BUY (Maintain)

CMP: **INR 205** Target Price: **INR 315** ▲ 54%

ICICI Securities

ICICI Securities Limited is the author and distributor of this report

31 March 2026

India | Equity Research | Company Update

EPL

Speciality Chemicals

Transitioning to multi-platform packaging with wider geographical reach

EPL has announced a merger of Indovida (a rigid packaging company) which allows Indorama Ventures to become the majority shareholder (with a 51.8% stake) in the merged entity. EPL's valuation at a 35% premium to Indovida makes the merger EPS accretive. The merger will allow the combined entity to become a multi-platform packaging company with a presence in wider geographies. The merged entity plans to leverage its capabilities for continued double-digit growth. It will also have a large EBITDA of INR 17.5bn and low leverage at 0.25x ND/EBITDA, enabling it to pursue inorganic opportunities. While we like the diversification into rigid packaging, we will wait to see expansion of the business in India's fragmented rigid packaging market. Near-term earnings volatility on rising polymer prices remains a key risk. Maintain **BUY** with TP of INR 315 (based on 20x FY27E P/E).

EPL and Indovida have agreed to merge operations

EPL and Indovida have signed a definitive agreement on 29th Mar'26. Under the agreement, Indovida will merge its operations with EPL. The merger will create one of the largest packaging platforms with a presence across both flexible and rigid packaging. While EPL is a global leader in highly consolidated flexible laminate packaging, Indovida brings capabilities in rigid packaging. The merger values EPL at 12.5x EBITDA and Indovida at 8.1x EBITDA. EPL's premium valuation is due to its strong global positioning in laminate tubes, its pivot towards fast-growing beauty and cosmetic segment, and its ability to successfully expand into new geographies.

Indovida has a strong position in rigid packaging, with 75% of revenue coming from preforms, 13% from bottles, and 12% from closures. It has a strong presence in N.Ireland, Philippines, Vietnam, Nigeria, Egypt, Myanmar, Thailand, and Ghana. It recently entered Tanzania and plans to expand operations into Morocco and Algeria. Indovida recorded a volume CAGR of 8% over the past five years, including inorganic growth. In CY25, Indovida generated revenue of INR 38bn with EBITDA of INR 8.1bn (EBITDAM of 21.3%) and PAT of INR 4.1bn. It holds net cash of INR 1.7bn with an RoCE of 23.7%.

The merger is based on a share swap wherein EPL will issue 185mn additional shares (on a base of 325mn), bringing the post-merger share count to 510mn. While this implies an equity dilution of 57%, management expects the deal to be EPS accretive at the time of the merger. The merger meets EPL's three key criteria: 1) Product portfolio expansion, 2) geographical expansion and 3) EPS accretion.

Financial Summary

Y/E March (INR mn)	FY25A	FY26E	FY27E	FY28E
Net Revenue	42,133	46,471	51,365	55,395
EBITDA	8,359	9,669	10,782	11,701
EBITDA Margin (%)	19.8	20.8	21.0	21.1
Net Profit	3,590	4,299	5,035	5,691
EPS (INR)	11.2	13.5	15.8	17.8
EPS % Chg YoY	73.4	19.8	17.1	13.0
P/E (x)	18.3	15.3	13.0	11.5
EV/EBITDA (x)	8.4	7.1	6.1	5.4
RoCE (%)	14.4	15.2	15.9	16.2
RoE (%)	16.1	17.3	18.2	18.4

Sanjesh Jain
sanjesh.jain@icicisecurities.com
+91 22 6807 7153
Mohit Mishra
mohit.mishra@icicisecurities.com

Market Data

Market Cap (INR)	66bn
Market Cap (USD)	694mn
Bloomberg Code	EPLL IN
Reuters Code	EPLI BO
52-week Range (INR)	254 /175
Free Float (%)	43.0
ADTV-3M (mn) (USD)	1.2

Price Performance (%)	3m	6m	12m
Absolute	(3.3)	(0.3)	1.8
Relative to Sensex	11.8	10.0	8.8

ESG Score	2024	2025	Change
ESG score	67.5	69.6	2.1
Environment	51.1	51.7	0.6
Social	71.5	76.8	5.3
Governance	79.4	80.9	1.5

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Previous Reports

12-11-2025: Q2FY26 results review
06-08-2025: Q1FY26 results review

Post-merger, Indorama will become a promoter of the company with a 51.8% stake in EPL (at least three board seats), Blackstone will continue to be a promoter with a 16.6% stake (one board seat), and the remaining 31.6% will be public.

EPL and Indovida have complementary operations with little overlap

Indovida manufactures rigid packaging, including PET preforms and HDPE and PP closure, operating 19 manufacturing facilities in nine countries. It caters to marquee customers in food & beverages, healthcare and cosmetics industries, such as Coca-Cola, PepsiCo, Unilever and P&G. Across all its geographies, Indovida is a leading player, holding a top-two position with a strong presence in emerging SEA, and African markets. In comparison, EPL is primarily into tube manufacturing with a strong presence in India, China, Europe, America and LATAM.

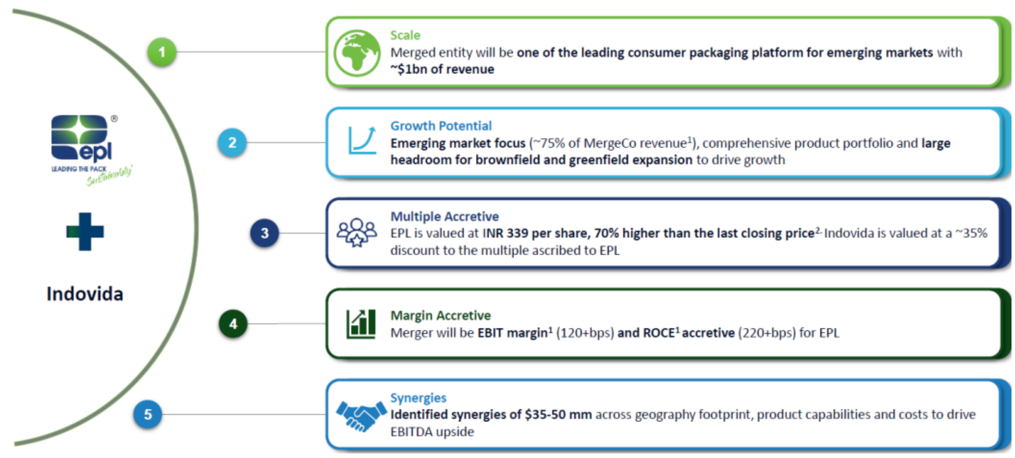
Company has planned synergy benefits of USD 35-50mn. It sees synergies from. 1) Leveraging geographical footprint: While EPL is looking to expand into Indovida's strong markets (Vietnam and Nigeria), Indovida can expand into India, China and LATAM. Both companies can leverage strong customer relationships and infrastructure, and are evaluating further inorganic expansion in markets such as Indonesia. 2) Product portfolio diversification through expansion into rigid packaging and entry into new packaging formats. 3) Deriving cost synergies in scaled procurement and optimisation of supply chain and logistics.

The bigger opportunity lies in the combined entity expanding operations in India for rigid packaging and helping to consolidate the industry. With the merged entity boasting a stronger EBITDA of INR 17.5bn and low leverage at 0.25x net debt to EBITDA, EPL aspires to be aggressive in its inorganic growth while remaining true to its core principles of acquisition.

Conference call highlights

- Indorama will not be required to make an open offer, as the IVL stake increase is due to a share swap from the Indovida merger.
- Indorama has a strong presence in the petrochemical value chain. In the past, Indovida leveraged these capabilities to build strong customer relationships. Indorama Ventures will continue to support the combined entity through its understanding on petrochemical value chain and its ability to integrate acquisitions, having completed over 50 acquisitions in past.
- Indovida's strengths include strong customer relationships, superior service, a high-quality management team, reliable access to raw materials and the ability to operate in challenging markets. Historically, key customers have invited Indovida into new, difficult geographies, helping the company expand its footprint.
- Indovida's performance in CY25 was impacted by: 1) Thailand faced a high base in CY24 on strong tourism and experienced unfavourable weather in CY25. 2) Vietnam operations were impacted by new regulations that affected 8,000 stores in CY25.
- EPL will not require revalidation from customers regarding the merger. While EPL and Indovida share common customers like Unilever, L'Oreal and P&G, the merger will create a significantly larger customer base for both entities.
- Regarding the Middle East crisis, EPL is focused on two priorities: securing supply for customers and passing on cost inflation. The company is in discussions with customers to pass on increased input costs, which could fully reflect in next 4-5 months.

Exhibit 1: Rationale for merger of EPL and Indovida



Source: Company

Exhibit 2: Snapshot of the merged entity

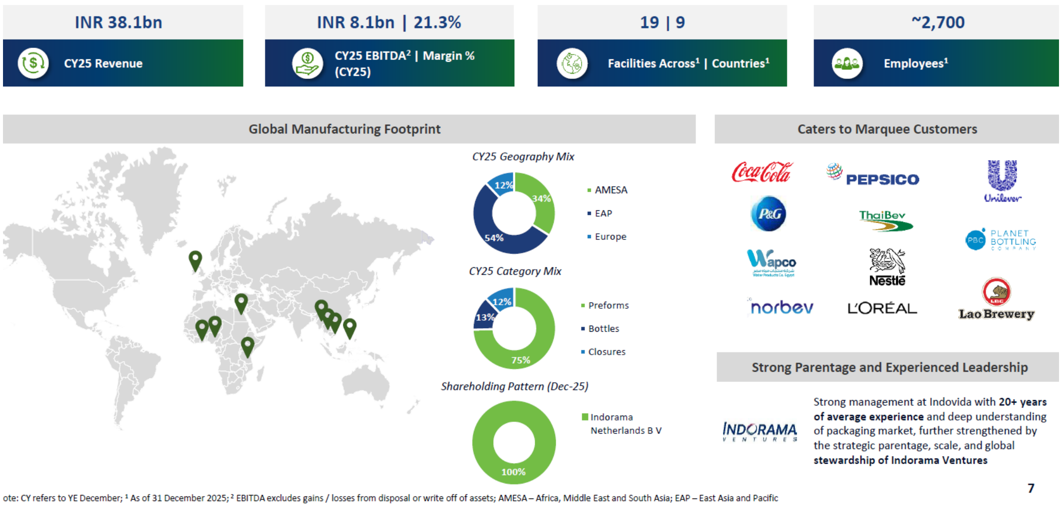
	EPL	Indovida	Merged Entity
Overview	• Flexible specialty packaging player • Products: Laminates, laminated tubes, extruded tubes and caps & closures	• Rigid PET packaging player • Products: Preforms, bottles and closures	• Diversified multi-format player across rigid and flexible
Financial and Operating Metrics (CY25)	• **Revenue:** INR 45.7bn • **EBITDA:** INR 9.3bn (20.4% Margin) • **Net Debt[2] / EBITDA:** 0.65x	• **Revenue:** INR 38.1bn • **EBITDA[1]:** INR 8.1bn (21.3% Margin) • **Net Debt[2] / EBITDA:** (0.20)x	• **Revenue:** INR 83.8bn • **EBITDA:** INR 17.5bn (20.9% Margin) • **Net Debt[2] / EBITDA:** 0.25x
Key customer Segments	• Strong relationship with customers across Oral care, Beauty & Personal care, Pharma, Home care and Industrial	• Blue-chip global and local customers in Food & Beverages, Healthcare and Cosmetics	• Industry leading customers across Oral care, BPC, Pharma, F&B, Healthcare, Home care, Industrial
Manufacturing Footprint[3]	• 21 manufacturing facilities • 11 countries	• 19 manufacturing facilities • 9 countries	• 40 manufacturing facilities • 17 countries
CY25 Geographic Mix	Americas 28%, AMESA 28%, Europe 23%, EAP 21%	Europe 12%, AMESA 34%, EAP 54%	Americas 15%, AMESA 31%, Europe 18%, EAP 36% ~75% revenue from emerging markets

Source: Company data; Note: CY refers to YE December; AMESA – Africa, Middle East and South Asia; EAP – East Asia and Pacific; Americas also includes LATAM; [1] EBITDA for Indovida excludes gains / losses from disposal or write off of assets; [2] Net debt defined as Borrowings (long term + short term) less cash and bank, including current investment (cash and bank does not include 'other bank balances' for EPL); [3]As of 31 December, 2025.

6

Source: Company

Exhibit 3: A glance at Indovida operations



Source: Company

Exhibit 4: Both EPL and Indovida enjoy a market leadership position in their respective businesses

Source: Company

Exhibit 5: Combined entity to be EPS accretive on completion of merger

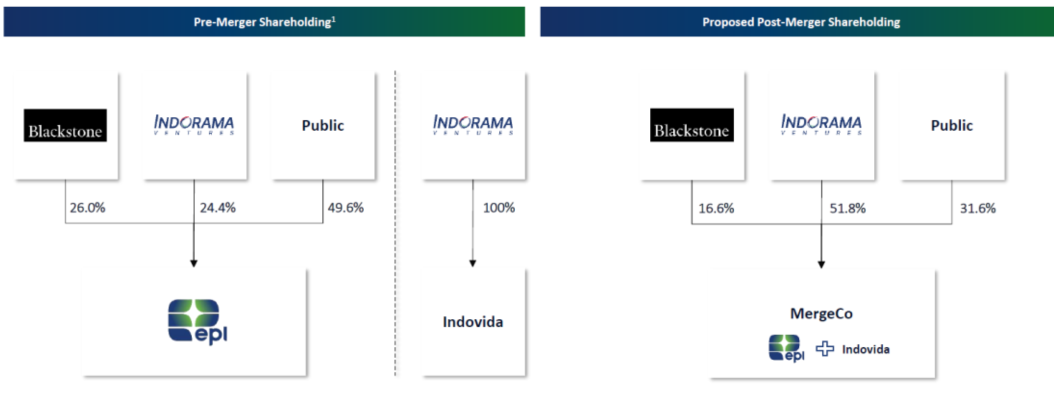
Metrics as of CY25 unless mentioned otherwise

	Metric	EPL	+ Indovida	= Merge Co	
Financial Metrics	Revenue (INR mm)	45,680	38,087	83,767	~2x scale with steady profitability (EBITDA and EBIT Margin Accretive)
	EBITDA | EBIT (INR mm)	9,338 | 5,654	8,129 | 5,754	17,467 | 11,408	
	EBITDA Margin % | EBIT Margin %	20.4% | 12.4%	21.3% | 15.1%	20.9% | 13.6%	
	RoCE[1]	18.7%	23.7%	20.9%	Maintaining Healthy RoCE
	Net Debt / (Cash)[2] (INR mm)	6,028	(1,662)	4,366	Strong balance sheet with reduction in net debt and better leverage ratios
	Net Debt / EBITDA	0.65x	(0.20)x	0.25x	
Operational Metrics	# of Plants	21	19	40	~2x number of plants
	# of Countries[3]	11	9	17	6 new countries

Source: Company filings; Note: Data as of CY25; [1] RoCE defined as EBIT / Capital Employed (Capital Employed = Net debt + Shareholder's Equity); [2] Net debt defined as Borrowings (long term + short term) less cash and bank, including current investment (cash and bank does not include 'other bank balances' for EPL); [3] Manufacturing footprint. 17

Source: Company

Exhibit 6: Merged entity shareholding pattern



Upon the merger of EPL with Indovida, the shareholders of Indovida will be issued 286 equity shares of EPL as consideration for every 10,000 equity shares held in Indovida

Source: Company

Financials

Exhibit 7: Geographical data

INR mn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	CAGR (%) FY25-28E
Revenue								
AMESA	12,259	13,692	14,185	14,694	15,870	17,456	18,853	8.7
EAP	8,626	8,498	9,356	10,039	11,043	12,147	12,997	9.0
Americas	7,362	8,758	9,889	11,103	12,435	13,928	15,042	10.7
Europe	7,484	8,435	8,927	9,887	11,073	12,181	13,155	10.0
Unallocated	11	14	14	17	17	17	17	
Intersegment elimination	(1,414)	(2,456)	(3,210)	(3,607)	(3,968)	(4,364)	(4,670)	
Total revenue	**34,328**	**36,941**	**39,161**	**42,133**	**46,471**	**51,365**	**55,395**	**9.6**
EBIT								
AMESA	1,293	1,469	1,617	1,606	1,792	2,086	2,346	13.5
EAP	1,277	1,237	1,462	1,514	1,824	2,044	2,232	13.8
Americas	529	379	530	1,055	1,574	1,882	2,112	26.0
Europe	256	202	247	905	908	1,124	1,290	12.5
Unallocated	(44)	(36)	(15)	(12)	(12)	(12)	(12)	
Intersegment elimination	(42)	(65)	(26)	(99)	(99)	(99)	(99)	
Total EBIT	**3,269**	**3,186**	**3,815**	**4,969**	**5,987**	**7,025**	**7,869**	**16.6**

Source: I-Sec research, Company data

Exhibit 8: EPL's consolidated financials

INR mn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	CAGR (%) FY25-28E
Financial								
Revenue	34,328	36,941	39,161	42,133	46,471	51,365	55,395	9.6
COGS	15,176	16,738	16,570	17,355	19,235	21,260	22,928	
Gross profit	**19,152**	**20,203**	**22,591**	**24,778**	**27,236**	**30,104**	**32,466**	**9.4**
GMP (%)	55.8	54.7	57.7	58.8	58.6	58.6	58.6	
Growth (%)	6.5	5.5	11.8	9.7	9.9	10.5	7.8	
Employee cost	6,500	6,895	7,725	8,324	8,823	9,353	9,914	6.0
% of revenue	18.9	18.7	19.7	19.8	19.0	18.2	17.9	
Other expenses	6,891	7,530	7,723	8,095	8,743	9,970	10,851	10.3
% of revenue	20.1	20.4	19.7	19.2	18.8	19.4	19.6	
Total expenses	13,391	14,425	15,448	16,419	17,567	19,323	20,765	8.1
EBITDA	**5,761**	**5,778**	**7,143**	**8,359**	**9,669**	**10,782**	**11,701**	**11.9**
EBITDA (%)	16.8	15.6	18.2	19.8	20.8	21.0	21.1	
Growth (%)	(5.7)	0.3	23.6	17.0	15.7	11.5	8.5	
D&A	2,514	2,805	3,328	3,427	3,719	3,793	3,869	4.1
EBIT	**3,247**	**2,973**	**3,815**	**4,932**	**5,950**	**6,988**	**7,832**	**16.7**
Growth (%)	(13.8)	(8.4)	28.3	29.3	20.6	17.5	12.1	
Other income	120	421	594	436	471	509	549	8.0
Finance cost	403	674	1,156	1,139	1,038	1,038	1,038	
PBT	**2,964**	**2,720**	**3,253**	**4,229**	**5,383**	**6,459**	**7,344**	**20.2**
Growth (%)	(14.9)	(8.2)	19.6	30.0	27.3	20.0	13.7	
Tax expenses	675	373	582	577	1,057	1,398	1,626	41.3
ETR (%)	22.8	13.7	17.9	13.6	19.6	21.6	22.1	
PAT	**2,144**	**2,267**	**2,070**	**3,590**	**4,299**	**5,035**	**5,691**	**16.6**
Growth (%)	(10.3)	5.7	(8.7)	73.4	19.8	17.1	13.0	
EPS (INR)	**6.8**	**7.1**	**6.5**	**11.2**	**13.5**	**15.8**	**17.8**	**16.6**

Source: I-Sec research, Company data

ICICI Securities

Exhibit 9: Balance sheet parameters

INR mn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	CAGR (%) FY25-28E
Capital productivity								
Gross block	**28,652**	**33,374**	**38,479**	**42,488**	**46,288**	**49,788**	**53,288**	**7.8**
Revenue/GB (x)	1.20	1.11	1.02	0.99	1.00	1.03	1.04	
EBITDA/GB (x)	0.20	0.17	0.19	0.20	0.21	0.22	0.22	
Capex	**2,755**	**3,871**	**3,746**	**3,631**	**3,800**	**3,500**	**3,500**	
Intensity (% of revenue)	8.0	10.5	9.6	8.6	8.2	6.8	6.3	
D&A/capex (x)	0.9	0.7	0.9	0.9	1.0	1.1	1.1	
Capital employed	24,817	27,578	28,955	30,275	32,817	35,919	39,485	9.3
pre-tax ROCE (%)	13.7	11.3	13.5	16.7	18.9	20.3	20.8	
Leverage								
Net debt	4,645	5,092	5,967	4,508	2,785	219	(3,088)	
ND/EBITDA (x)	0.8	0.9	0.8	0.5	0.3	0.0	(0.3)	
Cash conversion								
Inventory days	63	60	61	62	61	60	59	
Debtor days	68	64	65	61	61	61	61	
Creditor days	48	49	53	51	51	51	51	
Cash conversion	**83**	**74**	**73**	**71**	**70**	**69**	**68**	
WC as % of revenue	22.6	20.3	20.1	19.6	19.3	19.0	18.8	

Source: I-Sec research, Company data

Exhibit 10: EPL's capex plan

INR mn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	CAGR (%) FY25-28E
Ops CF (after tax & lease)	4,957	5,398	6,238	7,656	8,634	9,406	10,097	9.7
% of EBITDA	86.0	93.4	87.3	91.6	89.3	87.2	86.3	
Chg of WC	(2,217)	136	(931)	(322)	(787)	(877)	(675)	
CFO	**2,740**	**5,534**	**5,307**	**7,334**	**7,847**	**8,528**	**9,422**	**8.7**
% of revenue	8.0	15.0	13.6	17.4	16.9	16.6	17.0	
Capex (incl acquisition)	(2,755)	(3,871)	(3,746)	(3,631)	(3,800)	(3,500)	(3,500)	
FCF	**(15)**	**1,663**	**1,561**	**3,703**	**4,047**	**5,028**	**5,922**	
% of revenue	(0.0)	4.5	4.0	8.8	8.7	9.8	10.7	
Finance cost	(278)	(575)	(1,046)	(1,066)	(1,038)	(1,038)	(1,038)	
FCFE	**(293)**	**1,088**	**515**	**2,637**	**3,009**	**3,991**	**4,884**	

Source: I-Sec research, Company data

Peer Comparison

Exhibit 11: Specialty chemicals coverage valuation snapshot

	CMP (INR)	Mcap (INR bn)	Revenue (INR mn)			CAGR (%) FY26-28E	EPS (INR)			CAGR (%) FY26-28E
			FY26E	FY27E	FY28E		FY26E	FY27E	FY28E	
SRF	2,438	723	1,59,451	1,79,808	1,99,353	12%	73.0	81.8	92.8	13%
Navin Fluorine	6,163	306	32,409	38,938	47,907	22%	131.7	152.9	192.2	21%
Gujarat Fluoro	3,028	333	51,569	63,469	71,804	18%	67.5	99.1	120.5	34%
Atul Ltd	6,369	188	64,480	72,587	79,777	11%	211.5	283.7	322.3	23%
Deepak Nitrite	1,287	176	77,129	88,220	99,467	14%	36.6	57.7	64.2	32%
Chemplast	264	42	43,597	50,663	55,648	13%	(15.2)	0.2	12.6	
Galaxy	1,515	54	52,375	57,084	61,819	9%	82.1	98.8	107.4	14%
Rossari	373	21	23,781	26,580	29,742	12%	26.5	32.2	36.6	17%
EPL	205	66	46,471	51,365	55,395	9%	13.5	15.8	17.8	15%
Tatva Chintan	1,052	25	5,076	6,305	7,903	25%	19.1	32.0	48.9	60%
Clean Science	656	70	9,820	11,333	13,540	17%	22.3	23.3	29.2	14%
BlueJet Healthcare	327	57	9,286	12,297	14,115	23%	13.5	17.8	20.1	22%
Archean Chemical	577	71	11,351	15,724	17,905	26%	14.4	29.2	33.7	53%
Sudeep Pharma	593	67	6,486	7,725	11,098	31%	15.1	17.2	19.9	15%
PCBL	242	91	80,600	91,278	1,01,311	12%	5.3	12.4	18.3	86%
Himadri	442	218	47,357	63,815	82,090	32%	14.2	16.8	17.4	10%
Median						**14%**				**19%**

Source: I-Sec research, Company data

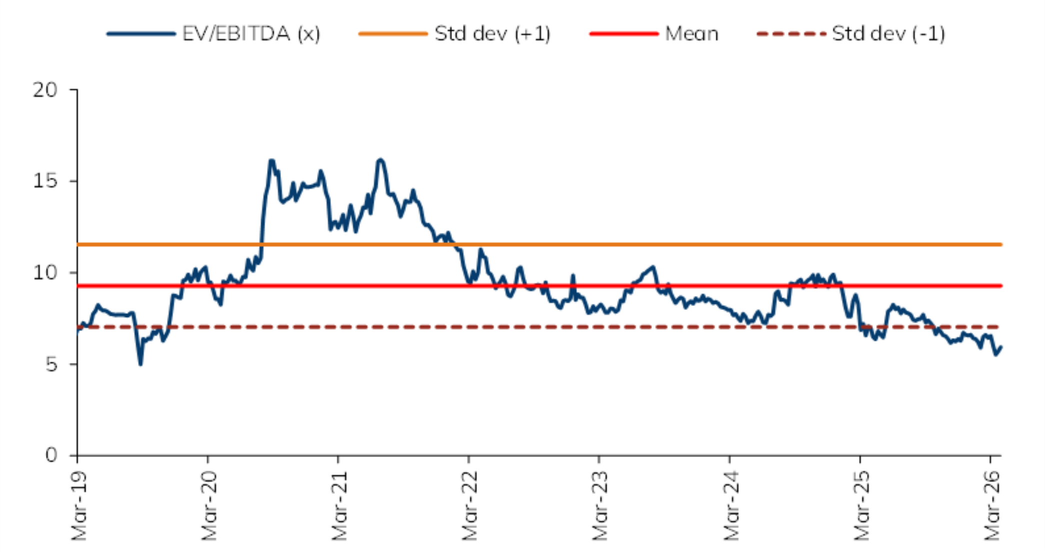
Exhibit 12: Specialty chemicals coverage valuation snapshot

	PE (x)		EV/EBITDA (x)		ROCE (pre-tax, %)		GB turnover (x)		Capex (INR mn)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
SRF	29.8	26.3	17.8	15.8	16.7	17.0	0.8	0.8	26,754	30,017
Navin Fluorine	40.3	32.1	26.1	21.2	21.1	23.1	0.9	1.0	5,250	5,513
Gujarat Fluoro	30.6	25.1	17.7	14.8	14.2	15.6	0.8	0.9	7,597	3,799
Atul Ltd	22.5	19.8	13.0	11.2	14.5	14.9	1.4	1.5	2,700	2,835
Deepak Nitrite	22.3	20.0	17.3	17.6	10.7	8.6	2.1	2.2	33,214	39,375
Chemplast	1,224.2	20.9	13.6	8.4	5.8	12.0	1.0	1.1	2,940	1,831
Galaxy	15.3	14.1	8.7	7.8	14.5	14.4	2.8	2.8	1,650	1,815
Rossari	11.6	10.2	6.5	5.8	16.0	16.6	2.3	2.4	953	850
EPL	13.0	11.5	6.1	5.3	20.3	20.8	1.0	1.0	3,500	3,500
Tatva Chintan	32.9	21.5	18.7	13.2	9.4	13.1	0.8	0.8	1,534	1,037
Clean Science	28.1	22.4	17.6	14.5	16.8	19.2	0.8	0.9	1,100	1,210
BlueJet Healthcare	18.4	16.3	13.2	11.4	26.4	26.3	1.8	1.9	1,000	800
Archean Chemical	19.8	17.1	12.5	10.4	19.0	19.2	0.8	0.9	1,100	1,210
Sudeep Pharma	34.4	29.7	24.5	20.7	21.5	20.8	1.1	1.4	2,274	1,100
PCBL	19.6	13.2	10.0	8.1	11.0	13.7	1.6	1.7	4,000	5,000
Himadri	26.2	25.4	20.2	18.4	19.3	17.3	1.6	1.8	11,500	6,800
Median	**22.5**	**20.0**	**13.6**	**11.4**	**16.7**	**17.0**	**1.1**	**1.4**		

Source: I-Sec research, Company data

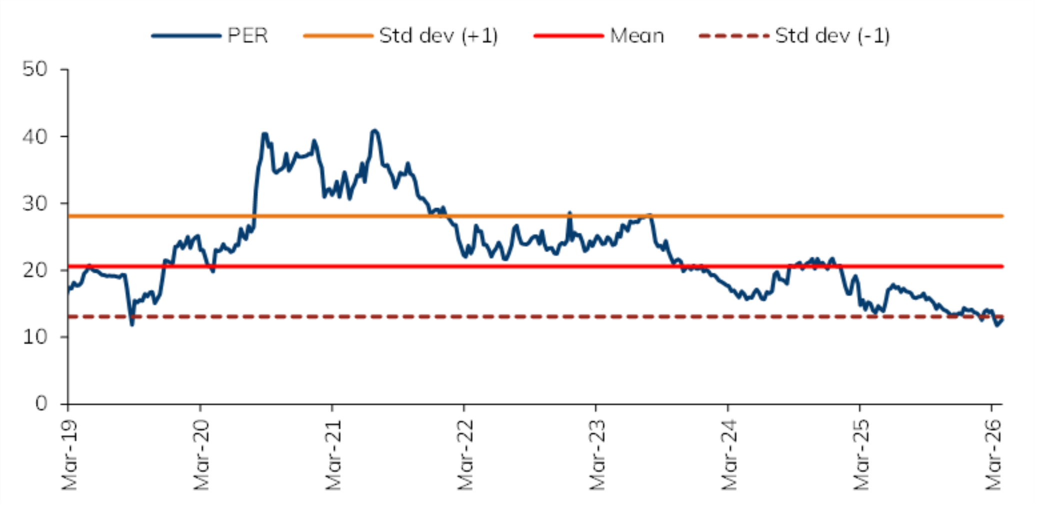
Band Charts

Exhibit 13: EPL's one-year forward EV/EBITDA



Source: I-Sec research, Bloomberg

Exhibit 14: EPL's one-year forward PE



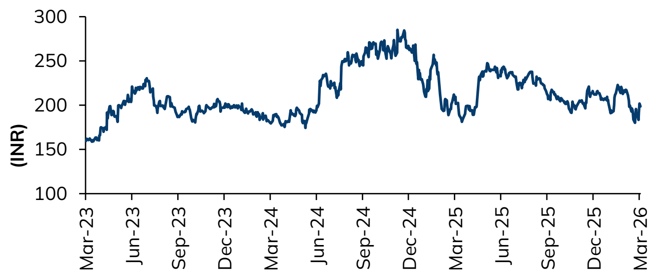
Source: I-Sec research, Bloomberg

Exhibit 15: Shareholding pattern

%	Jun'25	Sep'25	Dec'25
Promoters	26.4	26.4	26.4
Institutional investors	27.7	27.4	27.2
MFs and others	8.4	7.9	7.5
FIs/Banks	0.1	0.1	0.0
Insurance	2.0	2.0	2.1
FIIs	17.2	17.4	17.6
Others	45.9	46.2	46.4

Source: Bloomberg, I-Sec research

Exhibit 16: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 17: Profit & Loss

(INR mn, year ending March)

	FY25A	FY26E	FY27E	FY28E
Net Sales	**42,133**	**46,471**	**51,365**	**55,395**
Operating Expenses	33,774	36,801	40,583	43,693
EBITDA	**8,359**	**9,669**	**10,782**	**11,701**
EBITDA Margin (%)	19.8	20.8	21.0	21.1
Depreciation & Amortization	3,427	3,719	3,793	3,869
EBIT	4,932	5,950	6,988	7,832
Interest expenditure	1,139	1,038	1,038	1,038
Other Non-operating Income	-	-	-	-
Recurring PBT	**4,229**	**5,383**	**6,459**	**7,344**
Profit / (Loss) from Associates	**22**	**22**	**22**	**22**
Less: Taxes	577	1,057	1,398	1,626
PAT	3,652	4,325	5,061	5,717
Less: Minority Interest	(48)	(48)	(48)	(48)
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	**3,590**	**4,299**	**5,035**	**5,691**
Net Income (Adjusted)	**3,590**	**4,299**	**5,035**	**5,691**

Source Company data, I-Sec research

Exhibit 18: Balance sheet

(INR mn, year ending March)

	FY25A	FY26E	FY27E	FY28E
Total Current Assets	17,342	20,623	24,940	29,635
of which cash & cash eqv.	1,969	3,942	6,508	9,815
Total Current Liabilities & Provisions	11,515	12,309	13,206	13,944
Net Current Assets	**5,827**	**8,314**	**11,734**	**15,692**
Investments	394	144	144	144
Net Fixed Assets	19,270	19,351	19,057	18,688
ROU Assets	1,207	1,207	1,207	1,207
Capital Work-in-Progress	728	728	728	728
Total Intangible Assets	1,159	1,159	1,159	1,159
Other assets	1,549	1,580	1,612	1,644
Deferred Tax Assets	532	532	532	532
Total Assets	**40,055**	**43,454**	**47,516**	**51,880**
Liabilities				
Borrowings	**6,727**	**6,727**	**6,727**	**6,727**
Deferred Tax Liability	**591**	**591**	**591**	**591**
Provisions	240	245	250	255
Other Liabilities	89	98	109	117
Equity Share Capital	639	639	639	639
Reserves & Surplus	22,909	25,451	28,553	32,119
Total Net Worth	**23,548**	**26,090**	**29,192**	**32,758**
Minority Interest	39	87	135	183
Total Liabilities	**40,055**	**43,454**	**47,516**	**51,880**

Source Company data, I-Sec research

Exhibit 19: Quarterly trend

(INR mn, year ending March)

	Mar-25	Jun-25	Sep-25	Dec-25
Net Sales	11,054	11,079	12,059	11,488
% growth (YOY)	7.4	10.0	11.0	13.3
EBITDA	2,280	2,268	2,516	2,308
Margin %	20.6	20.5	20.9	20.1
Other Income	104	80	119	145
Extraordinaries	(36)	-	-	(120)
Adjusted Net Profit	1,143	1,000	1,043	817

Source Company data, I-Sec research

Exhibit 20: Cashflow statement

(INR mn, year ending March)

	FY25A	FY26E	FY27E	FY28E
Operating Cashflow	**8,273**	**8,634**	**9,406**	**10,097**
Working Capital Changes	(322)	(787)	(877)	(675)
Capital Commitments	(3,631)	(3,800)	(3,500)	(3,500)
Free Cashflow	**4,320**	**4,047**	**5,028**	**5,922**
Other investing cashflow	**(199)**	**721**	**509**	**549**
Cashflow from Investing Activities	(127)	721	509	549
Issue of Share Capital	191	-	-	-
Interest Cost	-	-	-	-
Inc (Dec) in Borrowings	(1,294)	-	-	-
Dividend paid	(1,526)	(1,757)	(1,933)	(2,126)
Others	(1,683)	(1,038)	(1,038)	(1,038)
Cash flow from Financing Activities	(4,312)	(2,795)	(2,971)	(3,164)
Chg. in Cash & Bank balance	**(119)**	**1,973**	**2,566**	**3,307**
Closing cash & balance	1,909	3,942	6,508	9,815

Source Company data, I-Sec research

Exhibit 21: Key ratios

(Year ending March)

	FY25A	FY26E	FY27E	FY28E
Per Share Data (INR)				
Reported EPS	11.2	13.5	15.8	17.8
Adjusted EPS (Diluted)	11.2	13.5	15.8	17.8
Cash EPS	22.0	25.1	27.6	29.9
Dividend per share (DPS)	5.0	5.5	6.1	6.7
Book Value per share (BV)	73.7	81.7	91.4	102.5
Dividend Payout (%)	44.5	40.9	38.4	37.4
Growth (%)				
Net Sales	7.6	10.3	10.5	7.8
EBITDA	17.0	15.7	11.5	8.5
EPS (INR)	73.4	19.8	17.1	13.0
Valuation Ratios (x)				
P/E	18.3	15.3	13.0	11.5
P/CEPS	9.3	8.2	7.4	6.9
P/BV	2.8	2.5	2.2	2.0
EV / EBITDA	8.4	7.1	6.1	5.4
EV/SALES	1.7	1.5	1.3	1.1
Dividend Yield (%)	2.4	2.7	2.9	3.2
Operating Ratios				
Gross Profit Margins (%)	58.8	58.6	58.6	58.6
EBITDA Margins (%)	19.8	20.8	21.0	21.1
Effective Tax Rate (%)	13.6	19.6	21.6	22.1
Net Profit Margins (%)	8.7	9.3	9.9	10.3
NWC / Total Assets (%)	14.5	19.1	24.7	30.2
Net Debt / Equity (x)	0.2	0.1	0.0	(0.1)
Net Debt / EBITDA (x)	0.5	0.3	0.0	(0.3)
Profitability Ratios				
RoCE (%)	14.4	15.2	15.9	16.2
RoE (%)	16.1	17.3	18.2	18.4
RoIC (%)	15.5	16.8	18.8	20.6
Fixed Asset Turnover (x)	2.3	2.6	2.9	3.2
Inventory Turnover Days	62.4	61.4	60.4	59.4
Receivables Days	60.6	60.6	60.6	60.6
Payables Days	51.5	51.5	51.5	51.5

Source Company data, I-Sec research

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet_babbar@icicisecuritiesinc.com, Rishi_agrawal@icicisecuritiesinc.com and Kadambari_balachandran@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)
BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return

ANALYST CERTIFICATION
I/We, Sanjesh Jain, PGDM; Mohit Mishra, MBA, CA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:
ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk free return to the investors.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report.

SEBI Guidelines for Research Analyst (RA) requires all RAs to disclose terms and conditions pertaining to Research Services to all clients. Please go through the "Mandatory terms and conditions" and "Most Important Terms and Conditions. (Link)

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, **E-mail Address** : complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headservicequality@icicidirect.com Contact Number: 18601231122