

# PSP Projects Limited

## Order inflows a key monitorable – maintain ADD

CMP  
Rs 578

Rating  
ADD

Target Price  
Rs 640  
Mar 2023  
Upside  
11% (↑)

- PSP Projects' (PSPPL) execution levels for 3QFY22 at Rs 4.9bn were lower than EE (Rs 5.4bn). Above-expected operating performance led to an in-line PAT of Rs 469mn.
- OB at 3QFY22-end stood at ~Rs 40.1bn (incl. ~Rs 7.3bn slow/non-moving orders), providing revenue visibility for the next 2-2.5 years. Execution of UP medical projects (~Rs 14.3bn) would be a key growth driver and monitorable in the near-to-mid-term.
- Given a stable OB and pace of execution, order inflows would be closely watched. Management is targeting order inflows of Rs 17bn-18bn during FY22E (order inflows for 9MFY22: ~Rs 9.8bn).
- Factoring in the 9M performance and outlook, we slash our FY22/FY23 revenue estimates by 6%/6% and PAT estimates by 7%/15%. We maintain ADD on the stock with a Mar'23 TP of Rs 640 (rolled over from a Jun'22 TP of Rs 572 earlier), valuing the EPC business at 14x (12x earlier) its Mar'23 EPS of Rs 45.7.

**Lower than expected execution but profits in line:** PSPPL's 3QFY22 sales were up 24% yoy to Rs 4.9bn (10% lower than EE of Rs 5.4bn) led by better execution in the SDB project, the Varanasi project, and some private projects. EBITDA jumped 58% yoy to Rs 741mn (EE: Rs 732mn) while EBITAM came in at 15.3% (EE: 13.5%) as a few projects neared completion. Lower-than-expected revenues were offset by a healthy operating performance, leading to an in-line PAT of Rs 469mn (EE: Rs 491mn). Tax as percentage of PBT stood at 25.0% for 3QFY22 vs. 25.7% for 3QFY21.

**Stable OB, healthy execution outlook; order inflows a key concern** At Dec'21-end, OB stood at ~Rs 40.1bn (including ~Rs 7.3bn slow/non-moving orders), implying a book-to-bill of ~2.4x TTM revenues and offering revenue visibility for the next 2-2.5 years. UP medical projects worth ~Rs 14.3bn have come under execution and are expected to contribute meaningfully in FY23. PSPPL received orders worth ~Rs 9.8bn during 9MFY22 and maintained its Rs 17bn-18bn order inflow guidance for FY22E. Management has indicated a bid pipeline of ~Rs 35bn for the near term.

**Healthy B/S; prefab facility starts seeing traction:** PSPPL's gross debt stood at ~Rs 1.1bn and leverage at 0.2x, placing it in a very comfortable position. Prefab facility has commenced operations and started to receive firm orders. Given that UP projects will contribute meaningfully and PSPPL is targeting large ticket-size government orders, debt levels need to be watched.

**View:** With a stable OB and ramp-up in execution, we expect strong execution momentum in the near-to-medium-term. Order inflows and debt levels would need to be closely monitored. Maintain ADD with a revised Mar'23 TP of Rs 640.

### Financial Summary

YE	Mar	Sales	EBITDA	Recurring PAT	EPS (Rs)	P/E (x)	P/B (x)	EV/EBITDA (x)	ROE (%)	Core ROIC (%)	EBITDA Margin (%)
Rs mn											
FY21A		12,409	1,348	835	23.2	24.9	3.9	14.3	16.8	19.9	10.9
FY22E		17,186	2,363	1,508	41.9	13.8	3.1	8.3	24.9	28.7	13.8
FY23E		20,233	2,610	1,645	45.7	12.7	2.5	7.3	22.1	25.8	12.9
FY24E		23,055	2,951	1,855	51.5	11.2	2.1	6.3	20.6	24.5	12.8

Source: Company, Equirus Securities

### Estimate Revision

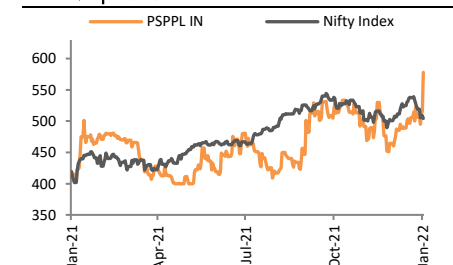
(Rs mn)	Forecasts		% Change	
	FY22E	FY23E	FY22E	FY23E
Sales	17,186	20,233	-6%	-6%
EBITDA	2,363	2,610	-5%	-11%
PAT	1,508	1,645	-7%	-15%
EPS	41.9	45.7	-7%	-15%

### Stock Information

Market Cap (Rs Mn)	20,810
52 Wk H/L (Rs)	588/394
Avg Daily Volume (1yr)	2,76,007
Avg Daily Value (Rs Mn)	1.8
Equity Cap (Rs Mn)	5,359
Face Value (Rs)	10
Share Outstanding (Mn)	36.0
Bloomberg Code	PSPPL IN
Ind Benchmark	SPBSMIP

Ownership (%)	Recent	3M	12M
Promoters	70.2	0.3	-4.0
DII	5.7	-0.8	0.3
FII	1.7	0.4	0.4
Public	22.4	-0.1	3.3

### Relative price chart



Source: Bloomberg

### Analysts

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## Exhibit 1: Quarterly performance

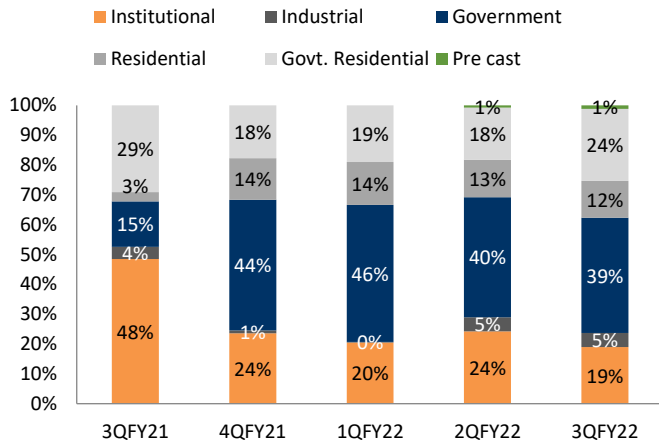
Particulars (Rs Mn)	3QFY22	3QFY22E	2QFY22	3QFY21	% Change			Comments
					3QFY22E	2QFY22	3QFY21	
Net Sales	4,856	5,425	3,904	3,902	-10%	24%	24%	
Raw materials consumed + Change in WIP	1,274	1,441	1,295	1,401	-12%	-2%	-9%	
Construction Expenses	2,601	2,962	1,855	1,848	-12%	40%	41%	
Employee Cost	164	198	155	137	-17%	6%	20%	
Other expenses	77	91	52	47	-15%	46%	64%	
<b>Total Expenditures</b>	<b>4,116</b>	<b>4,692</b>	<b>3,357</b>	<b>3,432</b>	<b>-12%</b>	<b>23%</b>	<b>20%</b>	
<b>EBITDA</b>	<b>741</b>	<b>732</b>	<b>547</b>	<b>469</b>	<b>1%</b>	<b>35%</b>	<b>58%</b>	
Depreciation	94	92	70	64	2%	33%	46%	
<b>EBIT</b>	<b>647</b>	<b>640</b>	<b>477</b>	<b>405</b>	<b>1%</b>	<b>36%</b>	<b>60%</b>	
Interest	98	43	38	30	125%	159%	224%	Higher due to interest on MA & interest on prefab capex debt
Other Income	76	49	46	38	56%	65%	100%	
<b>PBT</b>	<b>625</b>	<b>646</b>	<b>485</b>	<b>413</b>	<b>-3%</b>	<b>29%</b>	<b>52%</b>	
Tax	156	155	120	106	1%	31%	47%	
<b>Recurring PAT</b>	<b>469</b>	<b>491</b>	<b>366</b>	<b>307</b>	<b>-4%</b>	<b>28%</b>	<b>53%</b>	
Extraordinaries	0	0	0	-27				
<b>Reported PAT</b>	<b>469</b>	<b>491</b>	<b>366</b>	<b>279</b>	<b>-4%</b>	<b>28%</b>	<b>68%</b>	
EPS (Rs)	13.0	13.6	10.2	8.5	-4%	28%	53%	
Gross Margin	20.2%	19.1%	19.3%	16.7%	111 bps	88 bps	347 bps	
EBITDA Margin	15.3%	13.5%	14.0%	12.0%	175 bps	124 bps	322 bps	Higher as a few projects neared completion
EBIT Margin	13.3%	11.8%	12.2%	10.4%	152 bps	111 bps	294 bps	
PBT Margin	12.9%	11.9%	12.4%	10.6%	98 bps	44 bps	230 bps	
PAT Margin	9.7%	9.0%	9.4%	7.2%	62 bps	29 bps	251 bps	
Tax Rate	25.0%	24.0%	24.6%	25.7%	98 bps	35 bps	-74 bps	
Cost items as % of Sales								
RM + Construction expenses	80%	81%	81%	83%	-111 bps	-88 bps	-347 bps	
Employee cost	3%	4%	4%	4%	-92 bps	-60 bps	-13 bps	
Other expenses	2%	1%	1%	1%	28 bps	24 bps	38 bps	

Source: Company Data, Equirus

## Earnings Call Takeaways

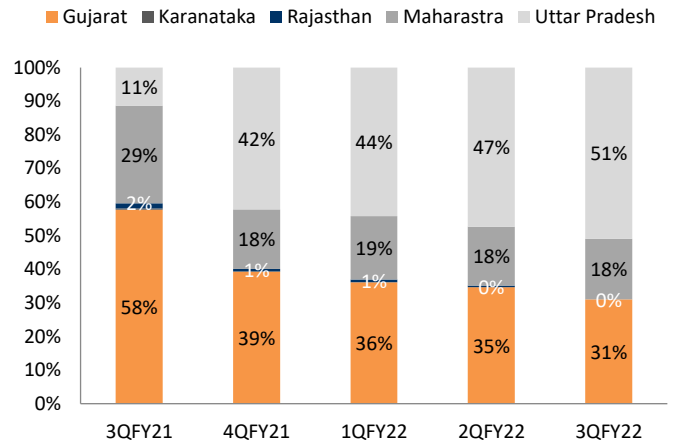
- PSPPL's OB stood at Rs 40.1bn at 3QFY22-end, providing near-to-medium term revenue visibility. Projects worth ~Rs 7.3bn from the current OB were slow moving.
- The SDB project contributed ~Rs 930mn during the quarter and ~Rs 16,570mn till date. Management expects the project to be completed by Feb'22.
- PSPPL received the following orders worth ~Rs 9.8bn during YTD FY22: (a) Building a steel plant at Hazira from a multinational company, (b) residential building of PAC Battalion in UP, and (c) a precast order from L&T and various other orders.
- Management has indicated a near-term bid pipeline of ~Rs 35bn, of which ~60% is from Gujarat and the balance from other states. About 49% of the bid pipeline is from private players. Given a strong bid pipeline, PSPPL maintained its order inflow guidance of Rs 17bn-Rs 18bn for FY22E.
- EBIDTAM was high as a few key projects neared completion. PSPPL expects EBIDTA to be in the range of 12-13% ahead.
- The US subsidiary was sold for ~US\$ 10,000 and PSPPL received all outstanding loans, including interest. Impairment for the same, done earlier, was reversed during the quarter.
- Execution has begun at all 7 sites of UP medical projects. During 3Q, execution was lower owing to an extended monsoon. PSPPL expects an execution ramp-up from 4QFY22E onwards and sees major contribution from this project during FY23.
- PSPPL is eligible for ~10% mobilization advances for UP projects and has availed half of the same.
- Maharashtra projects are facing various challenges, with the scenario unlikely to change in the near-to-mid-term. PSPPL has made total provisions of ~Rs 66mn for its Bhiwandi project.
- PSPPL has invested ~Rs 1.1bn towards its prefab project, which was commissioned during 3QFY22. Order book from prefab as on Dec'21 stood at ~Rs 470mn.
- PSPPL has received the provisional completion certificate for SDB project. Management expects to bid for larger ticket size projects once the SDB project is fully completed.
- PSPPL has credit limits of ~Rs 10.5bn. Total utilized limit stands at ~Rs 5.4bn, of which ~Rs 4.7bn is non-fund-based limit and the balance fund-based.

## Exhibit 2: Diversified order book



Source: Company Data, Equirus

## Exhibit 3: Venturing into new territories



Source: Company Data, Equirus

## Exhibit 4: Key project details

Projects	Client	Project value (Rs mn)	O / S order book as on 31.12.2021 (Rs mn)
Surat Diamond Bourse Main Contract Works	SDB	17750	1170
Medical Colleges & Hospitals At 7 Locations at Uttar Pradesh	Public Works Department	14913	14270
Ews Housing Project at Bhiwandi, Maharashtra	Bhiwandi Nizampur City Municipal Corporation	6014	6014
Residential Project at Gujarat	Adani	4990	4490
Development Of Shri Kashi Vishwanath Dham	Public Works Department of Varanasi	3390	240
Construction of Residential Buildings of PAC Mahila Battalion at Badaun, UP	Public Works Department	2390	2390
IIM Ahmedabad	IIM Ahmedabad	3282	1490
Affordable Housing Project at Pandharpur, Maharashtra	Pandharpur Municipal Corporation	1576	1260
Construction Of Steel Plant	Private Company	1040	900
A High-Rise and A Low-Rise Building At S.G. Highway, Ahmedabad, Gujarat	Private Developer	1011	690

Source: Company Data, Equirus

## Company Snapshot

### How we differ from consensus

Particular (Rs Mn)		Equirus	Consensus	% Diff	Comment
EPS	FY22E	42	37	14%	
	FY23E	46	45	1%	
Sales	FY22E	17,186	16,472	4%	
	FY23E	20,233	20,256	0%	
PAT	FY22E	1,508	1,322	14%	
	FY23E	1,645	1,632	1%	

### Key Estimates

Key Assumptions	FY21A	FY22E	FY23E	FY24E
Revenues	12409	17186	20233	23055
EBITDAM %	11%	14%	13%	13%
PATM %	7%	9%	8%	8%
Orderbook	41210	41828	44595	47541
Orderbook/Billing Ratio	3.3	2.4	2.2	2.1

### Our Key Investment arguments:

- Expect company to post a 23%/30%/32% revenue/EBITDA/PAT CAGR over FY21-FY24E.
- Strong reputation and locational advantage of Gujarat market, where several opportunities are expected, will drive order book growth going forward.
- Clear focus on selective bidding in niche projects of industrial & institutional projects backed by reputed clients will help generate above-industry return ratios and WC control.

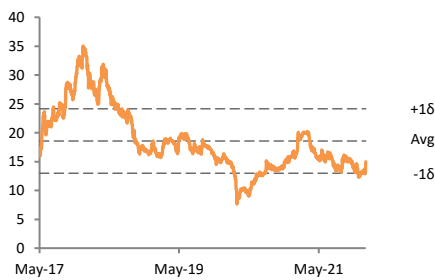
### Company Description:

PSP Projects is a Gujarat-based construction company and set up by Prahlad Patel in 2008. Its focus segments are industrial, institutional, and selective residential and government projects. It has secured orders from marquee clients like Surat Diamond Bourse, Cadila, Torrent Pharma, Intas and GIFT City. It has also started taking government projects of housing development. PSPPL has recently won projects for construction of medical colleges in the state of Uttar Pradesh. Further it has started receiving orders from pre-cast facility also.

Comparable valuation

Company	Reco.	CMP	Mkt Cap Rs. Mn.	Price Target	Target Date	P/E			EV/EBITDA			P/B			RoE			Div Yield
						FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	
Ahluwalia Contracts	ADD	399	26,735	495	Mar-23	34.6	17.5	13.3	14.7	9.0	7.0	3.0	2.6	2.2	9%	16%	18%	0.00%
ITD cementation	LONG	75	12,815	116	Sep-22	80.3	12.0	8.9	6.8	5.2	3.9	1.2	1.1	1.0	2%	10%	12%	0.16%
Capacite Infraprojects	LONG	153	10,360	238	Sep-22	578.6	15.1	5.5	8.7	4.3	2.5	1.1	1.0	0.9	0%	7%	18%	0.00%
JMC projects	LONG	98	16,530	165	Sep-22	23.2	8.7	7.9	6.7	5.2	3.7	1.6	1.9	1.5	7%	20%	21%	0.71%
PSP Projects	ADD	578	20,810	640	Mar-23	24.9	13.8	12.7	14.3	8.3	7.3	3.9	3.1	2.5	17%	25%	22%	0.69%

Price to earning chart



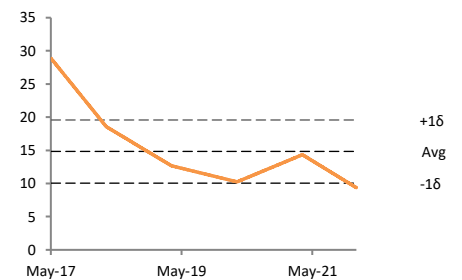
Source: Company, Equirus Research

Price to book chart



Source: Company, Equirus Research

EV-EBITDA chart



Source: Company, Equirus Research

## Quarterly performance

Y/E Mar (Rs mn)	1QFY21A	2QFY21A	3QFY21A	4QFY21A	1QFY22A	2QFY22A	3QFY22A	4QFY22E
<b>Revenue</b>	<b>1,069</b>	<b>2,431</b>	<b>3,902</b>	<b>5,007</b>	<b>3,174</b>	<b>3,904</b>	<b>4,856</b>	<b>5,252</b>
COGS	938	2,015	3,249	4,200	2,578	3,150	3,875	4,275
Employee Cost	97	133	137	142	152	155	164	208
Other Expenses	21	38	47	44	50	52	77	87
<b>EBITDA</b>	<b>13</b>	<b>245</b>	<b>469</b>	<b>621</b>	<b>394</b>	<b>547</b>	<b>741</b>	<b>681</b>
Depreciation	62	63	64	68	54	70	94	99
<b>EBIT</b>	<b>(49)</b>	<b>183</b>	<b>405</b>	<b>553</b>	<b>340</b>	<b>477</b>	<b>647</b>	<b>582</b>
Interest Exp.	29	42	30	46	34	38	98	68
Other Income	48	45	38	38	38	46	76	46
<b>Profit before Tax</b>	<b>(30)</b>	<b>185</b>	<b>413</b>	<b>546</b>	<b>344</b>	<b>485</b>	<b>625</b>	<b>561</b>
Tax Expenses	(8)	41	106	139	93	120	156	120
<b>Profit After Tax</b>	<b>(22)</b>	<b>144</b>	<b>307</b>	<b>407</b>	<b>251</b>	<b>366</b>	<b>469</b>	<b>441</b>
Minority Interest	0	0	0	0	0	0	0	0
Profit/(Loss) from Associates	0	0	0	0	0	0	0	0
<b>Recurring PAT</b>	<b>(22)</b>	<b>144</b>	<b>307</b>	<b>407</b>	<b>251</b>	<b>366</b>	<b>469</b>	<b>441</b>
Exceptional Items	0	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>(22)</b>	<b>144</b>	<b>307</b>	<b>407</b>	<b>251</b>	<b>366</b>	<b>469</b>	<b>441</b>
Other comprehensive income.	0	0	0	0	0	0	0	0
<b>PAT after comp. income.</b>	<b>(22)</b>	<b>144</b>	<b>307</b>	<b>407</b>	<b>251</b>	<b>366</b>	<b>469</b>	<b>441</b>
<b>FDEPS</b>	<b>(0.6)</b>	<b>4.0</b>	<b>8.5</b>	<b>11.3</b>	<b>7.0</b>	<b>10.2</b>	<b>13.0</b>	<b>12.2</b>
<b>Cost items as % of sales</b>								
RM expenses	87.7	82.9	83.3	83.9	81.2	80.7	79.8	81.4
Employee expenses	9.1	5.5	3.5	2.8	4.8	4.0	3.4	4.0
Other expenses	2.0	1.5	1.2	0.9	1.6	1.3	1.6	1.7
<b>Margin (%)</b>								
Gross Margin	12.3	17.1	16.7	16.1	18.8	19.3	20.2	18.6
EBITDA Margin	1.2	10.1	12.0	12.4	12.4	14.0	15.3	13.0
PAT Margin	(2.1)	5.9	7.9	8.1	7.9	9.4	9.7	8.4
<b>YoY Growth (%)</b>								
Sales	(65.2)	(22.2)	(7.8)	9.7	196.9	60.6	24.5	4.9
EBITDA	(97.0)	(43.3)	(13.2)	22.9	2,933.7	123.1	57.8	9.8
EBIT	(113.2)	(50.7)	(14.0)	28.9	(798.2)	161.3	59.8	5.3
PAT	(108.7)	(56.0)	(16.6)	18.7	(1,231.0)	154.0	53.0	8.4

## Key Financials (Standalone)

## Income Statement

Y/E Mar (Rs mn)	FY18A	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
<b>Revenue</b>	<b>7,298</b>	<b>10,440</b>	<b>14,993</b>	<b>12,409</b>	<b>17,186</b>	<b>20,233</b>	<b>23,055</b>
COGS	5,912	8,420	12,355	10,402	13,878	16,490	18,801
Employee Cost	286	432	594	509	679	809	922
Other Expenses	87	99	134	150	266	324	380
<b>EBITDA</b>	<b>1,013</b>	<b>1,489</b>	<b>1,910</b>	<b>1,348</b>	<b>2,363</b>	<b>2,610</b>	<b>2,951</b>
Depreciation	112	242	267	256	317	361	412
<b>EBIT</b>	<b>901</b>	<b>1,247</b>	<b>1,643</b>	<b>1,092</b>	<b>2,046</b>	<b>2,249</b>	<b>2,539</b>
Interest Exp.	87	92	146	147	237	284	313
Other Income	185	230	248	169	206	233	254
<b>Profit before Tax</b>	<b>999</b>	<b>1,385</b>	<b>1,744</b>	<b>1,114</b>	<b>2,015</b>	<b>2,198</b>	<b>2,479</b>
Tax Expenses	355	483	452	279	507	553	624
<b>Profit After Tax</b>	<b>644</b>	<b>902</b>	<b>1,293</b>	<b>835</b>	<b>1,508</b>	<b>1,645</b>	<b>1,855</b>
Minority Interest	0	0	0	0	0	0	0
Profit/(Loss) from Associates	0	0	0	0	0	0	0
<b>Recurring PAT</b>	<b>644</b>	<b>902</b>	<b>1,293</b>	<b>835</b>	<b>1,508</b>	<b>1,645</b>	<b>1,855</b>
Exceptional Items	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>644</b>	<b>902</b>	<b>1,293</b>	<b>835</b>	<b>1,508</b>	<b>1,645</b>	<b>1,855</b>
Other comprehensive income.	0	0	0	0	0	0	0
<b>PAT after comp. income.</b>	<b>644</b>	<b>902</b>	<b>1,293</b>	<b>835</b>	<b>1,508</b>	<b>1,645</b>	<b>1,855</b>
FDEPS	17.9	25.1	35.9	23.2	41.9	45.7	51.5
DPS	0	3	3	4	4	4	4
BVPS	84	103	127	149	187	227	274

YoY Growth (%)	FY18A	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
Sales	82.1	43.0	43.6	(17.2)	38.5	17.7	13.9
EBITDA	53.8	47.1	28.2	(29.4)	75.3	10.4	13.1
EBIT	54.6	38.4	31.7	(33.5)	87.4	10.0	12.9
PAT	55.8	40.2	43.2	(35.4)	80.5	9.1	12.8

## Key Ratios

Profitability (%)	FY18A	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
Gross Margin	19.0	19.4	17.6	16.2	19.2	18.5	18.4
EBITDA Margin	13.9	14.3	12.7	10.9	13.8	12.9	12.8
PAT Margin	8.8	8.6	8.6	6.7	8.8	8.1	8.0
ROE	31.4	26.8	31.2	16.8	24.9	22.1	20.6
ROIC	27.6	26.5	30.2	15.9	23.7	21.2	20.1
Core ROIC	49.2	38.1	38.4	19.9	28.7	25.8	24.5
Dividend Payout	0.0	8.4	12.9	9.5	8.8	8.8	7.8

CAGR (%)	1 year	2 years	3 years	5 years	7 years	10 years
Revenue	-17.23	9.02	19.35	22.06	28.85	
EBITDA	-29.41	-4.86	10.00	27.98	34.71	
PAT	-35.38	-3.79	9.08	27.15	35.29	

Valuation (x)	FY18A	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
P/E	32.3	23.1	16.1	24.9	13.8	12.7	11.2
P/B	6.9	5.6	4.6	3.9	3.1	2.5	2.1
P/FCFF	474.0	(177.3)	(148.3)	(246.6)	217.1	19.2	20.4
EV/EBITDA	18.6	12.7	10.2	14.3	8.3	7.3	6.3
EV/Sales	2.6	1.8	1.3	1.6	1.1	0.9	0.8
Dividend Yield (%)	0.0	0.5	0.5	0.7	0.7	0.7	0.7



**Balance Sheet**

Y/E Mar (Rs mn)	FY18A	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
Equity Capital	360	360	360	360	360	360	360
Reserves	2,667	3,354	4,211	5,020	6,355	7,827	9,509
<b>Net Worth</b>	<b>3,027</b>	<b>3,714</b>	<b>4,571</b>	<b>5,380</b>	<b>6,715</b>	<b>8,187</b>	<b>9,869</b>
Total Debt	216	263	723	810	1,310	1,340	1,370
Other long term liabilities	0	0	0	0	0	0	0
Minority Interest	0	0	0	0	0	0	0
Account Payables	1,213	1,584	2,163	2,599	2,825	3,215	3,537
Other Current Liabilities	1,364	1,696	2,078	1,024	1,751	2,097	2,435
<b>Total Liabilities</b>	<b>5,820</b>	<b>7,256</b>	<b>9,535</b>	<b>9,813</b>	<b>12,601</b>	<b>14,838</b>	<b>17,211</b>
Gross Fixed Assets	1,184	1,672	1,986	2,326	3,526	3,976	4,501
Acc. Depreciation	(414)	(641)	(908)	(1,164)	(1,481)	(1,842)	(2,254)
Net Fixed Assets	770	1,032	1,079	1,162	2,045	2,134	2,247
Capital WIP	18	0	0	416	0	0	0
long term investments	0	0	0	0	0	0	0
Others	195	44	44	8	8	8	8
Inventory	335	750	968	893	1,130	1,341	1,579
Receivables	1,162	1,426	2,240	2,220	3,296	3,769	4,232
Loans and advances	0	0	0	0	0	0	0
Other current assets	1,107	1,788	3,236	2,826	3,649	4,453	5,451
Cash & Cash Equivalents.	2,232	2,217	1,967	2,288	2,474	3,132	3,694
<b>Total Assets</b>	<b>5,820</b>	<b>7,256</b>	<b>9,535</b>	<b>9,813</b>	<b>12,601</b>	<b>14,838</b>	<b>17,211</b>
Non-Cash WC	27	683	2,203	2,316	3,499	4,252	5,290
Cash Conv. Cycle	(5.2)	8.1	14.7	14.7	13.9	24.2	26.1
WC Turnover	268.0	15.3	6.8	5.4	4.9	4.8	4.4
Gross Asset Turnover	6.2	6.2	7.5	5.3	4.9	5.1	5.1
Net Asset Turnover	9.3	10.1	13.9	7.9	8.4	9.5	10.3
Net D/E	(0.7)	(0.5)	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)

Days (x)	FY18A	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
Receivable Days	42	45	45	66	59	64	63
Inventory Days	11	24	25	33	27	27	28
Payable Days	59	61	55	84	71	67	66
Non-cash WC days	1	24	54	68	74	77	84

**Cash Flow**

Y/E Mar (Rs mn)	FY18A	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
Profit Before Tax	999	1,385	1,744	1,087	2,015	2,198	2,479
Depreciation	112	242	267	256	317	361	412
Others	(130)	(153)	(149)	(30)	237	284	313
Tax paid	(409)	(477)	(556)	(243)	(507)	(553)	(624)
Change in WC	129	(720)	(1,116)	(362)	(1,183)	(753)	(1,038)
<b>Operating Cashflow</b>	<b>700</b>	<b>277</b>	<b>190</b>	<b>708</b>	<b>879</b>	<b>1,536</b>	<b>1,543</b>
Capex	(656)	(394)	(331)	(793)	(784)	(450)	(525)
Change in Invest.	0	0	0	0	0	0	0
Others	(561)	55	218	847	0	0	0
<b>Investing Cashflow</b>	<b>(1,217)</b>	<b>(338)</b>	<b>(112)</b>	<b>54</b>	<b>(784)</b>	<b>(450)</b>	<b>(525)</b>
Change in Debt	(461)	46	486	61	500	30	30
Change in Equity	1,421	0	0	0	0	0	0
Others	527	(13)	(814)	(503)	(410)	(457)	(486)
<b>Financing Cashflow</b>	<b>1,487</b>	<b>33</b>	<b>(328)</b>	<b>(442)</b>	<b>90</b>	<b>(427)</b>	<b>(456)</b>
<b>Net Change in Cash</b>	<b>970</b>	<b>(28)</b>	<b>(250)</b>	<b>320</b>	<b>186</b>	<b>659</b>	<b>562</b>

Source: Company, Equirus Research

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