

Estimate change



TP change



Rating change



Bloomberg	TATA IN
Equity Shares (m)	12484
M.Cap.(INRb)/(USDb)	2049.2 / 24.6
52-Week Range (INR)	178 / 106
1, 6, 12 Rel. Per (%)	0/17/33
12M Avg Val (INR M)	5862
Free float (%)	66.8

Financials & Valuations (INR b)

Y/E MARCH	2024	2025E	2026E
Sales	2,292	2,594	2,775
EBITDA	223	353	396
Adj. PAT	34	136	167
EBITDA Margin (%)	9.7	13.6	14.3
Adj. EPS (INR)	2.7	10.9	13.4
EPS Gr. (%)	-61.8	303.8	22.4
BV/Sh. (INR)	69	75	81

Ratios

Net D:E	0.9	0.8	0.7
RoE (%)	3.6	15.2	17.1
RoCE (%)	7.3	13.9	15.3
Payout (%)	133.0	45.7	52.3

Valuations

P/E (x)	60.6	15.0	12.3
P/BV (x)	2.4	2.2	2.0
EV/EBITDA(x)	12.7	8.0	7.1
Div. Yield (%)	2.2	3.0	4.3
FCF Yield (%)	1.0	6.1	8.3

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	33.2	33.7	33.9
DII	23.7	23.3	20.8
FII	20.3	20.7	21.3
Others	22.9	22.3	23.9

FII Includes depository receipts

CMP: INR164
TP: INR160 (-3%)
Neutral
Beat on earnings; Tata EU performance set to improve further

Standalone performance

- Revenue stood at INR366b (YoY/QoQ: -4%/+5%) against our estimate of INR359b, primarily driven by improved volumes, which was offset by muted realization. ASP stood at INR67,592/t (YoY/QoQ: -15%/-5%) as compared to our estimate of INR68,961/t during the quarter.
- EBITDA stood at INR80b (YoY/QoQ: -7%/-2%), against our estimate of INR74b. The beat was due to lower raw material costs. EBITDA/t stood at INR14,846/t (YoY/QoQ: -18%/-12%), against our estimate of INR14,132/t during the quarter. APAT for the quarter stood at INR47b (YoY/QoQ: -4%/+1%), 27% above our estimate of INR37b.
- In 4QFY24, domestic steel production stood at 5.24mt (YoY/QoQ: +16%/+2%) and sales at 5.42mt (YoY/QoQ: +13%/+11%), which were in line with our estimate.

Consolidated performance

- Consolidated steel production stood at 7.92mt (YoY/ QoQ: +2% /+4%) and sales stood at 7.98mt (YoY/QoQ: +3% / +12%).
- Revenue came in at INR587b (YoY/QoQ: -7%/+6%), against our estimate of INR612b. The decline in revenue is attributed to lower blended ASP, which stood at INR73,543/t (5% lower than our estimate) in 4QFY24.
- EBITDA stood at INR66b (YoY/QoQ: -9%/ +5%), against our estimate of INR60b, on account of lower-than-expected cost. The company posted an EBITDA/t of INR8,271/t, which was 10% higher than our estimate of INR7,533/t in 4QFY24. APAT for the quarter stood at INR12b (YoY/QoQ: -29%/ +42%), against our estimate of INR11b during the quarter.
- For FY24, the revenue stood at INR2,292b (YoY -6%), EBITDA was at INR223b (YoY -31%), and APAT at INR34b (YoY -61%) in FY24. The production for FY24 came in at 29.9mt (YoY -2%) and sales volume at 29.4mt (YoY +2%).
- The company incurred a capex of INR48.5b in 4QFY24 and INR182b for FY24.
- Gross debt declined INR15b to INR882b. Net debt stands at INR775b and liquidity remains strong at INR318b, which includes cash & cash equivalents of INR95b. Management targets to keep Net Debt/EBITDA below 2.5x.
- The company declared a dividend of INR3.6 per share in FY24.
- **Tata Steel Europe:** Consolidated crude steel production stood at 2.14mt (YoY/ QoQ: -6%/ +12%) and sales stood at 2.12mt (YoY/QoQ: -2%/ +9%), owing to completion of reline of BF6 in early February.
- Revenue stood at INR207b (YoY/QoQ: -6%/ +8%) against our estimate of INR226b. ASP stood at USD1,157/t (YoY/QoQ: -5%/ -1%) against our estimate of USD1,278/t.
- EBITDA loss stood at INR6.8b (our estimate of INR14.7b) and EBITDA loss per tonne stood at USD38/t, against our estimate of USD83/t.

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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.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Highlights from the management commentary

- In 1QFY25, the realizations (ASP) for domestic operations is expected to increase by INR300-350/t as compared to 4QFY24.
- ASP for the Netherlands is likely to increase by GBP90/t in 1QFY25 due to better product mix and end of low rate long-term contracts.
- Coking coal consumption cost in India is expected to decline by USD10/t and in the Netherlands, it is expected to increase by USD24/t due to previous inventory. In the UK, there is no coking coal involved because of coke oven closure.
- The iron ore cost will be USD10/lower in the UK and about USD10/t higher in the Netherlands.
- Production guidance for Kalinganagar is set at 1.7mt for FY25. However, the overall incremental production guidance is 1.4mt due to the planned shutdown of a BOF in Jamshedpur for relining.

Valuation and view

- The India business has posted a decent performance, and domestic demand momentum is expected to continue, while TATA's Europe operations has seen a sharp reduction in losses. The company expects its European operations (Netherlands/UK) to start reporting positive EBITDA from 1Q/3QFY25, respectively. This would be mainly on account of higher realizations, better volumes with muted input cost.
- The company is on track to increase its steel capacity to 40mt.
- We have marginally increased our estimates for FY25 and FY26 to factor in the improved outlook, especially in European operations. TATA is trading at 7.1x FY26E EV/EBITDA and 2.0x FY26E P/B. We believe the stock is adequately priced in, and hence, we reiterate our Neutral rating with a revised SOTP-based TP of INR160.

Standalone quarterly performance (INR b)

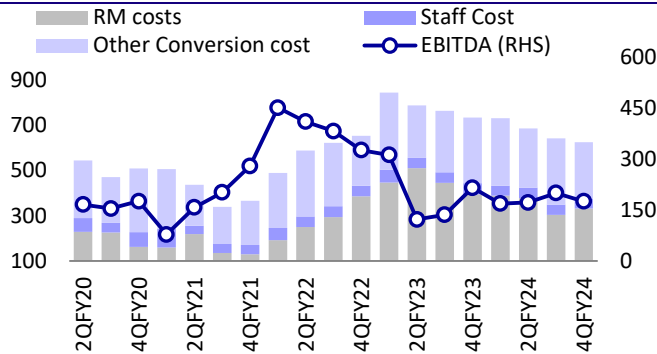
Y/E March	FY23				FY24				FY23	FY24	FY24E	vs Est (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	
Sales Vol (kt)	4,070	4,910	4,590	4,796	4,790	4,820	4,880	5,420	18,366	19,910	5,210	4
Change (YoY %)	2.0	11.1	8.0	-3.5	17.7	-1.8	6.3	13.0	4.2	8.4		
Change (QoQ %)	-18.1	20.6	-6.5	4.5	-0.1	0.6	1.2	11.1				
ASP (INR/t)	89,172	70,556	73,920	79,333	74,083	70,924	71,069	67,592	77,814	70,812	68,961	-2
Abs Change (QoQ)	15,367	-18,617	3,365	5,413	-5,250	-3,159	146	-3,478	4,631	-7,002		
Change (YoY %)	28.5	-4.6	-1.7	7.5	-16.9	0.5	-3.9	-14.8	6.3	-9.0		
Net Sales	363	346	339	380	355	342	347	366	1,429	1,410	359	2
Change (YoY %)	31.0	6.0	6.1	3.7	-2.2	-1.3	2.2	-3.7	10.8	-1.3		
Change (QoQ %)	-1.1	-4.5	-2.1	12.1	-6.7	-3.7	1.5	5.6				
Total Expenditure	265	300	288	294	288	273	264	286	1,146	1,112		
As a % of net sales	73.0	86.5	84.9	77.3	81.2	79.9	76.2	78.0	80.2	78.8		
EBITDA	98	47	51	87	67	69	82	80	283	298	74	9
Change (YoY %)	-26.2	-65.3	-57.8	-29.3	-32.0	47.2	60.6	-7.0	-44.7	5.5		
Change (QoQ %)	-19.8	-52.5	10.1	68.5	-22.9	3.0	20.1	-2.5				
(% of Net Sales)	27.0	13.5	15.1	22.7	18.8	20.1	23.8	22.0	19.8	21.2		
EBITDA(INR/t)	24,113	9,503	11,189	18,047	13,924	14,248	16,905	14,846	15,393	14,984	14,132	5.0
Interest	8	10	11	11	10	11	11	9	40	42		
Depreciation	15	14	15	15	15	15	15	15	60	60		
Other Income	5	8	7	5	15	8	3	5	25	31		
PBT (before EO Inc.)	80	30	32	65	56	51	60	61	209	228		
EO Income(exp)	-1	0	0	-7	0	-130	0	-6	-8	-136		
PBT (after EO Inc.)	80	30	32	58	56	-79	60	54	201	92		
Current Tax	18	7	9	15	12	8	17	13	49	50		
Current Tax Rate%	23	23	28	25	21	-10	28	23	24	54		
Deferred Tax	2	1	-1	2	-2	-2	-3	1	5	-6		
Total Tax	21	8	9	17	10	6	14	14	54	44		
% Tax	25.7	26.7	26.9	28.6	18.1	-7.7	22.7	25.2	26.9	47.6		
Reported PAT	59	22	24	42	46	-85	47	41	147	48		
Adjusted PAT	60	22	24	49	46	45	46	47	155	184	37	27
Change (YoY %)	-30.6	-74.7	-69.9	-38.5	-22.7	100.5	95.8	-3.7	-53.5	19.3		
Change (QoQ %)	-24.3	-62.7	6.1	105.5	-5.0	-3.2	3.7	1.1				

Consolidated quarterly performance (INR b)

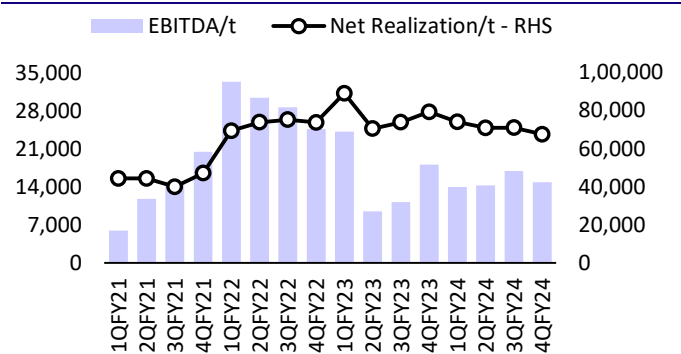
Y/E March	FY23				FY24				FY23	FY24	FY24E	vs Est (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	
Sales (k tons)	6,630	7,230	7,150	7,780	7,200	7,070	7,150	7,980	28,790	29,390	7,900	1
Change (YoY %)	-6.8	-2.2	2.0	-2.9	8.6	-2.2		2.6	-4.3	2.1		
Avg Realization (INR/t)	95,671	82,818	79,837	80,927	82,625	78,758	77,359	73,543	84,527	77,976	77,505	-5
Net Sales	634	599	571	630	595	557	553	587	2,434	2,292	612	-4
Change (YoY %)	18.6	-0.9	-6.1	-9.1	-6.2	-7.0	-3.1	-6.8	-0.2	-5.8		
Change (QoQ %)	-8.4	-5.6	-4.7	10.3	-5.5	-6.4	-0.7	6.1				
EBITDA	150	61	40	72	52	43	63	66	323	223	60	11
Change (YoY %)	-7.1	-63.2	-74.5	-52.0	-65.4	-29.6	54.7	-8.6	-49.1	-30.9		
Change (QoQ %)	-0.4	-59.5	-33.2	78.3	-28.3	-17.5	46.8	5.4				
(% of Net Sales)	23.6	10.1	7.1	11.5	8.7	7.7	11.3	11.2	13.3	9.7		
EBITDA (INR/t)	22,584	8,382	5,661	9,279	7,186	6,037	8,760	8,271	11,219	7,590	7,533	10
Interest	12	15	18	18	18	20	19	18	63	75		
Depreciation	22	23	24	24	24	25	24	26	93	99		
Other Income	3	3	3	2	12	2	2	2	10	18		
PBT (before EO Inc.)	118	25	2	32	21	1	22	24	177	67		
EO Income(exp)	0	0	2	0	0	-69	-3	-6	1	-78		
PBT (after EO Inc.)	117	25	3	32	21	-68	19	18	178	-11		
Current Tax	24	10	8	12	10	11	18	14				
Deferred Tax	18	3	21	6	3	-13	-4	-1				
Total Tax	42	13	29	18	13	-2	14	13	102	38		
% Tax	35.6	51.9	NA	54.6	63.0	NA	64.2	53.0	57.4	55.9		
PAT before MI and Sh. of associate	76	12	-26	15	8	-66	4	5	77	-49		
Minority Interests	-1	-2	-3	-1	-1	-3	0	-1	-7	-5		
Share of asso. PAT	2	1	1	1	-3	1	1	0	4	-1		
Adj. PAT (after MI & asso)	78	15	-24	17	6	7	8	12	86	34	11	14
Change (YoY %)	-14.1	-86.5	PL	-83.1	-92.0	-54.2	LP	-28.8	-78.5	-61.0		
Change (QoQ %)	-22.2	-80.3	PL	LP	-63.4	13.2	20.6	42.3				

Source: MOFSL, Company

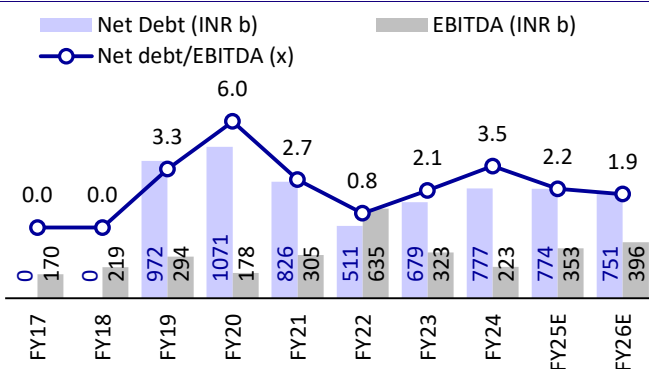
Story in charts

Exhibit 1: India EBITDA (\$/t) decline QoQ, led by muted ASP


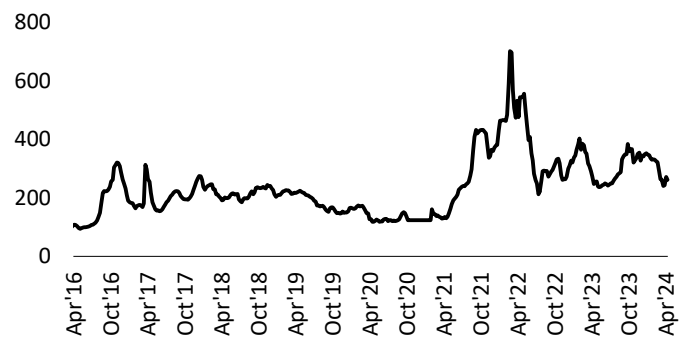
Source: MOFSL, Company

Exhibit 2: India business EBITDA


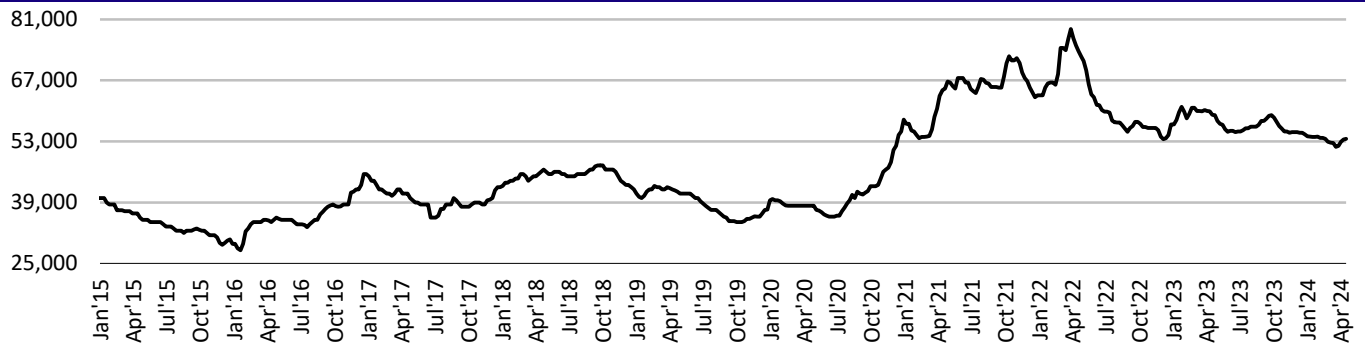
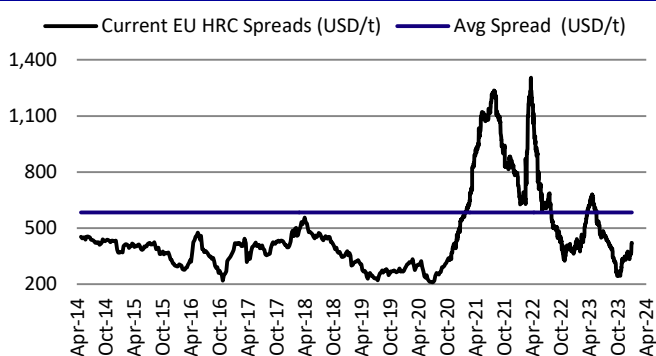
Source: MOFSL, Company

Exhibit 3: Net debt/EBITDA is expected to come down


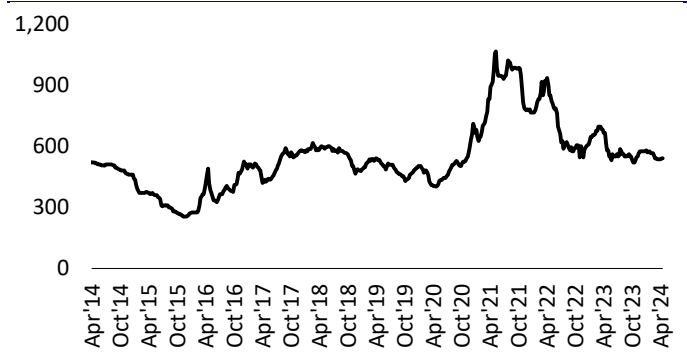
Source: MOFSL, Company

Exhibit 4: Coking coal price (USD/t) remained range bound


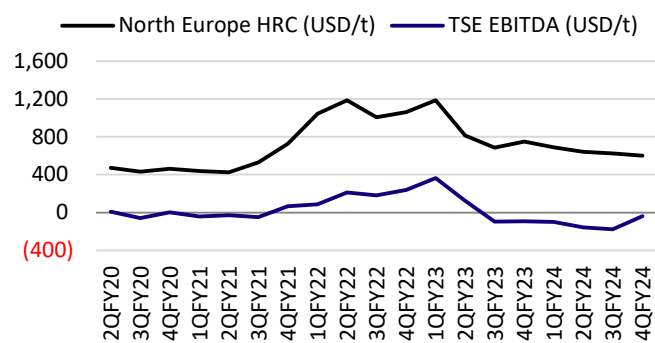
Source: MOFSL, SteelMint

Exhibit 5: Domestic HRC price (INR/t) remained subdued since Nov'23, and is currently at around INR54,000/t

Exhibit 6: Steel spreads are below its LTA


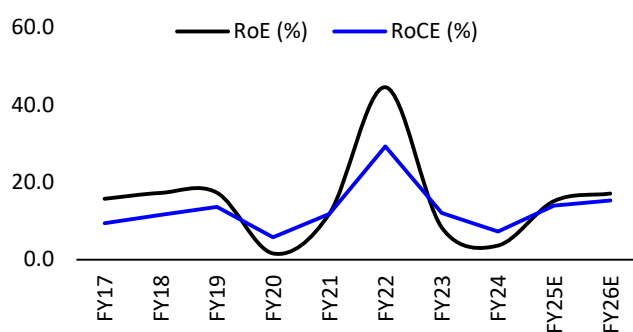
Source: MOFSL, SteelMint, Bloomberg

Exhibit 7: China's domestic HRC prices (USD/t)


Source: MOFSL, SteelMint

Exhibit 8: TSE's EBITDA/t is linked to steel price movement

Source: MOFSL, Company, SteelMint

Exhibit 9: Return ratios to improve from FY25E onwards

Source: MOFSL, Company



Highlights from the management commentary

Management guidance for 4QFY24 and FY24

- In 1QFY25, the realizations (ASP) for domestic operations is expected to increase by INR300-350/t as compared to 4QFY24.
- ASP for the Netherlands is likely to increase by GBP90/t in 1QFY25 due to better product mix and end of low rate long-term contracts.
- Coking coal consumption cost in India is expected to decline USD10/t and in the Netherlands, it is expected to increase by USD24/t due to previous inventory. In the UK, there is no coking coal involved because of coke oven closure.
- The iron ore cost will be USD10/lower in the UK and about USD10/t higher in the Netherlands.
- Production guidance for Kalinganagar is set at 1.7mt for FY25. However, the overall incremental production guidance is 1.4mt due to the planned shutdown of a BOF in Jamshedpur for relining.
- Post EF, the cost in Port Talbot will reduce by about USD150/t and result in positive contribution.

TATA Netherlands facility

- The production was lower due to the relining of BF6.
- The relining got completed in early February and have stabilized the operations.
- Management expects the facility's EBITDA to turn positive from 1QFY25.
- The facility is expected to produce ~6.5-6.9mt in FY25

TATA UK facility

- The UK received GBP50m benefit on account of carbon credits in 4QFY24.
- The grant funding deal is at an advanced stage and is likely to be signed in a few weeks and management does not expect any adverse impact from the UK elections.
- The company and the union's advisors reached a common conclusion that the multi-union plan would involve significant additional cost of at least GBP1.6 billion.
- The national consultation between Tata Steel UK and unions on the asset closure plan has concluded at the end of April.
- The two BF's 5&6 in the UK is expected to close by June'24 and Sep'24, while the company had already closed the coke ovens.
- The CAPL line too is expected to shut down by Mar'25.
- The downstream facilities would continue to operate and TATA would primarily procure ~1.7mt of steel from the Netherlands or India.

- Post completion of the EAF facility, the UK operations will be beneficial from the implementation of CBAM in Europe.
- Management expects the UK to turn EBITDA positive by 2HFY25.

Capex

- The company incurred a capex of INR182b in FY24 and expects to spend ~INR160b in FY25. 75% of the capex would be for the India business.
- Post-completion of TSK, TATA is planning to expand NICL capacity from 1mt to 5mt and is also planning to undertake capacity expansion at Meramandali.
- Simultaneously, TATA would also undertake Phase-III expansion at TSK, which will increase the total capacity to 13mt.
- The NINL capacity expansion will focus on long-steel products and will incur lower costs (on a per tonne basis) compared to the Kalinganagar expansion.
- A major portion of the TSK capex, around INR 60b, was allocated for the CRM complex. With upcoming capex facilities focusing on HR or rolling, the overall outflow is expected to be lower.
- The company's first priority is to complete Kalinganagar expansion. Following that, the company will proceed with the EAF project in Ludhiana. Post that, the company plans to complete the restructuring in Tata Steel UK and commence capex for the EAF project.

Domestic operations and demand

- Domestic steel demand is robust and is expected to increase by 10-12% in FY24.
- Consumer demand from the automotive industry is expected to grow 8% YoY.
- Management plans to focus on the product mix.

Debt

- The consolidated cost of debt stood at ~7% and standalone is ~8.5%.
- Gross debt declined INR15b to INR882b.
- Net debt stands at INR775b and liquidity remains strong at INR318b, which includes cash & cash equivalents of INR95b.
- Management targets to deleverage the B/S to below 2.5x of Net Debt/EBITDA.

Exhibit 10: Changes to our assumptions and key financials

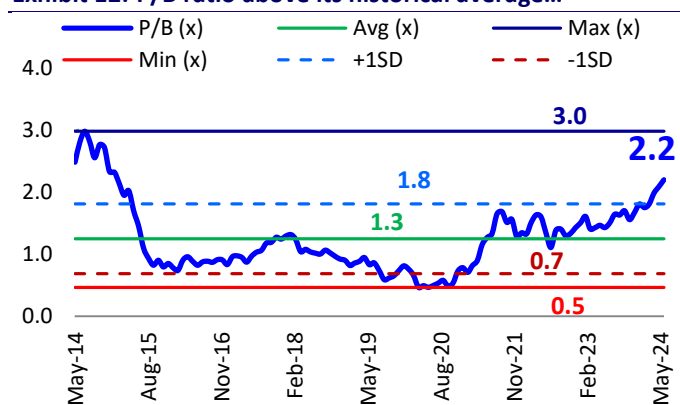
Key Assumptions	UoM	FY25E			FY26E		
		New	Old	Change (%)	New	Old	Change (%)
Standalone							
Volumes	mt	21.2	21.1	0.6	23.3	23.3	0.0
ASP	INR/t	76,593	76,593	0.0	76,718	76,718	0.0
Revenue	INR b	1,621	1,612	0.6	1,785	1,785	0.0
EBITDA	INR/t	18,187	18,166	0.1	16,077	16,077	0.0
EBITDA	INR b	385	382	0.7	374	374	0.0
Europe							
Volumes	mt	7.9	7.9	0.0	7.4	7.4	0.0
ASP	INR/t	1,293	1,306	-1.0	1,328	1,326	0.1
Revenue	INR b	851	859	-1.0	843	842	0.1
EBITDA	USD/t	-11	-26	NA	25	23	11.9
EBITDA	INR b	-7	-17	NA	16	14	11.9
Consolidated (INR b)							
Revenue	INR b	2,594	2,594	0.0	2,775	2,774	0.0
EBITDA	"	353	333	5.9	396	379	4.3
APAT	"	136	126	8.4	167	159	5.1

Source: MOFSL

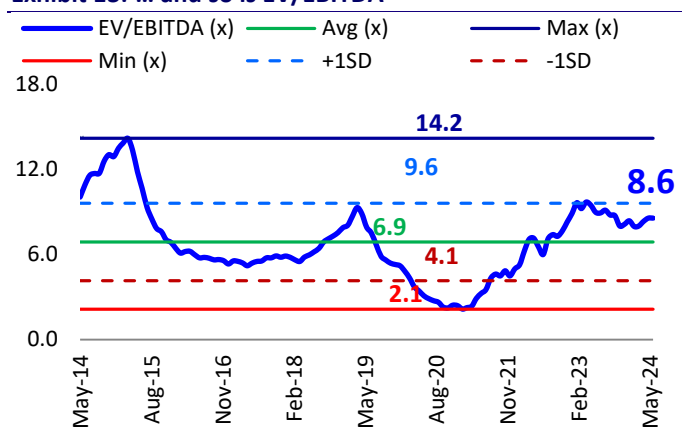
Exhibit 11: TATA (INR b) looks fairly valued at CMP

Y/E March	UoM	2026E
Standalone		
Sales	mt	23.3
EBITDA	INR/t	16,077
EBITDA	INR b	374
Target multiple	x	7.0
Target EV	INR b	2,618
Europe		
Sales	mt	7.4
EBITDA	INR/t	2,178
EBITDA	INR b	16
Target multiple	x	7.0
Target EV	INR b	113
Other Subsidiaries		
EBITDA - India subs	INR b	6
Target EBITDA multiple	x	4.0
Target EV	INR b	22
Target EV	INR b	2,753
Net Debt (d)	INR b	751
Total equity value	INR b	2,002
No of shares o/s	b	12.5
Target Price	INR/sh	160

Source: MOFSL

Exhibit 12: P/B ratio above its historical average...

Source: MOFSL, Company data

Exhibit 13: ... and so is EV/EBITDA

Source: MOFSL, Company data

Financials and valuations

Income Statement (Consolidated)										(INR b)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Net Sales	1,123	1,322	1,577	1,490	1,563	2,440	2,434	2,292	2,594	2,775
Change (%)	10.1	17.7	19.3	-5.5	4.9	56.1	-0.2	-5.8	13.2	7.0
EBITDA	170	219	294	178	305	635	323	223	353	396
% of Net Sales	15.1	16.6	18.6	12.0	19.5	26.0	13.3	9.7	13.6	14.3
Depn. & Amortization	57	60	73	87	92	91	93	99	109	113
EBIT	113	159	220	91	213	544	230	124	244	282
Finance cost	51	55	77	76	76	55	63	75	80	80
Other income	5	9	14	18	9	8	10	18	20	21
PBT before EO	68	113	158	34	146	497	177	67	183	223
EO income	-43	96	-1	-49	-10	-1	1	-78	0	0
PBT after EO	25	209	157	-16	135	496	178	-11	183	223
Tax	28	34	67	-26	57	85	102	38	52	62
Rate (%)	113	16	43	163	42	17	57	NA	28	28
PAT (Before MI & asso.)	-3	175	90	10	79	411	77	-49	131	161
Minority interest P/L	1	43	-11	-4	7	16	-7	-5	0	0
Share of asso. PAT	0	2	2	2	3	6	4	-1	5	6
Reported PAT (After MI & asso.)	-4	134	103	16	75	402	88	-44	136	167
Div. on Pref. /Hybrid Sec.	3	3	3	3	3	0	0	0	0	0
Adjusted PAT	37	80	101	10	83	402	86	34	136	167
Change (%)	-275.3	116.3	27.3	-89.8	697.0	386.8	-78.5	-61.0	303.8	22.4

Balance Sheet (Consolidated)										(INR b)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Share Capital	10	11	11	11	12	12	12	12	12	12
Reserves	346	575	655	702	723	1,132	1,019	908	982	1,061
Net Worth	355	586	667	713	735	1,144	1,031	920	994	1,074
Minority Interest	16	9	24	26	33	27	21	4	4	4
Total Loans	851	942	1,031	1,186	956	756	849	871	881	891
Deferred Tax Liability	91	95	115	78	75	93	115	89	95	101
Capital Employed	1,313	1,632	1,836	2,003	1,798	2,020	2,016	1,884	1,974	2,069
Gross Block	1,266	1,399	1,730	1,955	2,120	2,159	2,382	2,243	2,635	2,885
Less: Accum. Deprn.	380	479	526	652	806	869	972	932	1,041	1,155
Net Fixed Assets	885	920	1,204	1,305	1,314	1,290	1,410	1,431	1,594	1,730
Capital WIP	158	166	186	195	190	220	312	344	231	141
Investments	68	30	32	29	35	58	48	55	55	55
Goodwill on consolidation	35	41	40	41	43	43	56	57	57	57
Curr. Assets	578	929	863	921	855	1,213	1,028	806	892	969
Inventory	248	283	317	311	333	488	544	492	556	595
Account Receivables	116	124	118	79	95	122	83	63	71	76
Cash & liquid investment	106	228	59	115	130	244	170	94	107	140
Others	109	294	370	417	297	358	231	158	158	158
Curr. Liability & Prov.	411	455	490	487	639	805	838	809	856	884
Account Payables	186	204	217	214	260	368	378	354	401	429
Provisions & Others	225	251	273	273	380	437	460	455	455	455
Net Current Assets	168	475	373	434	216	408	189	-3	36	85
Appl. of Funds	1,313	1,632	1,836	2,003	1,798	2,020	2,016	1,884	1,974	2,069

Financials and valuations

Ratios (Consolidated)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Basic (INR)										
EPS	3.8	7.0	8.9	0.9	6.9	33.0	7.1	2.7	10.9	13.4
Cash EPS	9.6	12.2	15.3	8.5	14.6	40.4	14.7	10.6	19.7	22.5
BV/Share (ex-goodwill)	33.0	47.6	54.7	58.7	57.7	90.2	79.8	69.2	75.1	81.5
DPS	0.8	0.8	1.0	1.0	2.5	5.1	3.6	3.6	5.0	7.0
Payout (%)	25.2	11.6	11.3	110.4	36.2	15.5	50.8	133.0	45.7	52.3
Valuation (x)										
P/E	43.2	23.6	18.5	181.0	23.8	5.0	23.2	60.6	15.0	12.3
Cash P/E	17.0	13.5	10.7	19.3	11.2	4.1	11.1	15.4	8.3	7.3
P/BV	5.0	3.4	3.0	2.8	2.8	1.8	2.1	2.4	2.2	2.0
EV/Sales	2.1	2.0	1.8	2.0	1.8	1.0	1.1	1.2	1.1	1.0
EV/EBITDA	13.7	11.8	9.7	16.5	9.1	4.0	8.3	12.7	8.0	7.1
Dividend Yield (%)	0.5	0.5	0.6	0.6	1.5	3.1	2.2	2.2	3.0	4.3
Return Ratios (%)										
EBITDA Margins (%)	15.1	16.6	18.6	12.0	19.5	26.0	13.3	9.7	13.6	14.3
Net Profit Margins (%)	3.3	6.0	6.4	0.7	5.3	16.5	3.6	1.5	5.3	6.0
RoE	15.7	17.2	17.3	1.6	11.9	44.6	8.3	3.6	15.2	17.1
RoCE (pre-tax)	9.4	11.6	13.7	5.8	11.8	29.2	12.1	7.3	13.9	15.3
RoIC (pre-tax)	13.3	14.6	15.9	5.7	13.7	37.0	15.4	8.6	16.4	17.0
Working Capital Ratios										
Fixed Asset Turnover (x)	1.3	1.4	1.3	1.1	1.2	1.9	1.7	1.6	1.6	1.6
Asset Turnover (x)	0.9	0.8	0.9	0.7	0.9	1.2	1.2	1.2	1.3	1.3
Debtor (Days)	38	34	27	19	22	18	12	10	10	10
Inventory (Days)	81	78	73	76	78	73	82	78	78	78
Payables (Days)	60	56	50	52	61	55	57	56	56	56
Working Capital T/O (Days)	58	56	50	43	39	36	37	32	32	32
Leverage Ratio (x)										
Current Ratio	1.4	2.0	1.8	1.9	1.3	1.5	1.2	1.0	1.0	1.1
Interest Cover Ratio	2.2	2.9	2.9	1.2	2.8	10.0	3.6	1.7	3.0	3.5
Net Debt/Equity	2.3	1.3	1.6	1.6	1.2	0.5	0.7	0.9	0.8	0.7

Cash Flow Statement (Consolidated)

(INR b)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
EBITDA	170	219	294	178	305	635	323	223	353	396
Reconciliation income (loss)	6	-17	-15	3	-20	24	-14	-1	0	0
(Inc)/Dec in Wkg. Cap.	-49	-93	26	42	165	-96	-37	34	-26	-16
Tax Paid	-18	-29	-51	-21	-7	-119	-55	-53	-46	-56
Other operating activities	0	0	0	0	0	0	0	0	5	6
CF from Op. Activity	108	80	253	202	443	444	217	203	286	329
(Inc)/Dec in FA + CWIP	-77	-75	-91	-104	-70	-105	-141	-182	-160	-160
Free Cash Flow to Firm	31	5	162	98	373	339	75	21	126	169
(Pur)/Sale of Non-cur. Invest.	4	-9	4	4	4	-6	0	5	0	0
Acquisition in subsidiaries	-11	-2	-351	-41	1	12	-104	1	0	0
Int. & Dividend Income	2	4	3	4	5	3	6	7	20	21
Others	-9	-38	135	-9	-33	-12	53	27	0	0
CF from Inv. Activity	-91	-120	-299	-145	-93	-109	-187	-143	-140	-139
Equity raised/(repaid)	7	91	0	2	32	3	0	-2	0	0
Debt raised/(repaid)	27	41	82	76	-321	-160	54	16	10	10
Dividend (incl. tax)	-9	-12	-14	-18	-12	-30	-63	-44	-62	-87
Interest & equiv. paid	-50	-54	-74	-77	-71	-47	-61	-81	-80	-80
CF from Fin. Activity	-26	66	-7	-17	-371	-234	-70	-111	-133	-158
(Inc)/Dec in Cash	-8	26	-52	39	-21	101	-40	-50	13	33
Add: opening balance	61	49	82	33	77	55	156	121	71	84
Forex Adj.	4	-7	-3	5	-1	0	5	0	0	0
Closing cash balance	49	82	33	77	55	156	121	71	84	116
Bank Balance	57	147	26	38	75	88	49	23	23	23
Closing balance (incl. Bank balance)	106	228	59	115	130	244	170	94	107	140

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NOTES

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