

## Emmbi Industries (EMMPOL)

### Growth momentum to sustain...

- In Q4FY16, Emmbi Industries (Emmbi) reported robust performance with sales growing 14% YoY ₹ 56.1 crore, EBITDA coming in at ₹ 7.1 crore (EBITDA margin 12.7%) and PAT at ₹ 3.7 crore. High PAT in Q4FY14 was supported by lower tax incidence (tax rate at 11%).
- For Full year, Sales, EBITDA and PAT stood at ₹ 207 crore, ₹ 25.6 crore and ₹ 10.6 crore respectively. EPS for FY16 stood at ₹ 6/share.
- In Apr 2016, R & D arm at Emmbi also received certificate of registration from Department of Scientific and Industrial Research (DSIR), Govt of India, (validity- 22<sup>nd</sup> Mar'16 to 31<sup>st</sup> Mar'18). It recognises the innovation carried at Emmbi and should result in some tax benefits (excise duty, customs, corporate) going forward.

#### Product up-gradation, Innovation to the core

Emmbi started its journey in 1997 with the manufacture of plain vanilla FIBC's with application in handling of bulk commodities. Thereafter, along its journey till date Emmbi has been innovating its product profile to suit the changing market needs. In the FIBC range, it now manufactures FIBC which are anti corrosive, anti carcinogenic, etc. Emmbi has also launched polymer based flexible water tanks, which are an effective means of storage and transportation of water. The company also manufactures polymer based canal liners; agri products like crop covers, shade nets, etc. Thus, the DNA to innovate and adapt to changing market needs gives visibility over long term sales growth and profitability at Emmbi.

#### Increasing share of value added products (VAP), Margin accretive

Emmbi's product profile can be classified into four main segments, i.e. speciality packaging (FIBC), advance composites (FIBC+ embedded property), water conservation products and agri products. In FY16, the company clocked net sales of ₹ 207 crore which comprised speciality packaging (39% in FY16, 48% in FY15), advance composites (43% in FY16, 36% in FY15), water conservation products (16% in FY16, 15% in FY15) and agri products (2.8% in FY16, 2.3% in FY15). Thus, with focus on increasing share of high margin VAP, the profitability at Emmbi is on the uptrend. EBITDA margins in FY16 stood at 12.3% vs. 10.7% in FY15, up 160 bps YoY. Going forward, we expect margins at Emmbi to improve further 70 bps over FY16-18E to 12.8 % in FY17E and 13.0% in FY18E.

#### Controlled NWC cycle, debt gearing on decline!!

Working capital cycle has improved significantly at Emmbi with net working capital days coming in at 130 days in FY16 vs. 171 days in FY15. The improvement is largely on account of increasing share of domestic business (close to customers) which in FY16 stood at 51% vs. 47% in FY15. Improvement was also on account of better inventory management and realizing credit inputs as against full immediate payments in the past. Consequent, debt gearing has improved at Emmbi with Debt: Equity at 0.9x in FY16 vs. 1.3x in FY15. Total Debt in absolute amount decreased from ₹ 81 crore in FY15 to ~₹ 63 crore in FY16. Going forward, we expect debt gearing to further decline to 0.6x by FY18E.

#### Return ratios to improve, healthy growth over FY16-18E, maintain Buy!!

With major capex behind it and increasing share of high margin VAP along with improving working capital cycle; we expect Emmbi to witness greater profitability going forward. The return ratios also expected to improve with FY18 RoE & RoCE expected at 18% & 19% respectively. We expect sales, PAT at Emmbi to grow at a CAGR of 18.2%, 31.5%, respectively, in FY16-18E. We value Emmbi at ₹ 145, i.e. 14x P/E on FY18E EPS of ₹ 10.4 /share and maintain BUY rating on the stock.

#### Rating matrix

Rating	: Buy
Target Price	: ₹ 145
Target Period	: 12 months
Potential Upside	: 38%

#### What's changed?

Target	Changed from ₹ 110 to ₹ 145
EPS FY17E	Changed from ₹ 7.1 to ₹ 7.9
EPS FY18E	Changed from ₹ 9.3 to ₹ 10.4
Rating	Unchanged

#### Key financials

₹ crore	FY15	FY16	FY17E	FY18E
Net Sales	182.6	207.0	244.8	289.2
EBITDA	19.7	25.6	31.3	37.8
Net Profit	6.0	10.6	13.9	18.3
EPS	3.4	6.0	7.9	10.4

#### Valuation summary

	FY15	FY16	FY17E	FY18E
P/E	31.0	17.5	13.4	10.1
Target P/E	42.8	24.2	18.4	14.0
EV / EBITDA	13.4	9.7	8.0	6.6
P/BV	2.9	2.5	2.2	1.8
RoNW	9.5	14.5	16.2	17.8
RoCE	11.5	16.4	17.5	19.3
ROIC	11.4	15.6	17.3	19.3

#### Stock data

Stock Data	
Market Capitalization	₹ 186 crore
Total Debt (FY16)	₹ 63 crore
Cash and Cash Equivalent (FY16)	₹ 1 crore
EV	₹ 248 crore
52 week H/L	122 / 18
Equity Capital	17.7
Face Value	₹ 10
MF Holding (%)	0.0
FII Holding (%)	0.0

#### Stock data

	1M	3M	6M	12M
Emmbi Ind	49.2	102.8	42.7	420.7
NeoCorp Int	(23.9)	(11.2)	(62.0)	(50.0)
Kanpur Plastipack	8.7	33.8	20.3	82.6

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## Company Analysis

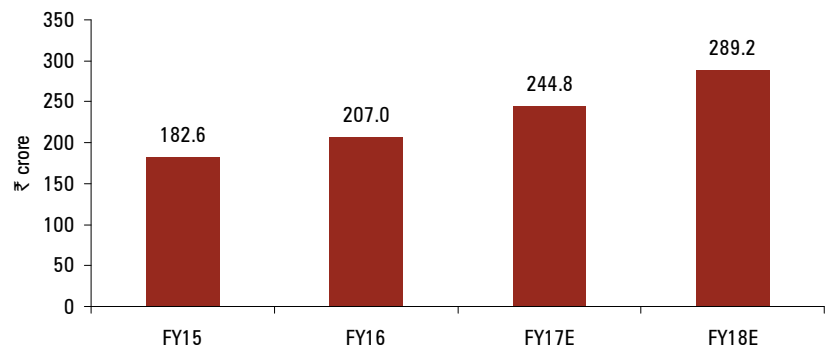
Emmbi exports to over 50 countries and is aiming to establish its own distribution network for overseas business over FY15-18E. All its products are polymer based with polypropylene as its major raw material. In synthetic packaging, it manufactures polymer based flexible intermediate bulk containers (FIBC) that are both generalised as well as embedded with specific properties.

In 2010, Emmbi got listed on NSE and BSE. The IPO came in at a price of ₹ 45/share and the company garnered ₹ 39 crore, mainly for expanding its manufacturing facilities domestically.

Emmbi is a technical textile unit based out of Maharashtra, manufacturing synthetic packaging, flexi water tanks and agri products. Emmbi was incorporated in 1994 by first generation entrepreneurs i.e. Makrand Appalwar and Rinku Appalwar, with initial years confined to trading of FIBC with the company venturing into manufacturing of the same in 1997 with a plant in Silvassa. In 2005, Emmbi installed and commissioned the polypropylene based packaging unit with a capacity of 6000 metric tonne. In 2010, Emmbi launched "Emmbi flexible Tank" for which it has also received requisite patents. In the same year, Emmbi also launched India's first 'Green FIBC' with a single woven polymer. Post IPO, Emmbi expanded its capacity from 6000 tonne to 18200 tonne in a phased manner. Capacity utilisation in FY15 was at 68% & in FY16 stood at 83%.

**Robust Revenue Growth with increasing share of value added products!!**  
Revenue growth at Emmbi has been robust in the past, with sales increasing at a CAGR of 29% in FY10-15. Going forward, with adequate capacities, robust product demand outlook and increasing share of VAP's, we expect Emmbi to clock revenue growth of 18.2% CAGR in FY16-18E.

**Exhibit 1: Sales trend**

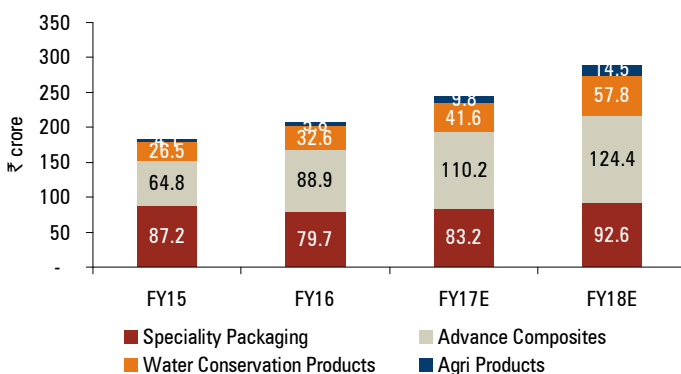


Source: Company, ICICIdirect.com Research

Advance composites, water conservation products and agri products constitute the Value added products (VAP) profile at Emmbi

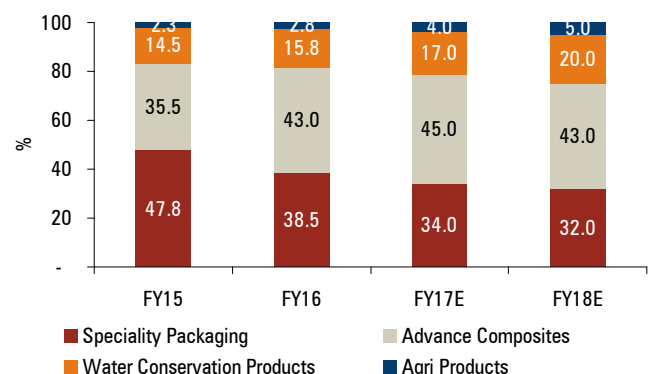
Sales at Emmbi can be broadly classified in 4 main segments namely speciality packaging (FIBC), advance composites (FIBC+ embedded property), water conservation products and agri products

**Exhibit 2: Revenue Break –up (Absolute numbers)**



Source: Company, ICICIdirect.com Research

**Exhibit 3: Revenue Break –up (% share)**



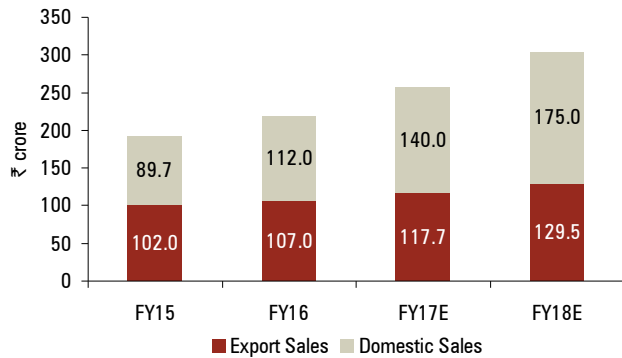
Source: Company, ICICIdirect.com Research

Thus, share of value added products is on the rise at Emmbi with % share of advance composites increasing from 36% in FY15 to 43% in FY16 which is further expected to improve going forward. The main thrust area of the company however will be water conservation products segment, the share of which will increase from 15.0% in FY15 to 20.0% in FY18E.

### Share of Revenue to be tilted more in the favour of Domestic Sales

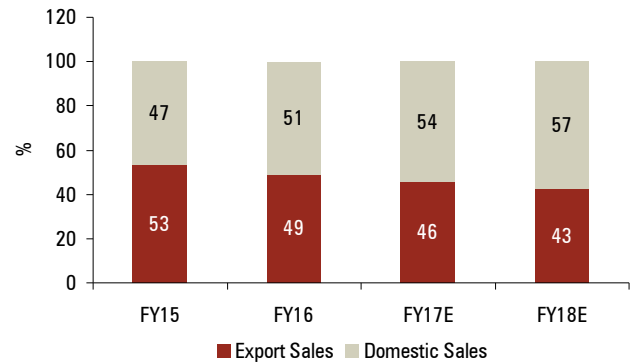
Revenues at Emmbi can also be bifurcated between the domestic sales and exports. In FY15, domestic sales constituted 47% of sales while exports constituted 53% of sales. Speciality packaging and advance composites are part of both domestic as well as export sales.

**Exhibit 4: Revenue Break –up (Absolute numbers)**



Source: Company, ICICIdirect.com Research

**Exhibit 5: Revenue Break –up (% share)**



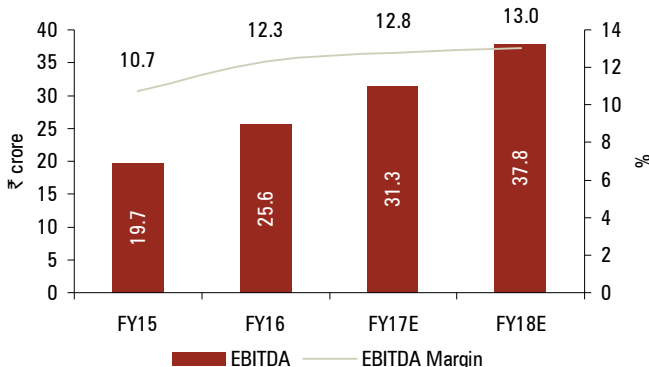
Source: Company, ICICIdirect.com Research

In FY16, domestic sales constituted 49% of the total gross sales at Emmbi while export sales share stood at 51%. Going forward, with main thrust on water conservation and agri products which are intended for domestic markets, the share of revenues will get incline in the favour of domestic sales which will keep a check over working capital requirement at Emmbi. We expect the share of domestic sales to inch up to 57% by FY18E.

### Margin expansion to drive EBITDA & PAT, going forward

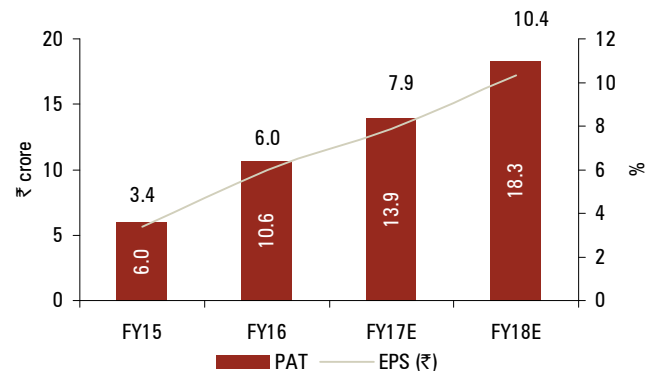
We expect the EBITDA at Emmbi to grow at a healthy rate of 21% CAGR over FY16-18E on account of sales growth of 18% in the aforesaid period and expansion in margins by 70 bps over FY16-18E. We expect Emmbi to clock EBITDA margins of 12.8% in FY17E and 13.0% in FY18E vs. 12.3% in FY16. The improvement in EBITDA margins will be largely on the back of improving product mix in the favour of value added products and operating leverage benefits that kick in as the capacity utilizations increase out of the current asset base.

**Exhibit 6: EBITDA & EBITDA margins trend**



Source: Company, ICICIdirect.com Research

**Exhibit 7: PAT & EPS trend**



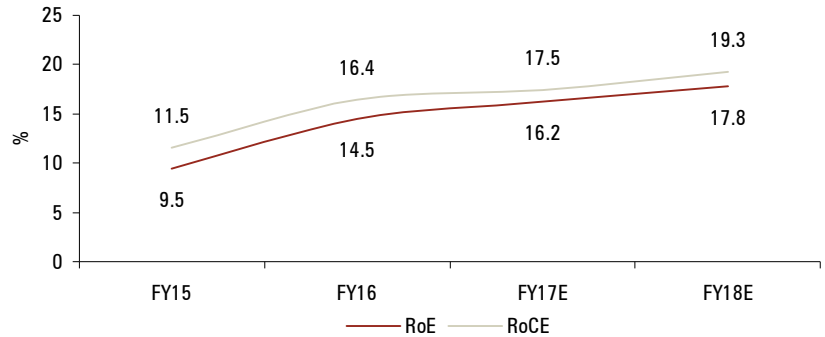
Source: Company, ICICIdirect.com Research

Robust sales growth i.e. 18% CAGR over FY16-18E coupled with growth in EBITDA to the tune of 21% CAGR over FY16-18E, will derive robust growth of PAT at Emmbi. We expect PAT at Emmbi to grow at 31% CAGR over FY16-18E to ₹ 18.3 crore in FY18E. EPS in FY17E is expected at ₹ 7.9/share while the same in FY18E is expected at ₹ 10.4/share.

**Increasing profitability to result in improved Return ratios profile**

Return ratios were subdued at Emmbi in the past due to subdued profitability. However with robust performance in FY16, the same has improved with RoE & RoCE coming in at 15% & 16% respectively.

**Exhibit 8: Return ratios profile**



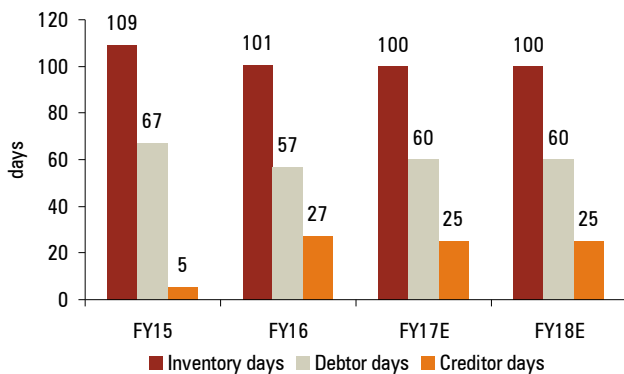
Source: Company, ICICIdirect.com Research

Going forward on the back of robust growth in profitability over FY16-18E, we expect further improvement in return ratios with RoE & RoCE in FY18E expected at 18% & 19% respectively

**Working capital control; build in conservative estimates**

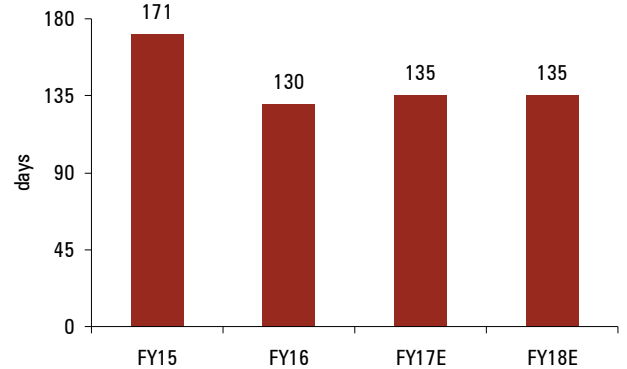
Working capital has been significantly controlled at Emmbi with net working capital (NWC) days coming in at 130 days in FY16 (171 days in FY15). This is on account of better inventory management and extension of creditor days. Going forward, we have build in conservative NWC days.

**Exhibit 9: Working capital components (days) trend**



Source: Company, ICICIdirect.com Research

**Exhibit 10: Net Working capital days trend**

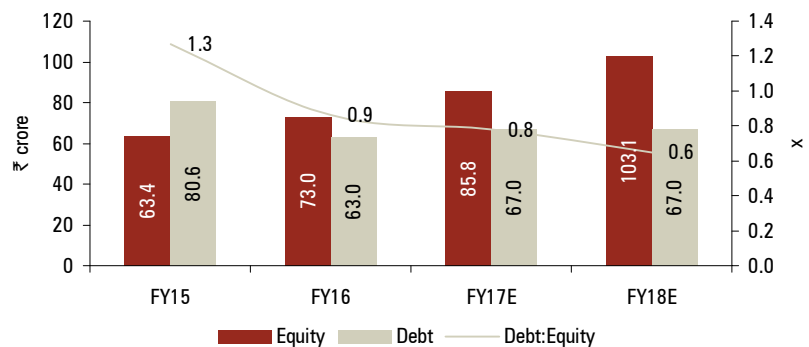


Source: Company, ICICIdirect.com Research

Debt gearing was high at Emmbi due to elongated working capital. In FY15, Debt: Equity stood at 1.3x. However with better working capital control and increasing share of domestic sales, the debt gearing has improved at Emmbi. In FY16, Debt: Equity came in at 0.9x. Going forward, with no major capex plans we expect Debt: Equity to further improve to 0.6x by FY18E.

**Debt Gearing set to improve!!**

**Exhibit 11: Debt: Equity Profile**



Source: Company, ICICIdirect.com Research

## Outlook and valuation

Emmbi is a technical textile unit manufacturing synthetic packaging, flexi water tanks and agri products. With focus on increasing share of high margin VAP, the profitability at Emmbi is on the uptrend. EBITDA margins in FY16 stood at 12.3% vs. 10.7% in FY15, up 160 bps YoY. Going forward, we expect margins at Emmbi to improve further 70 bps over FY16-18E to 12.8 % in FY17E and 13.0% in FY18E. Working capital cycle has also improved significantly at Emmbi with net working capital days coming in at 130 days in FY16 vs. 171 days in FY15. The improvement is largely on account of increasing share of domestic business, better inventory management and realizing credit inputs as against full immediate payments in the past. Consequent, debt gearing has improved at Emmbi with Debt: Equity at 0.9x in FY16 vs. 1.3x in FY15. Going forward, we expect debt gearing to further decline to 0.6x by FY18E.

With major capex behind it and increasing share of high margin VAP along with improving working capital cycle; we expect Emmbi to witness greater profitability going forward. The return ratios also expected to improve with FY18 RoE & RoCE expected at 18% & 19% respectively. We expect sales, PAT at Emmbi to grow at a CAGR of 18.2%, 31.5%, respectively, in FY16-18E. We value Emmbi at ₹ 145, i.e. 14x P/E on FY18E EPS of ₹ 10.4 /share and maintain BUY rating on the stock.

### Exhibit 12: What's changed??

Particulars	FY17E			FY18E		
	Old	New	% Change	Old	New	% Change
Revenue	257.0	245.8	(4.4)	301.8	290.2	(3.8)
EBITDA	32.1	31.3	(2.4)	37.7	37.8	0.2
EBITDA Margin %	12.5	12.8	26 bps	12.5	13.0	53 bps
PAT	12.5	13.9	11.3	16.4	18.3	11.7
EPS	7.1	7.9	11.3	9.3	10.4	11.7

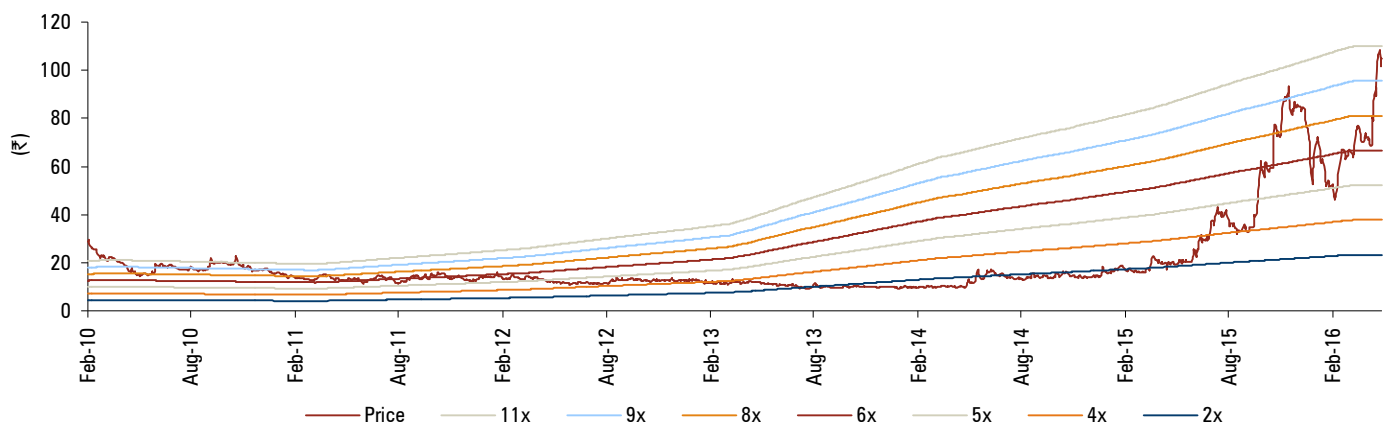
Source: Company, ICICIdirect.com Research

### Exhibit 13: Valuation Summary

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY15	183.8	15.6	3.4	39.5	31.0	13.4	9.5	11.5
FY16	208.0	13.1	6.0	76.7	17.5	9.7	14.5	16.4
FY17E	245.8	18.2	7.9	31.3	13.4	8.0	16.2	17.5
FY18E	290.2	18.1	10.4	31.7	10.1	6.6	17.8	19.3

Source: Company, ICICIdirect.com Research

### Exhibit 14: Two year forward P/E (Emmbi currently trading at 10.1x)



Source: Reuters, ICICIdirect.com Research



**Exhibit 15: Product profile**

Speciality Packaging

Advance Composites

General Purpose FIBC, Baffle Bag, and FIBC of Different Shape Container Liner, PWS & Films.

UN FIBCs, Anti Carcinogenic Packaging, Anti-Corrosive VCI Material, Water Sludge Separator, Fall Arrest, Geo Cell. Nuclear Power Plant Waste Disposal



Construction FIBC



"Form Stable" Conductive



Paper Substitute Bag



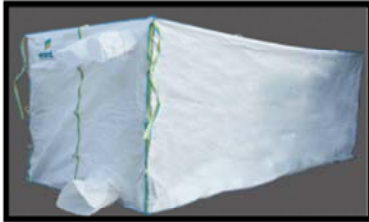
UN Certified FIBC



Anti Carcinogenic Packaging



Water - Slug Separator



Liquid & Solid Container Liner



Packaging Barrier Films



Anti-Corrosive VCI Material



Nuclear Power Plant Waste Disposal



Fall Arrest

Water Conservation Products

Canal Liners, Pond Liners, Check Dams, Flexi Tank.

Water Conservation – Canal Liners, Pond Liners, Check Dams, Flexi Tank.



Canal Liner



Check Dam



500 Liter Standing Tank



1000 Ltr Flexi Tank



Pond Liner



Collapsible Pipe



Open Flexi Tank

Agri Products

Crop Covers, Silage Incubator, Mulch Films, Shade Nets.



Mulch Film



Shade Net



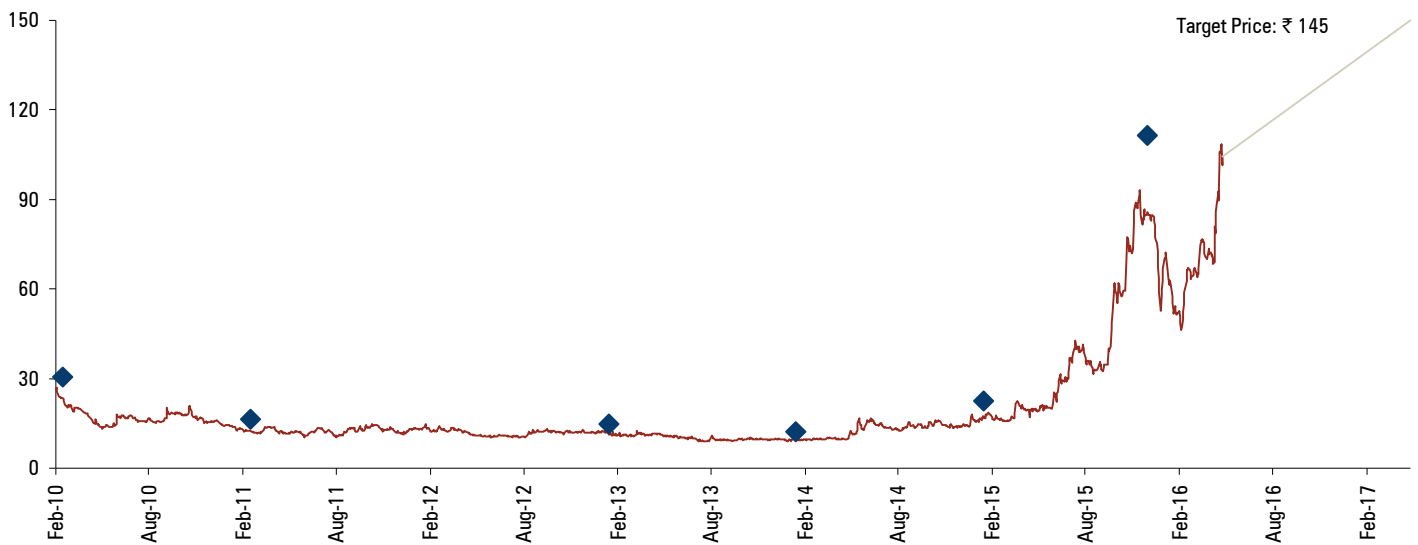
Silage Incubator



Crop Cover

Source: Company, ICICIdirect.com Research

## Company snapshot



Source: Bloomberg, Company, ICICIdirect.com Research

## Key events

Date/Year	Event
2010	Emmbi Polyarns made an Initial Public Offer (IPO) of 8657700 shares at ₹ 10 each at a premium of ₹ 35 aggregating to ₹ 38.9 crores . The company reports its first result after listing with robust performance in Q4FY10. Sales during the quarter came in at ₹ 51.8 crore growing 30% YoY. Net profit in Q4FY10 stood at ₹ 1.77 crore vs. ₹ 1.26 crore in Q4FY09. Emmbi launched "Emmbi flexible Tank" for which it has also received requisite patents. In the same year, Emmbi also launched India's first 'Green FIBC' with a single woven polymer.
2011	Emmbi Polyarns has issued and allotted 12 lac warrants at price of ₹ 17 on preferential basis to the Managing Director and promoter of the company, Mr. Makrand Appalwar. These warrants are convertible into equity shares after 18 months of allotment and completion of payment. This year the company also paid its maiden dividend of ₹ 0.20 per share.
2013	Emmbi Polyarns reports healthy performance in Q4FY13, Sales grew 33% YoY which stood at ₹ 41.1 crore . Sales in FY13 stood at ₹ 140.1 crore growing 39% over previous year. But on the bottom line PAT was flat at ₹ 3.2 crore due to higher finance cost as the long term borrowing increase by ₹ 3.8 crore in FY13. The name of the company was changed from Emmbi Polyarns to Emmbi Industries Ltd.
2014	Emmbi Industries in the process of expanding its capacity from 6000 tonne to 18200 tonne in a phased manner.
2015	Emmbi Industries reports sales at ₹ 183.8 crore in FY15 vs. ₹ 159 crore in FY14. EBITDA margin was at 10.8% expanding 120 bps YoY. PAT grew 34% in FY15 over previous year which stood at ₹ 4.3 crore. Capacity utilization as of FY15 stood at 68%. In FY15, Emmbi for the first time ever clocked export sales of over Rs. 100 crore. In 2015 it launched Agri Business for the crop protection system.
2016	Emmbi Industries has started manufacturing Food and Pharmaceutical grade FIBC packaging material. The company's innovation centre also gets certification and recognition as R&D centre by Ministry of Science & Technology.

Source: Company, ICICIdirect.com Research

## Top 10 Shareholders

Rank	Name	Latest Filing Date	% O/S	Position (m)	Change (m)
1	Appalwar (Makrand Moreshwar)	30-Mar-16	21.4	3.8	-0.5
2	Appalwar (Rinku Makrand)	31-Dec-15	12.9	2.3	0.0
3	Emmbi Laboratories Pvt. Ltd.	31-Dec-15	9.4	1.7	0.0
4	Appalwar (Maithili Makrand)	30-Mar-16	6.0	1.1	0.5
5	Maithili Agrotech Pvt. Ltd.	31-Dec-15	5.9	1.1	0.0
6	Appalwar (Mitravinda Moreshwar)	31-Dec-15	1.8	0.3	0.1

## Shareholding Pattern

(in %)	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16
Promoter	55.9	57.1	57.4	57.7	57.9
FII	0.0	0.0	0.0	0.0	0.0
DII	0.0	0.0	0.0	0.0	0.0
Others	44.1	42.9	42.6	42.3	42.1

Source: Reuters, ICICIdirect.com Research

## Recent Activity

Buys			Sells		
Investor name	Value (US\$M)	Shares(M)	Investor name	Value (US\$M)	Shares(M)
Appalwar (Maithili Makrand)	0.49	0.5	Appalwar (Makrand Moreshwar)	0.48	0.49
Appalwar (Mitravinda Moreshwar)	0.15	0.12			
Emmbi Laboratories Pvt. Ltd.	0.03	0.02			
Appalwar (Rinku Makrand)	0.01	0.01			

Source: Reuters, ICICIdirect.com Research

## Financial summary

Profit and loss statement		₹ Crore			
(Year-end March)	FY15	FY16	FY17E	FY18E	
Net Sales	182.6	207.0	244.8	289.2	
Other Operating Income	1.2	1.0	1.0	1.0	
<b>Total Operating Income</b>	<b>183.8</b>	<b>208.0</b>	<b>245.8</b>	<b>290.2</b>	
Growth (%)	15.6	13.1	18.2	18.1	
Raw Material Expenses	130.3	139.7	164.7	194.5	
Employee Expenses	6.2	7.8	9.2	10.9	
Other Operating Expense	27.6	34.8	40.6	47.1	
<b>Total Operating Expenditure</b>	<b>164.1</b>	<b>182.3</b>	<b>214.5</b>	<b>252.5</b>	
<b>EBITDA</b>	<b>19.7</b>	<b>25.6</b>	<b>31.3</b>	<b>37.8</b>	
Growth (%)	28.4	30.1	22.3	20.6	
Depreciation	3.1	3.6	4.2	4.4	
Interest	8.9	9.0	7.8	7.7	
Other Income	0.6	1.3	0.5	0.5	
<b>PBT</b>	<b>8.3</b>	<b>14.3</b>	<b>19.9</b>	<b>26.2</b>	
Exceptional Item	0.0	0.0	0.0	0.0	
Total Tax	2.3	3.7	6.0	7.9	
<b>PAT</b>	<b>6.0</b>	<b>10.6</b>	<b>13.9</b>	<b>18.3</b>	
Growth (%)	39.5	76.7	31.3	31.7	
EPS (₹)	3.4	6.0	7.9	10.4	

Source: Company, ICICIdirect.com Research

Cash flow statement		₹ Crore			
(Year-end March)	FY15	FY16	FY17E	FY18E	
Profit after Tax	6.0	10.6	13.9	18.3	
Add: Depreciation	3.1	3.6	4.2	4.4	
(Inc)/dec in Current Assets	-8.9	-3.7	-17.2	-20.0	
Inc/(dec) in CL and Provisions	-1.7	16.0	1.7	4.6	
Others	8.9	9.0	7.8	7.7	
<b>CF from operating activities</b>	<b>7.4</b>	<b>35.6</b>	<b>10.4</b>	<b>15.0</b>	
(Inc)/dec in Investments	0.0	-0.1	0.0	0.0	
(Inc)/dec in Fixed Assets	-6.7	-10.8	-5.0	-5.0	
Others	0.7	0.8	0.0	0.0	
<b>CF from investing activities</b>	<b>-6.0</b>	<b>-10.1</b>	<b>-5.0</b>	<b>-5.0</b>	
Issue/(Buy back) of Equity	0.0	0.0	0.0	0.0	
Inc/(dec) in loan funds	11.3	-17.6	4.0	0.0	
Dividend paid & dividend tax	-0.6	-1.1	-1.1	-1.1	
Inc/(dec) in Share Cap	0.0	0.0	0.0	0.0	
Others	-9.0	-9.0	-7.8	-7.7	
<b>CF from financing activities</b>	<b>1.7</b>	<b>-27.7</b>	<b>-4.9</b>	<b>-8.8</b>	
<b>Net Cash flow</b>	<b>3.1</b>	<b>-2.2</b>	<b>0.5</b>	<b>1.2</b>	
Opening Cash	0.2	3.3	1.1	1.6	
<b>Closing Cash</b>	<b>3.3</b>	<b>1.1</b>	<b>1.6</b>	<b>2.8</b>	

Source: Company, ICICIdirect.com Research

Balance sheet		₹ Crore			
(Year-end March)	FY15	FY16	FY17E	FY18E	
<b>Liabilities</b>					
Equity Capital	17.7	17.7	17.7	17.7	
Reserve and Surplus	45.7	55.3	68.1	85.4	
<b>Total Shareholders funds</b>	<b>63.4</b>	<b>73.0</b>	<b>85.8</b>	<b>103.1</b>	
Total Debt	80.6	63.0	67.0	67.0	
Deferred Tax Liability	5.0	5.7	5.7	5.7	
<b>Total Liabilities</b>	<b>149.0</b>	<b>141.7</b>	<b>158.5</b>	<b>175.8</b>	
<b>Assets</b>					
Gross Block	70.0	80.8	85.8	90.8	
Less: Acc Depreciation	14.6	18.2	22.4	26.8	
Net Block	55.5	62.6	63.4	64.0	
Capital WIP	0.0	0.0	0.0	0.0	
<b>Total Fixed Assets</b>	<b>55.5</b>	<b>62.6</b>	<b>63.4</b>	<b>64.0</b>	
Liquid Investments	0.0	0.0	0.0	0.0	
Other Investments	0.3	0.4	0.4	0.4	
Inventory	54.7	57.0	67.1	79.2	
Debtors	33.4	32.1	40.2	47.5	
Loans and Advances	9.2	12.0	11.0	11.6	
Other Current Assets	0.0	0.0	0.0	0.0	
<b>Cash</b>	<b>3.3</b>	<b>1.1</b>	<b>1.6</b>	<b>2.8</b>	
<b>Total Current Assets</b>	<b>100.7</b>	<b>102.2</b>	<b>119.9</b>	<b>141.1</b>	
Creditors	2.6	15.3	16.8	19.8	
Provisions	4.8	8.1	8.4	9.9	
<b>Current Liabilities &amp; Prov</b>	<b>7.4</b>	<b>23.4</b>	<b>25.2</b>	<b>29.7</b>	
<b>Net Current Assets</b>	<b>93.3</b>	<b>78.7</b>	<b>94.7</b>	<b>111.4</b>	
<b>Application of Funds</b>	<b>149.0</b>	<b>141.7</b>	<b>158.5</b>	<b>175.8</b>	

Source: Company, ICICIdirect.com Research

Key ratios					
(Year-end March)	FY15	FY16	FY17E	FY18E	
<b>Per share data (₹)</b>					
EPS	3.4	6.0	7.9	10.4	
Cash EPS	5.1	8.0	10.2	12.8	
BV	35.8	41.2	48.5	58.2	
DPS	0.4	0.6	0.6	0.6	
Cash Per Share (Incl Invst)	1.9	0.6	0.9	1.6	
<b>Operating Ratios (%)</b>					
EBITDA Margin	10.7	12.3	12.8	13.0	
PBT / Total Op. income	4.5	6.9	8.1	9.0	
PAT Margin	3.3	5.1	5.7	6.3	
Inventory days	109	101	100	100	
Debtor days	67	57	60	60	
Creditor days	5	27	25	25	
<b>Return Ratios (%)</b>					
RoE	9.5	14.5	16.2	17.8	
RoCE	11.5	16.4	17.5	19.3	
RoIC	11.4	15.6	17.3	19.3	
<b>Valuation Ratios (x)</b>					
P/E	31.0	17.5	13.4	10.1	
EV / EBITDA	13.4	9.7	8.0	6.6	
EV / Net Sales	1.4	1.2	1.0	0.9	
Market Cap / Sales	1.0	0.9	0.8	0.6	
Price to Book Value	2.9	2.5	2.2	1.8	
<b>Solvency Ratios</b>					
Debt/EBITDA	4.1	2.5	2.1	1.8	
Debt / Equity	1.3	0.9	0.8	0.6	
Current Ratio	13.2	4.3	4.7	4.7	
<b>Quick Ratio</b>	<b>5.8</b>	<b>1.9</b>	<b>2.0</b>	<b>2.0</b>	

Source: Company, ICICIdirect.com Research



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