves | 4,789 | 4,956 | 5,773 | 7,008 | 7,802 | 9,647 | 12,012 | 14,803 |
| **Net worth** | **5,006** | **5,172** | **5,989** | **7,225** | **8,020** | **9,865** | **12,230** | **15,021** |
| MI | 130 | 129 | 159 | 203 | 154 | 97 | -126 | -349 |
| **Non Current Liabilites** | 2,254 | 2,445 | 2,548 | 2,210 | 2,849 | 4,396 | 6,063 | 7,407 |
| **Current Liabilites** | 5,133 | 5,193 | 9,110 | 8,168 | 8,831 | 9,850 | 11,240 | 11,835 |
| **TOTAL LIABILITIES** | **12,523** | **12,940** | **17,806** | **17,806** | **19,855** | **24,208** | **29,407** | **33,913** |
| **Non Current Assets** | 5,431 | 5,332 | 5,339 | 6,195 | 7,065 | 8,801 | 10,605 | 11,813 |
| Fixed Assets | 3,507 | 3,395 | 3,511 | 3,995 | 4,847 | 6,269 | 7,682 | 8,492 |
| Right of Use Assets | 1,073 | 980 | 1,117 | 1,339 | 1,617 | 1,925 | 2,274 | 2,623 |
| Financial Assets | 689 | 812 | 621 | 625 | 442 | 442 | 477 | 518 |
| Deferred Tax Asset | 9 | 47 | 9 | 14 | 25 | 25 | 25 | 25 |
| Long Term Loans and | - | - | - | - | - | - | - | - |
| Other Non Current | 154 | 98 | 81 | 221 | 133 | 140 | 147 | 154 |
| **Current Assets** | **7,092** | **7,608** | **12,467** | **11,612** | **12,789** | **15,407** | **18,802** | **22,100** |
| **Current investments** | 69 | 75 | 53 | 56 | - | - | - | - |
| Inventories | 2,639 | 2,788 | 5,396 | 5,133 | 5,027 | 5,860 | 8,667 | 10,141 |
| Trade Receivables | 2,204 | 2,422 | 3,666 | 2,094 | 2,654 | 3,516 | 4,334 | 4,680 |
| Cash and Bank Balances | 881 | 947 | 1,169 | 2,561 | 3,280 | 3,931 | 3,378 | 4,720 |
| Short Term Loans and | 173 | 171 | 346 | 254 | 226 | 226 | 226 | 226 |
| Other Financial Assets | 228 | 232 | 388 | 465 | 491 | 491 | 491 | 491 |
| Other Current Assets | 897 | 973 | 1,449 | 1,049 | 1,111 | 1,384 | 1,705 | 1,842 |
| **TOTAL ASSETS** | **12,523** | **12,940** | **17,806** | **17,806** | **19,855** | **24,208** | **29,407** | **33,913** |

| Cashflow (Rs mn) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25e | FY26e | FY27e |
|---|---|---|---|---|---|---|---|---|
| PBT | 312 | 114 | 858 | 1,758 | 1,921 | 2,340 | 3,215 | 3,841 |
| Depreciation | 420 | 441 | 483 | 508 | 642 | 781 | 946 | 1,122 |
| Net Chg in WC | -444 | 381 | -2,392 | 1,577 | 445 | -699 | -2,262 | -1,242 |
| Taxes | -171 | -35 | -77 | -231 | -210 | -257 | -482 | -576 |
| Others | 519 | 45 | 212 | 36 | 723 | 878 | 814 | 1,156 |
| **CFO** | **637** | **946** | **-915** | **3,648** | **3,521** | **3,042** | **2,230** | **4,301** |
| Capex | -703 | -209 | -837 | -703 | -1,275 | -2,202 | -2,360 | -1,932 |
| Net Investments made | 5 | -137 | -88 | -121 | 322 | - | -35 | -41 |
| Others | -147 | 85 | 528 | 567 | -328 | - | - | - |
| **CFI** | **-845** | **-260** | **-396** | **-257** | **-1,281** | **-2,202** | **-2,394** | **-1,973** |
| Change in Share capital | - | - | 6 | - | 38 | - | - | - |
| Change in Debts | 485 | -189 | 1,985 | -1,158 | -32 | 1,222 | 1,300 | 975 |
| Div. & Div Tax | -336 | -260 | -257 | -627 | -1,184 | -1,426 | -1,707 | -1,969 |
| Others | -3 | -171 | -201 | -214 | -344 | 15 | 18 | 8 |
| **CFF** | **146** | **-619** | **1,533** | **-1,998** | **-1,521** | **-188** | **-389** | **-987** |
| **Total Cash Generated** | **-63** | **66** | **221** | **1,393** | **718** | **651** | **-553** | **1,342** |
| **Cash Opening Balance** | **943** | **881** | **947** | **1,169** | **2,561** | **3,280** | **3,931** | **3,378** |
| **Cash Closing Balance** | **881** | **947** | **1,169** | **2,561** | **3,280** | **3,931** | **3,378** | **4,720** |

| Ratios | FY20 | FY21 | FY22 | FY23 | FY24 | FY25e | FY26e | FY27e |
|---|---|---|---|---|---|---|---|---|
| OPM | 4.0 | 4.1 | 5.2 | 8.1 | 9.0 | 8.7 | 9.4 | 10.3 |
| GPM | 52.0 | 48.4 | 44.3 | 48.4 | 50.6 | 48.5 | 49.0 | 49.5 |
| NPM | 1.3 | 0.3 | 2.2 | 4.3 | 5.1 | 5.3 | 5.6 | 6.1 |
| Tax rate | -30.4 | 54.0 | -18.3 | -13.0 | -11.9 | -11.0 | -15.0 | -15.0 |
| | | | | | | | | |
| **Growth Ratios (%)** | | | | | | | | |
| Net Sales | -4.1 | -11.5 | 82.0 | 16.4 | 8.8 | 24.5 | 23.3 | 8.0 |
| Gross Profit | -0.8 | -17.7 | 66.6 | 27.1 | 13.7 | 19.3 | 24.5 | 9.1 |
| Operating Profit | -24.0 | -9.5 | 132.0 | 81.9 | 20.5 | 21.1 | 32.3 | 19.4 |
| PBIT | -23.1 | -33.9 | 460.1 | 122.2 | 19.0 | 21.0 | 35.3 | 19.6 |
| PAT | -67.6 | -19.5 | 301.0 | 118.2 | 10.5 | 23.2 | 31.2 | 19.5 |
| | | | | | | | | |
| **Per Share (Rs.)** | | | | | | | | |
| Net Earnings (EPS) | 5.0 | 4.0 | 15.7 | 34.4 | 40.1 | 52.9 | 67.8 | 80.0 |
| Cash Earnings (CPS) | 14.7 | 14.2 | 26.9 | 46.2 | 54.8 | 70.8 | 89.5 | 105.8 |
| Dividend | - | - | 2.5 | 7.5 | 8.7 | 10.6 | 13.6 | 16.0 |
| Book Value | 115.5 | 119.4 | 138.2 | 166.7 | 184.0 | 226.4 | 280.6 | 344.6 |
| Free Cash Flow | -6.7 | -7.1 | -56.7 | 70.2 | 40.8 | 18.9 | 1.7 | 55.8 |
| | | | | | | | | |
| **Valuation Ratios** | | | | | | | | |
| P/E(x) | 283 | 353 | 90 | 41 | 35 | 27 | 21 | 18 |
| P/B(x) | 12 | 12 | 10 | 8 | 8 | 6 | 5 | 4 |
| EV/EBIDTA(x) | 95 | 105 | 47 | 25 | 20 | 17 | 13 | 11 |
| Div. Yield(%) | - | - | 0.18 | 0.53 | 0.62 | 0.75 | 0.96 | 1.14 |
| FCF Yield(%) | -0.48 | -0.51 | -4.02 | 4.98 | 2.90 | 1.34 | 0.12 | 3.96 |
| | | | | | | | | |
| **Return Ratios (%)** | | | | | | | | |
| ROE | 5% | 1% | 11% | 21% | 23% | 26% | 27% | 26% |
| ROCE | 9% | 5% | 12% | 20% | 23% | 23% | 25% | 24% |
| RoIC | 7% | -19% | 10% | 22% | 26% | 25% | 23% | 24% |

Source: Dalal & Broacha Research

**Rating History**

| Particular | Date | Rating | Market Price (Rs) | Target Price (Rs) |
|---|---|---|---|---|
| Initiating coverage | 07-Jan-24 | Buy | 1,238 | 1,600 |
| 3QFY25 Result Update | 09-Feb-24 | Buy | 1,400 | 1,600 |
| | | | | |

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Address: - 508, Maker Chambers V, 221 Nariman Point, Mumbai 400 021.
Tel: 91-22- 2282 2992, 2287 6173 | E-mail: equity.research@dalal-broacha.com