

# Century Plyboards | BUY

## Strong performance; maintain BUY

Century Plyboards' (Century) 2QFY21 performance was significantly better than expectations (revenue/EBITDA/PAT was 13%/45%/80% above JMFe respectively) on account of higher-than-expected volume growth of plywood and margin surprise across segments led by cost savings. While core plywood/laminate volume declined 12%/22% YoY respectively, MDF volumes grew 19% in 2QFY21. Management indicated a) demand scenario has been extremely encouraging in Oct'20 (expect to see QoQ improvement) and hence growth in 4QFY21, b) evaluating alternate site for new greenfield plant in south as approvals delay for Uttar Pradesh plant (MDF and PB) and this can be completed in 18 months from commencement. We revise our estimate to reflect improvement in volume/margin outlook and maintain BUY with a Sept'21 TP of INR 220 (20xSep'22EPS). Lower than expected ply/MDF volume are key risks.

- 2QFY21 summary:** Total revenue declined 12% YoY (13% above JMFe JMFe) on the back of ply / laminate revenue decline 13% / 22% YoY respectively, while EBITDA declined merely by 5% YoY (45% above JMFe) due to savings in costs (employee cost/other expense declined by 14%/16% YoY respectively). EBITDA margin expanded by 130bps YoY to 16.5% in 2QFY21 (370bps above JMFe). Net income grew 7% YoY to INR 503mn (80% above JMFe/Consensus). In 1HFY21, Revenue/EBITDA/PAT declined 38%/54%/57% YoY respectively.
- Ply volumes and margins surprise positively:** Plywood revenue declined 15% YoY (20% above JMFe), as volumes fell by 13% YoY (25% above JMFe; Greenply posted 23% decline). EBITDA declined 20% YoY as margin contracted moderately by 70bps YoY to 13.0% (450bps above JMFe). Management highlighted that ply performance was much better than expected due to a) pent-up demand and b) introduction of VIROKILL technology in all its products. Company believes that they have performed much better than peers mainly due to implementation of 'Supply Chain Management' which helped them to fulfil the demand in Aug-Oct'20 efficiently, while other players were struggling with supply issues. Company had kept the Gabon operations in abeyance due to a) over supply scenario of face veneer and b) outbreak of covid-19, but now they will commence the operations in coming months.
- MDF volume growth healthy; margins improve significantly:** MDF revenue grew by 20% YoY (capacity utilisation at 80%) as volumes/realisations grew by 19%/1% respectively. Prelam/plain MDF revenue grew 33%/17% YoY respectively. EBITDA margins surprised positively as it expanded by 590bps YoY to 28.1% (610 bps above JMFe) on lower resin cost and operating leverage. As government is obstructing ready-made furniture imports, demand for domestically made furniture has gone up significantly which has driven the growth for MDF/PB industry. Company has taken a price hike of c.3% in particle board and plans to take a similar price hike in MDF over coming weeks. Management is optimistic for improvement in MDF realisations over coming 2 years (only one new plant will commence in South India). As the government approvals for new MDF/PB plant in UP



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### Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	220
Upside/(Downside)	18.9%
Previous Price Target	155
Change	41.9%

### Key Data – CPBI IN

Current Market Price	INR185
Market cap (bn)	INR41.1/US\$0.6
Free Float	15%
Shares in issue (mn)	222.5
Diluted share (mn)	222.5
3-mon avg daily val (mn)	INR86.3/US\$1.2
52-week range	197/95
Sensex/Nifty	43,594/12,749
INR/US\$	74.4

### Price Performance

%	1M	6M	12M
Absolute	8.4	69.0	10.7
Relative*	0.7	22.4	2.5

\* To the BSE Sensex

### Financial Summary

Y/E March	FY19A	FY20A	FY21E	FY22E	FY23E
Net Sales	22,608	22,827	18,697	24,265	25,925
Sales Growth (%)	14.9	1.0	-18.1	29.8	6.8
EBITDA	3,044	3,477	2,594	3,752	4,083
EBITDA Margin (%)	13.5	15.2	13.9	15.5	15.8
Adjusted Net Profit	1,689	2,009	1,394	2,267	2,523
Diluted EPS (INR)	7.6	9.0	6.3	10.2	11.3
Diluted EPS Growth (%)	4.2	18.9	-30.6	62.6	11.3
ROIC (%)	14.8	17.6	12.5	18.5	18.0
ROE (%)	18.7	19.7	12.3	17.7	16.9
P/E (x)	24.4	20.5	29.5	18.2	16.3
P/B (x)	4.2	3.8	3.5	3.0	2.6
EV/EBITDA (x)	15.2	12.5	16.0	11.2	9.9
Dividend Yield (%)	0.5	0.5	0.6	0.8	0.9

Source: Company data, JM Financial. Note: Valuations as of 11/Nov/2020

JM Financial Institutional Securities Limited

JM Financial Research is also available on:  
Bloomberg - JMFR <GO>,  
Thomson Publisher & Reuters,  
S&P Capital IQ, FactSet and Visible Alpha

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are facing delays, company is evaluating alternate/additional site in South India for greenfield capacity (only MDF; INR 3bn capex) as it seeing robust demand scenario. The company guides for commissioning of the project within 16-18 months once the land parcel is in possession. Moreover, the company indicates that its plans to have pan India presence of MDF plants given robust demand prospects and freight intensive nature of products

- **Laminates volume stable, margins improve:** Core laminate revenue declined 25% YoY (in-line with JMFe) as volume/realisations declined by 22%/5% respectively. EBITDA margins expanded modestly by 30bps YoY to 13.5% (400bps above JMFe). Company has highlighted that drop in domestic laminates business was much higher than exports business. Management has highlighted that laminate segment has shown sharp recovery in Oct'20 as revenue grew by 10% YoY.
- **Other highlights:** a) Working capital days increased modestly to 70 as on Sept'20 (67 in Mar'20), b) Strong operating cash flows of INR 1.3bn in 1HFY21 (INR 1.7bn in 1HFY20), c) significant de-leveraging as gross debt reduced by INR 1.1bn to INR 1.1bn as on Sept'20 (INR 2.2bn as on Mar'20), average cost of borrowing at 2%.
- **Raise estimates/target price; maintain BUY:** We raise our FY21/22/23 EPS estimates by 72%/26%/26% respective reflect the company's 2QFY21 performance and outlook on ply/MDF volume and margin outlook. We raise our target multiple to 20x (18x earlier; 3 year median of 21x) on the back of a) improving plywood segment performance (superior to peers), b) healthy growth and margins in MDF segment and expectation of tailwinds on demand and price fronts and c) strong cash flows leading to significant de-leveraging. We maintain BUY and value Century Ply at 20x Sept'22EPS to arrive at Sept'21 TP of INR 220.

## Exhibit 1. 2QFY21 quarterly performance (Standalone)

INR mn	2Q20	2Q21	YoY	1Q21	QoQ	2Q21E	Var	1HFY20	1HFY21	YoY
<b>Net Sales</b>	<b>5,894</b>	<b>5,198</b>	<b>-12%</b>	<b>2,007</b>	<b>159%</b>	<b>4,612</b>	<b>13%</b>	<b>11,631</b>	<b>7,205</b>	<b>-38%</b>
MDF	777	935	20%	303	208%	870	7%	1,695	1,238	-27%
Ex-MDF	5,117	4,263	-17%	1,704	150%	3,742	14%	9,936	5,967	-40%
Raw Material Cost	2,958	2,610	-12%	946	176%	2,398	9%	5,879	3,555	-40%
<b>Gross Profit</b>	<b>2,936</b>	<b>2,589</b>	<b>-12%</b>	<b>1,061</b>	<b>144%</b>	<b>2,214</b>	<b>17%</b>	<b>5,752</b>	<b>3,650</b>	<b>-37%</b>
Gross Margin	49.8%	49.8%	0 bps	52.9%	-310 bps	48.0%	180 bps	49.5%	50.7%	120 bps
Employee cost	884	764	-14%	566	35%	663	15%	1,729	1,330	-23%
% of sales	15.0%	14.7%	-30 bps	28.2%	-1350 bps	14.4%	30 bps	14.9%	18.5%	
Other expenses	1,155	968	-16%	518	87%	961	1%	2,207	1,487	-33%
% of sales	19.6%	18.6%	-100 bps	25.8%	-720 bps	20.8%	-220 bps	19.0%	20.6%	
Total Expenditure	4,996	4,342	-13%	2,030	114%	4,022	8%	9,815	6,371	-35%
<b>EBITDA</b>	<b>897</b>	<b>857</b>	<b>-5%</b>	<b>-23</b>	<b>-3836%</b>	<b>590</b>	<b>45%</b>	<b>1,815</b>	<b>834</b>	<b>-54%</b>
EBITDA margin	15.2%	16.5%	130 bps	-1.1%	1760 bps	12.8%	370 bps	15.6%	11.6%	-400 bps
MDF EBITDA	173	263	52%	23	1068%	191	37%	388	285	-26%
MDF margin	22.3%	28.1%	590 bps	7.4%	2070 bps	22.0%	610 bps	22.9%	23.1%	20 bps
Ex-MDF EBITDA	724	594	-18%	-45	-1407%	398	49%	1,428	548	-62%
Ex-MDF margin	14.2%	13.9%	-20 bps	-2.7%	1660 bps	10.6%	330 bps	14.4%	9.2%	-520 bps
Depreciation	170	162	-5%	143	14%	175	-7%	340	305	-10%
EBIT	727	694	-4%	-166	-519%	415	67%	1,476	529	-64%
Net finance cost	68	19	-72%	-6	-438%	27	-29%	149	13	-91%
Other Income	16	12	-20%	46	-73%	13	-5%	27	58	117%
Interest	83	32	-62%	40	-22%	40	-21%	176	72	-59%
<b>PBT</b>	<b>659</b>	<b>675</b>	<b>2%</b>	<b>-160</b>	<b>-522%</b>	<b>388</b>	<b>74%</b>	<b>1,327</b>	<b>515</b>	<b>-61%</b>
Tax Expense	213	176	-17%	-54	-428%	109	63%	411	123	-70%
Tax Rate	32.4%	26.1%	-620 bps	33.6%	-750 bps	28.0%	-190 bps	31.0%	23.8%	-710 bps
XO Inc/-Exp	76	16		21		0		87	37	
<b>Reported Net Profit</b>	<b>521</b>	<b>514</b>	<b>-1%</b>	<b>-85</b>	<b>-706%</b>	<b>279</b>	<b>84%</b>	<b>1,003</b>	<b>429</b>	<b>-57%</b>
<b>Adjusted Net Profit</b>	<b>470</b>	<b>503</b>	<b>7%</b>	<b>-99</b>	<b>-608%</b>	<b>279</b>	<b>80%</b>	<b>944</b>	<b>404</b>	<b>-57%</b>

Source: Company, JM Financial

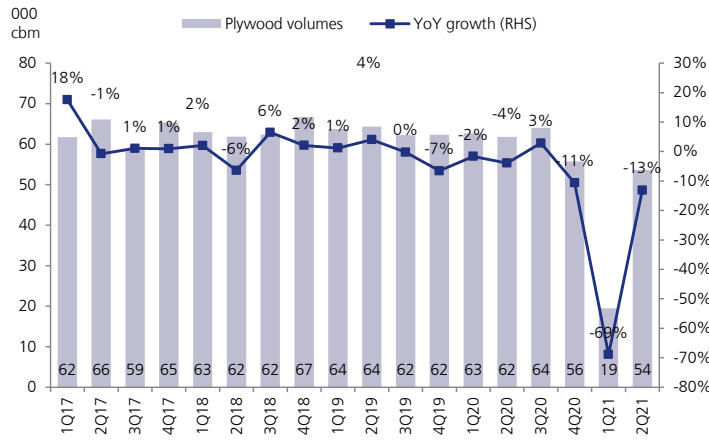
## Exhibit 2. Segmental Information

INR mn	2Q20	2Q21	YoY	1Q21	QoQ	2Q21E	Var	1HFY20	1HFY21	YoY
<b>Volume</b>										
Plywood and Allied (cbm)	61,812	53,682	-13%	19,481	176%	43,114	25%	1,24,490	73,163	-41%
Core Plywood	55,868	49,289	-12%	17,958	174%	39,108	26%	1,12,510	67,247	-40%
Deco Ply	2,852	1,972	-31%	803	146%	1,996	-1%	5,417	2,775	-49%
Commercial Veneer	3,092	2,421	-22%	720	236%	2,010	20%	6,563	3,141	-52%
Laminates (mn Nos)	1.82	1.41	-22%	0.56	150%	1.36	4%	3.22	1.97	-39%
MDF (cbm)	33,271	39,599	19%	12,496	217%	37,264	6%	74,448	52,095	-30%
<b>Realisation</b>										
Plywood and Allied (INR/cbm)	51,094	49,737	-3%	50,608	-2%	51,641	-4%	50,654	49,969	-1%
Core Plywood (INR/cbm)	46,925	46,718	0%	47,015	-1%	47,394	-1%	93,422	93,734	0%
Deco Ply (INR/cbm)	1,48,843	1,41,633	-5%	1,46,700	-3%	1,50,331	-6%	1,48,717	1,43,099	-4%
Commercial Veneer (INR/cbm)	36,255	36,349	0%	33,056	10%	36,255	0%	37,330	35,594	-5%
Laminates (INR/sheet)	709	673	-5%	672	0%	709	-5%	717	673	-6%
Exteria	7,337	5,631	-23%	5,361	5%	5,643	0%	5,653	5,567	-2%
MDF	23,342	23,612	1%	24,256	-3%	23,342	1%	22,766	23,766	4%
<b>Net revenues</b>										
	<b>5,894</b>	<b>5,198</b>	<b>-12%</b>	<b>2,007</b>	<b>159%</b>	<b>4,612</b>	<b>13%</b>	<b>11,631</b>	<b>7,205</b>	<b>-38%</b>
Plywood and Allied	3,158	2,670	-15%	986	171%	2,226	20%	6,306	3,656	-42%
Core Plywood	2,622	2,303	-12%	844	173%	1,853	24%	5,255	3,147	-40%
Deco Ply	425	279	-34%	118	137%	300	-7%	806	397	-51%
Commercial Veneer	112	88	-21%	24	270%	73	21%	245	112	-54%
Laminates	1,352	1,018	-25%	403	153%	1,016	0%	2,423	1,421	-41%
MDF	777	935	20%	303	208%	870	7%	1,695	1,238	-27%
Particle Board	262	257	-2%	83	209%	248	3%	511	340	-34%
Logistics- CFS	218	198	-9%	200	-1%	201	-1%	440	398	-10%
Others	119	110	-7%	30	269%	50	120%	236	140	-41%
<b>Segmental EBITDA</b>										
	<b>897</b>	<b>857</b>	<b>-5%</b>	<b>-23</b>	<b>NM</b>	<b>590</b>	<b>45%</b>	<b>1,815</b>	<b>834</b>	<b>-54%</b>
Plywood and Allied	433	348	-20%	-95	NM	189	84%	891	254	-72%
Laminates	178	137	-23%	17	711%	97	42%	287	154	-46%
MDF	173	263	52%	23	1068%	191	37%	388	285	-26%
Particle Board	76	56	-27%	8	577%	50	NM	144	64	-56%
Logistics- CFS	70	59	-16%	69	-15%	60	-3%	146	128	-13%
Others	12	19	56%	-7	-360%	3		19	12	
<b>EBITDA Margins</b>										
	<b>15.2%</b>	<b>16.5%</b>	<b>130 bps</b>	<b>-1.1%</b>	<b>1760 bps</b>	<b>12.8%</b>	<b>370 bps</b>	<b>15.6%</b>	<b>11.6%</b>	<b>-400 bps</b>
Plywood and Allied	13.7%	13.0%	-70 bps	-9.6%	2270 bps	8.5%	450 bps	14.1%	6.9%	-720 bps
Laminates	13.1%	13.5%	30 bps	4.2%	930 bps	9.5%	400 bps	11.8%	10.8%	-100 bps
MDF	22.3%	28.1%	590 bps	7.4%	2070 bps	22.0%	610 bps	22.9%	23.1%	20 bps
Particle Board	28.9%	21.6%	-720 bps	9.9%	1180 bps	20.0%	160 bps	28.1%	18.8%	-940 bps
Logistics- CFS	32.0%	29.6%	-240 bps	34.5%	-490 bps	30.0%	-40 bps	33.2%	32.1%	-120 bps
Others	10.1%	17.0%	690 bps	-24.2%	4110 bps	5.0%	1200 bps	8.1%	8.2%	10 bps

Source: Company, JM Financial

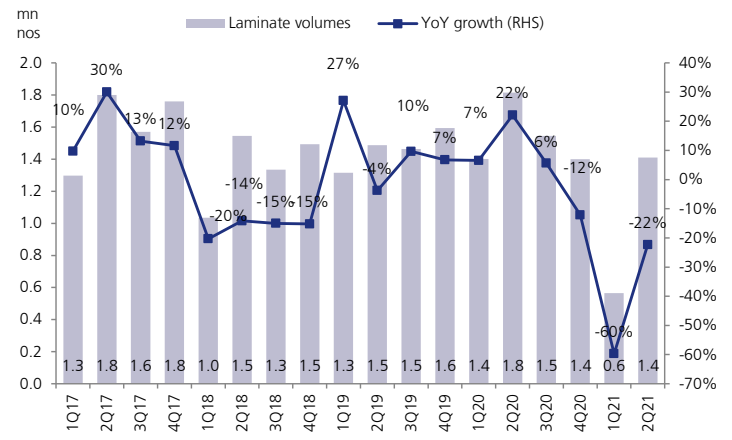
# Quarterly charts

**Exhibit 3. Plywood volume growth trend**



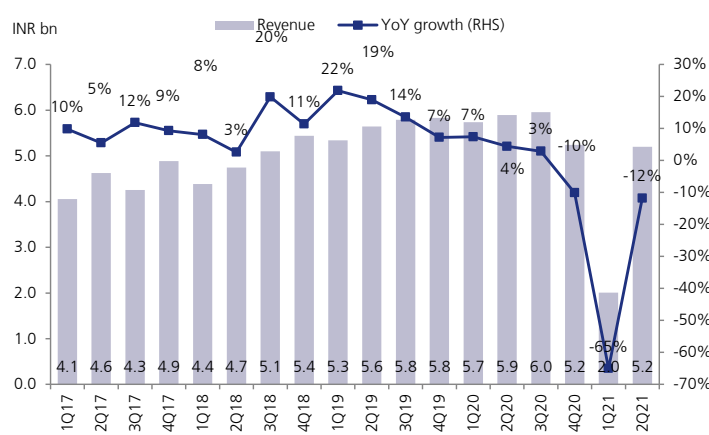
Source: Company, JM Financial

**Exhibit 4. Laminates volume growth trend**



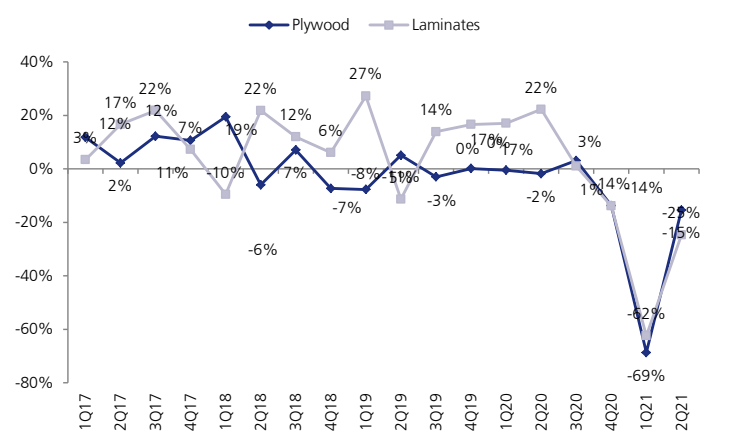
Source: Company, JM Financial

**Exhibit 5. Overall revenue growth trend**



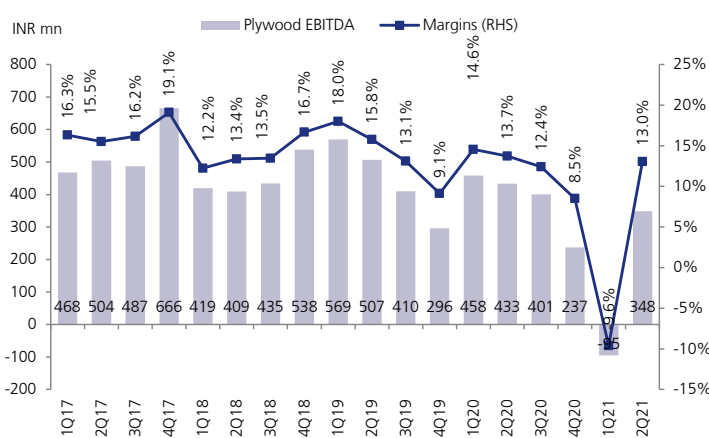
Source: Company, JM Financial

**Exhibit 6. Plywood and Laminates revenue growth trend**



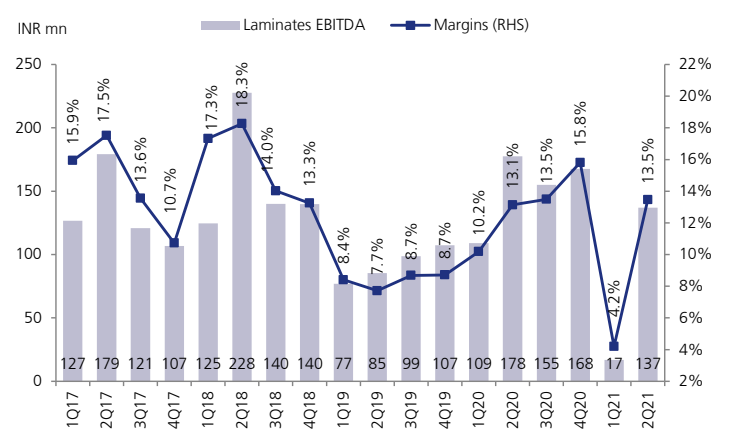
Source: Company, JM Financial

**Exhibit 7. Plywood EBITDA and margin trend**



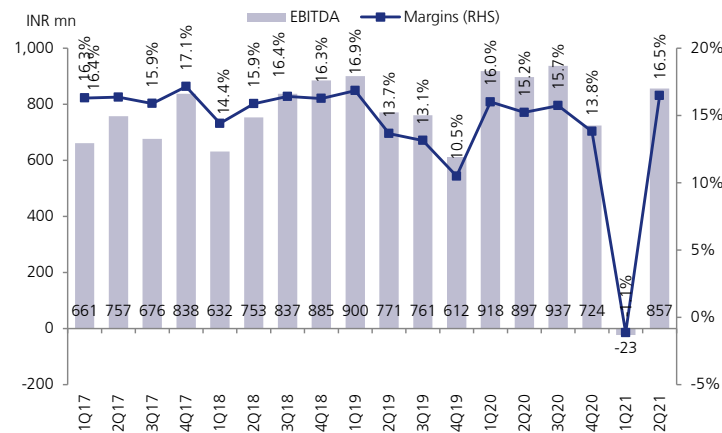
Source: Company, JM Financial

**Exhibit 8. Laminates EBITDA and margin trend**



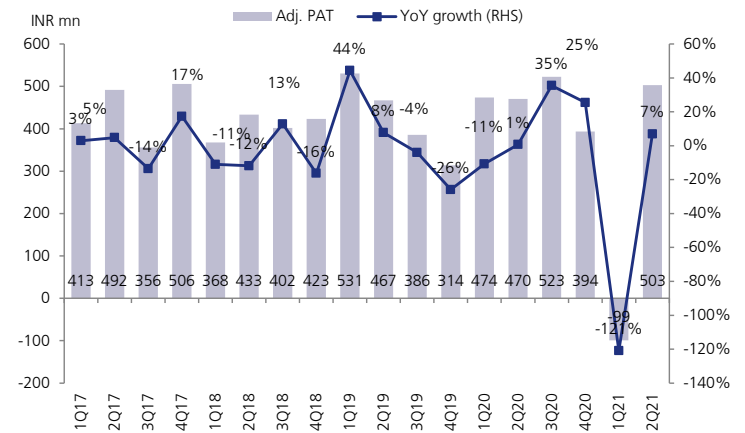
Source: Company, JM Financial

Exhibit 9. Overall EBITDA and margin trend



Source: Company, JM Financial

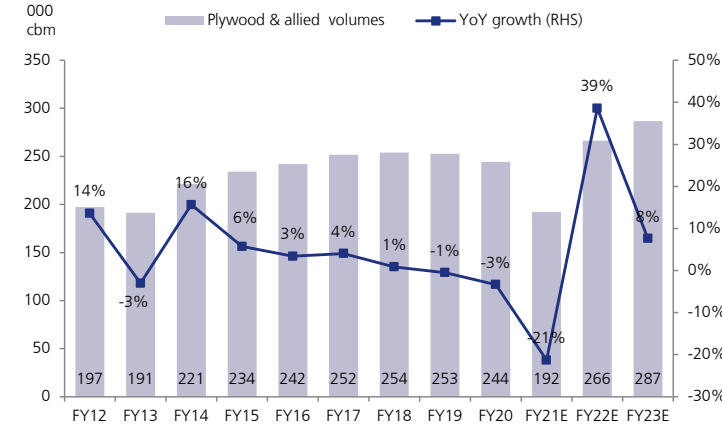
Exhibit 10. Profitability growth trends



Source: Company, JM Financial

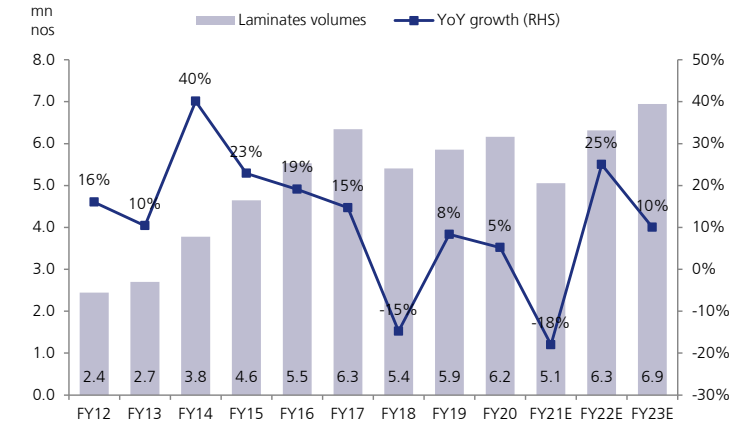
## Annual charts

Exhibit 11. Plywood volume growth trend



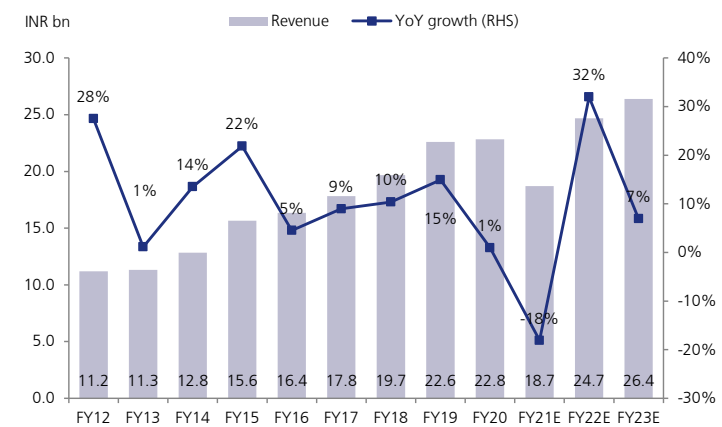
Source: Company, JM Financial

Exhibit 12. Laminates volume growth trend



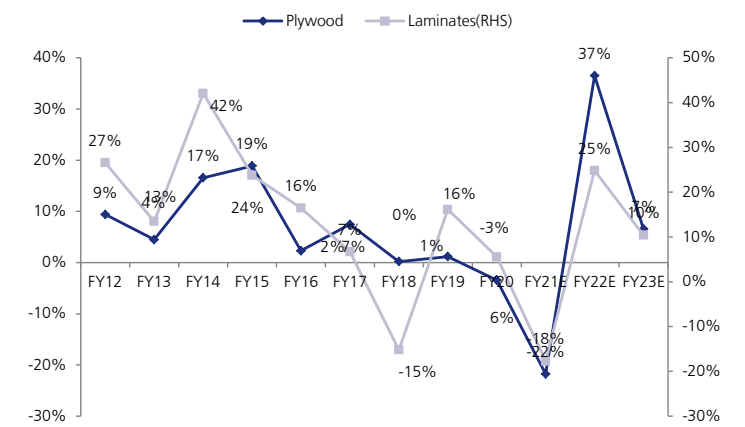
Source: Company, JM Financial

Exhibit 13. Overall revenue growth trend



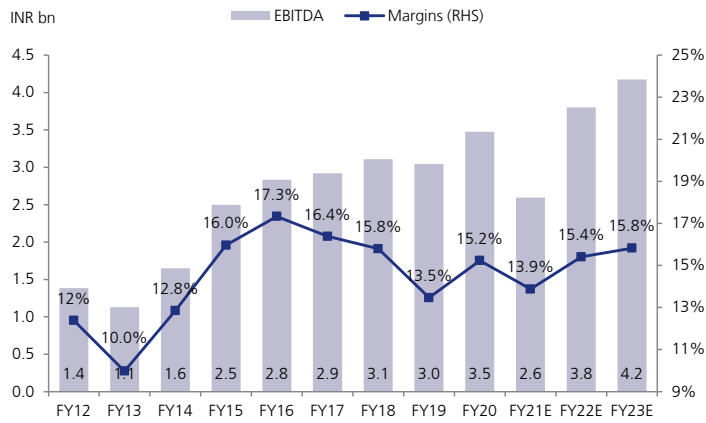
Source: Company, JM Financial

Exhibit 14. Plywood and Laminate revenue growth trend



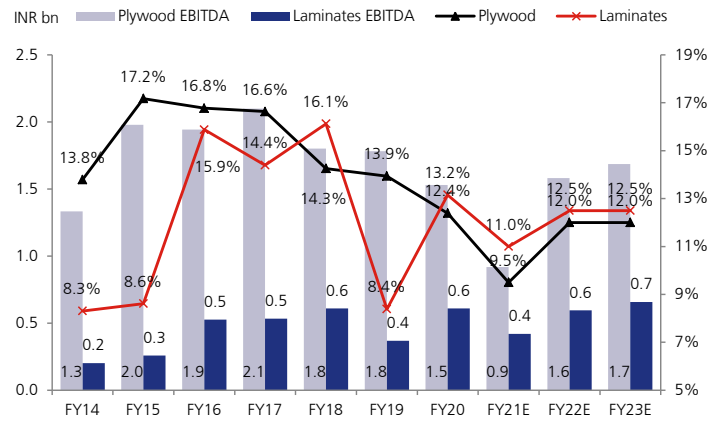
Source: Company, JM Financial

**Exhibit 15. Overall EBITDA and margin trend**



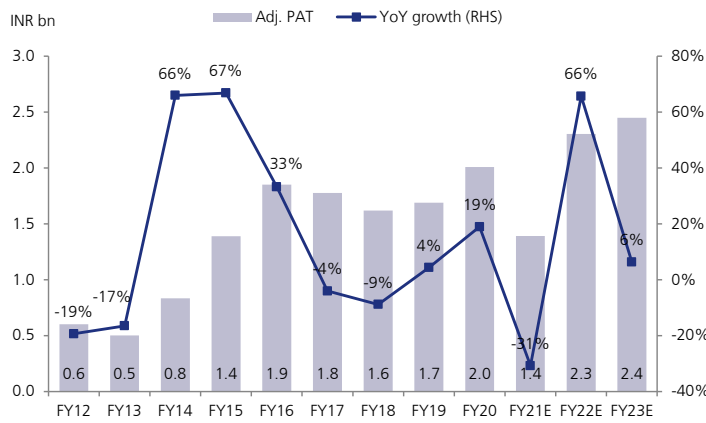
Source: Company, JM Financial

**Exhibit 16. Plywood and Laminate EBITDA and margin trend**



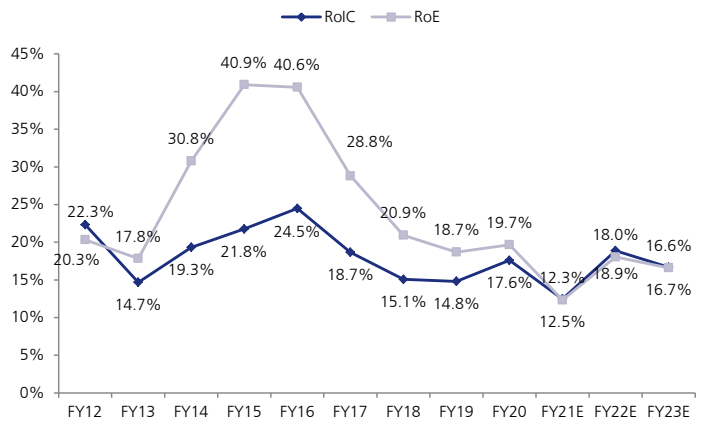
Source: Company, JM Financial

**Exhibit 17. Profitability growth trend**



Source: Company, JM Financial

**Exhibit 18. Return ratios**



Source: Company, JM Financial

## Financial Tables (Standalone)

Income Statement		(INR mn)				
Y/E March	FY19A	FY20A	FY21E	FY22E	FY23E	
Net Sales	22,608	22,827	18,697	24,265	25,925	
Sales Growth	14.9%	1.0%	-18.1%	29.8%	6.8%	
Other Operating Income	0	0	0	0	0	
<b>Total Revenue</b>	<b>22,608</b>	<b>22,827</b>	<b>18,697</b>	<b>24,265</b>	<b>25,925</b>	
Cost of Goods Sold/Op. Exp	11,816	11,483	9,722	12,375	13,222	
Personnel Cost	3,277	3,441	3,097	3,562	3,918	
Other Expenses	4,471	4,426	3,284	4,576	4,702	
<b>EBITDA</b>	<b>3,044</b>	<b>3,477</b>	<b>2,594</b>	<b>3,752</b>	<b>4,083</b>	
EBITDA Margin	13.5%	15.2%	13.9%	15.5%	15.8%	
EBITDA Growth	-2.0%	14.2%	-25.4%	44.7%	8.8%	
Depn. & Amort.	500	675	700	750	800	
EBIT	2,544	2,802	1,894	3,002	3,283	
Other Income	61	111	80	100	140	
Finance Cost	354	293	115	80	60	
PBT before Excep. & Forex	2,251	2,620	1,859	3,022	3,363	
Excep. & Forex Inc./Loss(-)	0	0	0	0	0	
PBT	2,251	2,620	1,859	3,022	3,363	
Taxes	531	522	465	756	841	
Extraordinary Inc./Loss(-)	-133	-445	0	0	0	
Assoc. Profit/Min. Int.(-)	0	0	0	0	0	
Reported Net Profit	1,588	1,653	1,394	2,267	2,523	
<b>Adjusted Net Profit</b>	<b>1,689</b>	<b>2,009</b>	<b>1,394</b>	<b>2,267</b>	<b>2,523</b>	
Net Margin	7.5%	8.8%	7.5%	9.3%	9.7%	
Diluted Share Cap. (mn)	222.5	222.5	222.5	222.5	222.5	
<b>Diluted EPS (INR)</b>	<b>7.6</b>	<b>9.0</b>	<b>6.3</b>	<b>10.2</b>	<b>11.3</b>	
Diluted EPS Growth	4.2%	18.9%	-30.6%	62.6%	11.3%	
Total Dividend + Tax	268	268	267	311	356	
Dividend Per Share (INR)	1.0	1.0	1.2	1.4	1.6	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E March	FY19A	FY20A	FY21E	FY22E	FY23E	
Profit before Tax	2,251	2,104	1,859	3,022	3,363	
Depn. & Amort.	422	676	700	750	800	
Net Interest Exp. / Inc. (-)	293	358	35	-20	-80	
Inc (-) / Dec in WCap.	-206	1,025	460	-561	-227	
Others	-58	478	93	151	168	
Taxes Paid	-531	-380	-465	-756	-841	
<b>Operating Cash Flow</b>	<b>2,171</b>	<b>4,260</b>	<b>2,682</b>	<b>2,587</b>	<b>3,183</b>	
Capex	-1,278	-152	-300	-2,800	-1,300	
Free Cash Flow	893	4,108	2,382	-213	1,883	
Inc (-) / Dec in Investments	-17	-615	0	0	0	
Others	61	183	80	100	140	
<b>Investing Cash Flow</b>	<b>-1,235</b>	<b>-583</b>	<b>-220</b>	<b>-2,700</b>	<b>-1,160</b>	
Inc / Dec (-) in Capital	-8	0	0	0	0	
Dividend + Tax thereon	-268	-535	-267	-311	-356	
Inc / Dec (-) in Loans	-245	-2,733	-600	1,400	1,000	
Others	-354	-419	-115	-80	-60	
<b>Financing Cash Flow</b>	<b>-875</b>	<b>-3,687</b>	<b>-982</b>	<b>1,009</b>	<b>584</b>	
<b>Inc / Dec (-) in Cash</b>	<b>61</b>	<b>-11</b>	<b>1,481</b>	<b>896</b>	<b>2,608</b>	
Opening Cash Balance	165	226	212	1,693	2,588	
Closing Cash Balance	226	215	1,693	2,588	5,196	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY19A	FY20A	FY21E	FY22E	FY23E	
Shareholders' Fund	9,691	10,734	11,861	13,816	15,983	
Share Capital	223	223	223	223	223	
Reserves & Surplus	9,469	10,511	11,639	13,594	15,761	
Preference Share Capital	0	0	0	0	0	
Minority Interest	0	0	0	0	0	
Total Loans	5,137	2,484	1,884	3,284	4,284	
Def. Tax Liab. / Assets (-)	-615	-578	-485	-334	-166	
<b>Total - Equity &amp; Liab.</b>	<b>14,213</b>	<b>12,640</b>	<b>13,260</b>	<b>16,766</b>	<b>20,101</b>	
Net Fixed Assets	7,474	7,294	6,894	8,944	9,444	
Gross Fixed Assets	9,474	10,074	10,357	10,657	10,957	
Intangible Assets	0	0	0	0	0	
Less: Depn. & Amort.	2,188	2,863	3,563	4,313	5,113	
Capital WIP	188	83	100	2,600	3,600	
Investments	978	1,137	1,137	1,137	1,137	
Current Assets	8,598	7,278	7,869	10,085	13,147	
Inventories	4,010	3,541	3,176	3,989	4,262	
Sundry Debtors	2,936	2,582	2,151	2,659	2,841	
Cash & Bank Balances	226	212	1,693	2,588	5,196	
Loans & Advances	1,426	943	849	849	849	
Other Current Assets	0	0	0	0	0	
Current Liab. & Prov.	2,837	3,069	2,640	3,399	3,627	
Current Liabilities	1,625	1,611	1,537	1,994	2,131	
Provisions & Others	1,212	1,458	1,103	1,405	1,496	
Net Current Assets	5,761	4,209	5,229	6,685	9,521	
<b>Total - Assets</b>	<b>14,213</b>	<b>12,640</b>	<b>13,260</b>	<b>16,766</b>	<b>20,101</b>	

Source: Company, JM Financial

Dupont Analysis						
Y/E March	FY19A	FY20A	FY21E	FY22E	FY23E	
Net Margin	7.5%	8.8%	7.5%	9.3%	9.7%	
Asset Turnover (x)	1.7	1.7	1.4	1.6	1.4	
Leverage Factor (x)	1.5	1.3	1.1	1.2	1.2	
RoE	18.7%	19.7%	12.3%	17.7%	16.9%	

Key Ratios						
Y/E March	FY19A	FY20A	FY21E	FY22E	FY23E	
BV/Share (INR)	43.6	48.2	53.3	62.1	71.8	
ROIC	14.8%	17.6%	12.5%	18.5%	18.0%	
ROE	18.7%	19.7%	12.3%	17.7%	16.9%	
Net Debt/Equity (x)	0.5	0.2	0.0	0.1	-0.1	
P/E (x)	24.4	20.5	29.5	18.2	16.3	
P/B (x)	4.2	3.8	3.5	3.0	2.6	
EV/EBITDA (x)	15.2	12.5	16.0	11.2	9.9	
EV/Sales (x)	2.0	1.9	2.2	1.7	1.6	
Debtor days	47	41	42	40	40	
Inventory days	65	57	62	60	60	
Creditor days	30	30	35	35	36	

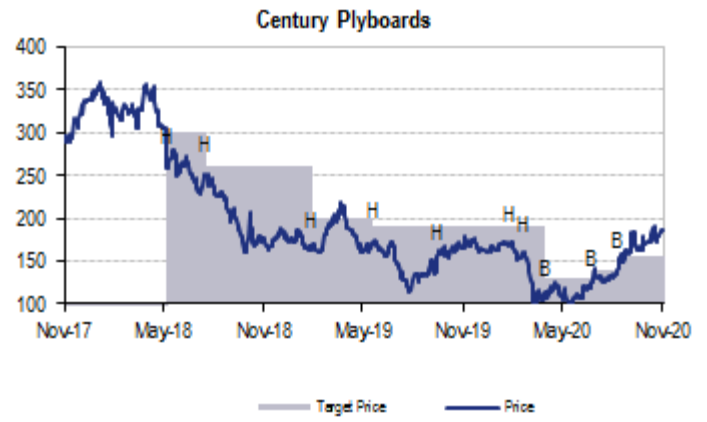
Source: Company, JM Financial



History of Earnings Estimate and Target Price

Date	Recommendation	Target Price	% Chg.
18-May-18	Hold	300	
25-Jul-18	Hold	260	-13.3
5-Feb-19	Hold	200	-23.1
28-May-19	Hold	190	-5.0
23-Sep-19	Hold	190	0.0
4-Feb-20	Hold	190	0.0
28-Feb-20	Hold	190	0.0
8-Apr-20	Buy	130	-31.6
2-Jul-20	Buy	140	7.7
20-Aug-20	Buy	155	10.7

Recommendation History



## APPENDIX I

## JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd., National Stock Exchange of India Ltd. and Metropolitan Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst – INH000000610

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Rating	Meaning
Buy	Total expected returns of more than 10% for large-cap stocks* and REITs and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for large-cap* stocks and REITs and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

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