

# Adani Wilmar Ltd

Proxy play on the high growth underpenetrated packaged foods segment



Kyon ki bhaiya, sabse bada rupaiya.

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**SUBSCRIBE @ Upper Price Band of INR 230**

## Proxy play on the high growth underpenetrated packaged foods segment

Incorporated in 1999, Adani Wilmar Ltd. (AWL) is a joint venture between Adani Enterprises and the global Wilmar Group catering to essential kitchen commodity requirements of Indian consumers. Apart from food products like edible oil, wheat flour, rice, pulses, and sugar, AWL also offers a diverse range of industry essentials (including oleochemicals, castor oil and its derivatives) and de-oiled cakes. As part of its future growth strategy, AWL is focusing on value-added products with the launch of edible oil products, rice bran health oil, fortified foods, ready-to-cook soya chunks, khichdi and more. The company's flagship brand, "Fortune", is the largest selling edible oil brand in India.

It has 22 manufacturing facilities, comprising 10 crushing units and 18 refineries, located across 10 states in India. The Mundra refinery, with a capacity of 5,000 MTPD, is India's largest single-location refinery.

During the period FY15-20, AWL was among the top five fastest growing packaged food companies in India by revenue. Over FY21-24, we expect AWL to grow its revenues at a robust CAGR of 16.7% to INR 58,959 cr spearheaded by the FMCG vertical which is set to grow at a CAGR 31.5% to reach INR 4,338 cr. The edible oil and the industry essentials segments' revenues are expected to grow at 16.3% & 12.2% CAGR growth in revenues to INR 47,973 cr & INR 6,648 cr respectively over the same period. By FY24 the FMCG revenue share is expected to climb to ~7.4% (+220 bps) leading to EBITDA/PAT growth of 23.4% / 19.9% to INR 2,491 cr / 1,253 cr respectively by FY24. EBITDA / PAT margins too are set to expand to 4.2% (+70bps) / 2.1% (+20 bps) respectively by FY24.

We initiate with a Subscribe for long term with a 24-month price target of INR 468.8 per share (48.6X FY24 earnings) representing an upside potential of 103.8% from the issue price upper band at INR 230/share. Post the INR 3,600 cr public offering, the promoter's holding will stand reduced to 87.95%.

### Key Financial Data (INR Cr, unless specified)

	Sales	EBITDA	Net Profit	EBITDA (%)	Net Profit (%)	EPS ₹	BVPS ₹	RoE (%)	RoCE (%)	P/E (x)	P/BV (x)	EV/EBITDA (x)
FY20	29,657	1,310	461	4.4	1.6	2.0	19.8	17.9	14.6	64.9	11.6	20.7
FY21	37,090	1,325	728	3.6	2.0	3.2	25.4	22.1	18.2	41.1	9.1	20.2
FY22E	48,156	1,838	888	3.8	1.8	3.9	59.9	11.4	14.0	33.7	3.8	12.7
FY23E	53,414	2,244	1,122	4.2	2.1	4.9	68.5	12.6	14.2	26.6	3.4	10.4
FY24E	58,959	2,491	1,253	4.2	2.1	5.4	78.2	12.3	13.6	23.8	2.9	9.5

Industry	Edible Oil
<b>Issue Details</b>	
Listing	BSE & NSE
Open Date	27 <sup>th</sup> Jan 2022
Close Date	31 <sup>st</sup> Jan 2022
Price Band	INR 218-230
Face Value	INR 1
Market Lot	65 shares
Minimum Lot	1 Lot

<b>Issue Structure</b>	
Offer for Sale	0%
Fresh Issue	100%
Issue Size (Amount)	INR 4,500 cr
Issue Size (Shares)	1,54,65,861
QIB Share (%)	≤ 50%
Non-Inst Share (%)	≥ 15%
Retail Share (%)	≥ 35%
Pre issue sh (nos)	1,14,29,48,860
Post issue sh (nos)	1,29,94,70,599
Post issue M Cap	INR 29,888 cr

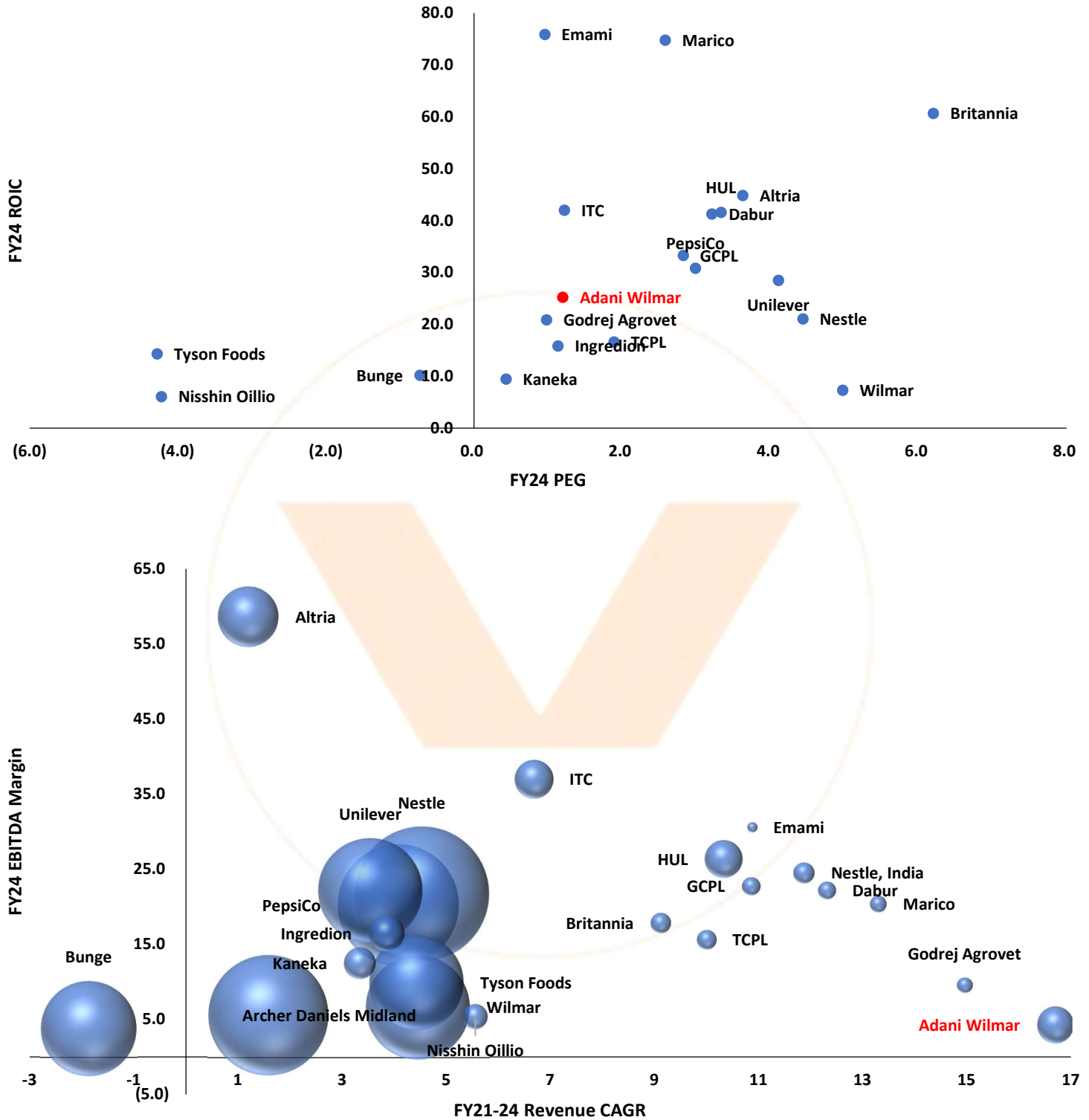
Shareholding (%)	Pre (%)	Post (%)
Promoter	100.0	88.0
Public	0.0	12.1
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>

### Valuation and Comparable Metric of Global Peers

Figures as mentioned				P/E (X)				EV/EBITDA (X)				P/BV (X)				RoE (%)				RoIC (%)				Sales				EBITDA Margin (%)				Net Margin (%)					
Company Name	Mkt Cap	Price	PEG 2021-24	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024		
<b>Domestic Peers (Fig in INR Cr)</b>																																					
Adani Wilmar	29,888	230	1.2	41.1	33.7	26.6	23.8	20.2	12.7	10.4	9.5	9.1	3.8	3.4	2.9	22.1	11.4	12.6	12.3	27.9	31.4	28.6	25.2	37,090	48,156	53,414	58,959	3.6	3.8	4.2	4.2	2.0	1.8	2.1	2.1		
HUL	5,67,779	2,415	3.3	71.0	63.1	53.9	47.6	48.2	44.0	38.0	33.3	11.9	11.7	11.4	11.1	16.8	18.5	21.1	23.2	26.1	28.7	34.9	41.6	47,028	51,410	57,087	63,165	24.7	24.7	25.7	26.4	17.0	17.5	18.4	18.9		
Dabur	1,03,826	588	3.2	61.3	55.4	48.1	42.3	51.1	44.0	38.0	33.3	13.5	12.2	10.8	9.7	22.1	22.0	22.5	23.0	28.8	35.6	39.1	41.3	9,562	10,909	12,162	13,547	20.9	21.1	21.7	22.1	17.7	17.2	17.8	18.1		
ITC	2,69,250	218	1.2	20.5	17.7	15.8	14.6	14.7	13.5	11.8	10.8	4.5	4.3	3.4	4.0	21.8	24.4	21.3	27.7	37.2	31.7	30.6	42.0	53,155	54,389	59,120	64,548	32.0	36.2	37.0	37.0	24.8	27.9	28.8	28.6		
Nestle, India	1,92,094	19,924	4.2	89.0	83.9	72.1	59.5	48.9	46.3	40.8	40.0	127.5	68.4	56.1	51.3	143.3	81.5	77.8	86.1	(10.5)	(645.1)	(489.8)	(416.9)	13,636	16,457	18,117	19,091	24.5	24.7	25.4	24.5	15.8	13.9	14.7	16.9		
Britannia	89,959	3,732	6.2	48.3	54.3	45.6	40.0	36.1	39.3	33.3	29.3	25.4	24.9	20.4	16.8	52.5	45.9	44.8	42.0	56.5	52.4	57.8	60.7	13,136	14,032	15,497	17,068	19.1	16.4	17.4	17.8	14.2	11.8	12.7	13.2		
Godrej Agrovet	10,033	523	1.0	32.0	26.2	21.3	18.9	19.4	16.1	13.3	11.6	4.9	4.4	3.8	3.4	15.3	16.7	18.0	18.0	13.8	16.4	18.9	20.9	6,267	7,743	8,646	9,521	9.0	8.7	9.4	9.5	5.0	5.0	5.5	5.6		
Marico	65,174	504	2.6	55.7	50.3	42.4	37.2	40.4	36.5	30.7	26.8	20.1	18.1	16.5	14.9	36.1	36.0	38.9	40.1	66.7	59.6	68.1	74.8	8,048	9,533	10,542	11,705	19.7	18.5	19.8	20.3	14.6	13.6	14.6	15.0		
Emami	22,932	516	1.0	50.4	33.3	28.3	25.1	25.6	23.0	20.5	18.1	13.0	11.7	10.2	8.9	25.8	35.3	36.1	35.5	41.5	47.6	64.2	75.9	2,881	3,224	3,564	3,926	30.7	30.1	30.2	30.5	15.8	21.4	22.7	23.3		
GCPL	97,917	957	2.8	56.9	51.8	44.3	38.7	41.2	37.0	31.8	27.8	10.4	9.4	8.6	7.8	18.2	18.2	19.4	20.1	21.9	25.6	29.3	33.3	11,029	12,327	13,609	15,024	21.7	21.3	22.2	22.7	15.6	15.3	16.2	16.8		
TCPL	67,826	733	1.9	79.2	61.9	49.9	42.8	42.5	36.2	30.1	26.4	4.7	4.5	4.2	4.0	5.9	7.2	8.5	9.3	10.5	13.1	15.8	16.6	11,602	12,711	14,014	15,443	13.3	14.1	15.1	15.6	7.4	8.6	9.6	10.2		
<b>Global Peers (Fig in USD mn)</b>																																					
PepsiCo	2,40,499	173.9	3.0	27.7	25.8	23.9	22.3	19.0	17.6	16.4	15.0	27.7	25.8	23.9	22.3	49.8	49.7	50.7	59.8	23.6	24.9	26.4	30.9	78,466	81,445	84,865	88,471	18.3	18.9	19.5	20.2	11.1	11.4	11.9	12.2		
Altria	92,456	50.3	3.6	10.9	10.6	10.1	10.0	9.8	9.5	9.3	9.2	10.9	10.6	10.1	10.0	3,084.7	948.6	528.2	239.7	45.2	44.7	46.4	44.9	21,069	21,136	21,430	21,838	57.4	59.1	59.2	58.6	40.3	41.2	42.6	42.2		
Nestle	3,72,913	132.5	4.4	27.5	26.4	25.0	23.6	20.2	19.5	18.5	17.9	27.5	26.4	25.0	23.6	27.6	30.5	31.2	36.2	19.4	19.8	20.4	21.1	94,811	99,361	1,03,831	1,08,305	21.4	21.4	21.6	21.7	14.3	14.2	14.4	14.6		
Unilever	1,27,178	49.7	4.1	17.4	16.7	16.0	15.6	11.9	11.2	10.6	10.2	17.4	16.7	16.0	15.6	46.6	45.3	44.1	38.0	26.1	27.9	29.2	28.5	58,983	61,487	63,313	65,482	21.9	21.8	22.1	22.1	12.4	12.4	12.5	12.5		
Wilmar	20,349	3.2	5.0	11.9	11.7	11.0	10.3	10.7	10.3	9.6	8.6	11.9	11.7	11.0	10.3	8.7	8.4	8.5	8.4	6.7	6.7	6.9	7.3	57,277	59,656	62,172	65,281	6.3	6.4	6.6	6.6	3.0	2.9	3.0	3.0		
Tyson Foods	32,844	90.5	(4.3)	10.8	12.3	12.2	10.9	6.9	7.8	7.7	7.1	10.8	12.3	12.2	11.7	17.3	14.0	13.2	11.9	17.6	14.6	14.6	14.4	47,049	50,133	51,066	53,585	12.3	10.1	9.9	9.9	6.5	5.3	5.3	5.2		
Bunge	13,316	94.8	(0.7)	7.2	8.9	10.5	11.7	6.3	6.8	8.4	9.3	7.2	8.9	10.5	12.9	24.8	18.0	13.1	10.8	20.4	17.3	12.7	10.2	57,365	56,489	55,753	54,218	5.0	4.4	4.1	3.8	3.2	2.7	2.3	1.9		
Nisshin Oillio	882	26.2	(4.2)	10.1	13.7	11.8	12.9	6.9	8.4	7.5	6.9	10.1	13.7	11.8	10.9	6.4	4.8	5.4	5.6	6.4	5.0	5.7	6.1	3,172	3,505	3,667	3,731	6.1	4.9	5.2	5.4	2.7	1.8	2.0	2.2		
Kaneka	2,210	32.5	0.4	14.8	9.5	9.4	10.9	4.8	4.1	3.9	3.6	14.8	9.5	9.4	8.6	4.4	6.7	6.5	6.7	6.4	9.2	9.1	9.5	5,447	5,816	5,921	6,012	11.1	12.2	12.2	12.5	2.7	4.0	4.0	4.3		
Ingredion	6,634	99.7	1.1	14.2	13.2	12.1	8.6	8.9	8.3	7.7	6.6	14.2	13.2	12.1	10.8	16.0	15.7	14.7	14.0	15.4	15.9	15.5	15.9	6,860	7,353	7,646	7,685	13.7	13.7	14.1	16.4	6.8	6.8	7.2	8.0		
Archer Daniels Midland	38,540	68.9	(213.7)	14.1	14.2	14.5	10.8	10.1	10.1	9.9	8.7	14.1	14.2	14.5	14.1	12.6	11.8	11.0	9.4	11.2	10.5	9.9	10.2	82,648	82,261	84,049	86,648	5.6	5.6	5.5	5.6	3.3	3.3	3.2	3.1		

Source: Ventura Research & Bloomberg

**Adani Wilmar available at significant discount to peers**

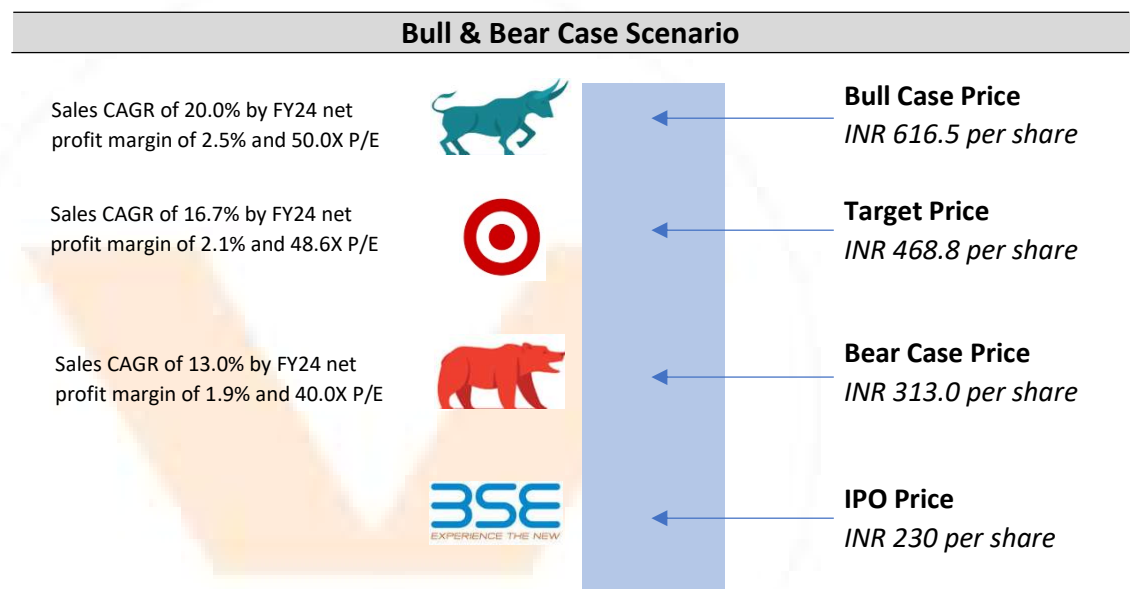


Source: Ventura Research, ACE Equity & Bloomberg

## Our Bull and Bear Case Scenarios

We have prepared a Bull and Bear case scenario based on AWL's FY24 Sales CAGR, net profit margins and P/E valuation.

- **Bull Case:** We have assumed a 20% revenue CAGR to INR 64,092 cr by FY24 and net profit margin of 2.5%, along with the valuation re-rating to 50X P/E, which will result in a Bull Case price target of INR 616.5 per share (an upside of 168% from the upper band IPO price of INR 230 per share).
- **Bear Case:** We have assumed a 13% revenue CAGR to INR 53,518 cr by FY24 and net profit margin of 1.9%, along with the valuation de-rating to 40X P/E, which will result in a Bear Case price target of INR 313.0 per share (an upside of 36% from the upper band IPO price of INR 230 per share).





## Financial Analysis and Projections

Over the period FY19-21, AWL reported a revenue CAGR of 13.5% to INR 37,090 cr in FY21 aided by

- 19.0% CAGR in the edible oil business (82.2% of FY21 revenue) to INR 30,498 cr,
- 1.06% CAGR in the FMCG and packaged food business (5.1% of FY21 revenue) to INR 1,907 cr, and
- 6.1% CAGR decline in the Industry Essentials segment (12.7% of FY21 revenue) to INR 4,711 cr in FY21.

EBITDA/PAT grew at a CAGR of 8.2%/39.2% to INR 1,325 cr/INR 728 cr respectively. EBITDA margin contracted by 40bps to 3.6% due to higher input costs however, PAT margin expanded by 70bps to 2.0%. Return ratio ROE and ROCE have shown an improvement of 430bps/300bps to 22.1%/17% respectively. ROIC however has contracted by 590 bps to 25.6% in FY21.

Over the period FY21-24E, we expect AWL revenue to grow at 16.7% to INR 58,959 cr driven by

- 31.5% CAGR in the FMCG and Packaged Food business to INR 4,338 cr
- 16.3% CAGR in the Edible Oil business to INR 47,973 cr, and
- 12.2% CAGR in the Industry Essentials business to INR 6,648 cr.

Due to rapid scale up of the FMCG and Packaged Food business and shift to value added products, the company EBITDA margin is set to expand by 0.7 bps to 4.2%. EBITDA is expected to grow at 23.4% CAGR to INR 2,491 cr. PAT is expected to grow at a CAGR of 19.9% to INR 1,253 cr with 20 bps margin expansion to 2.1%.

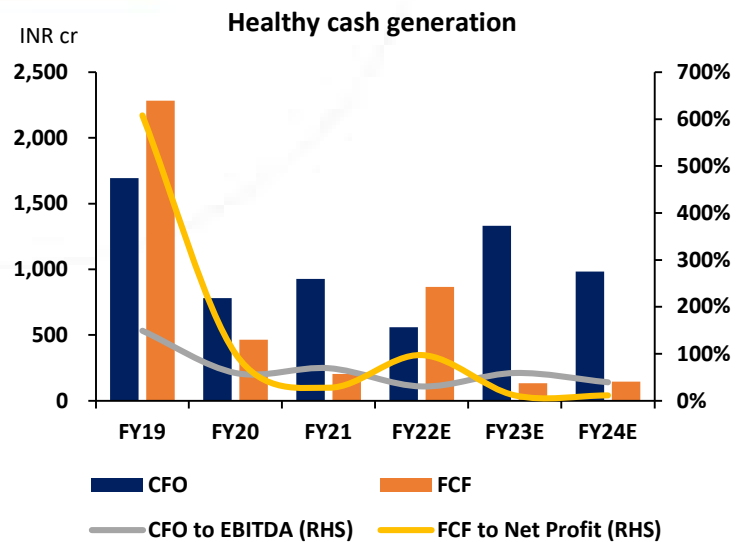
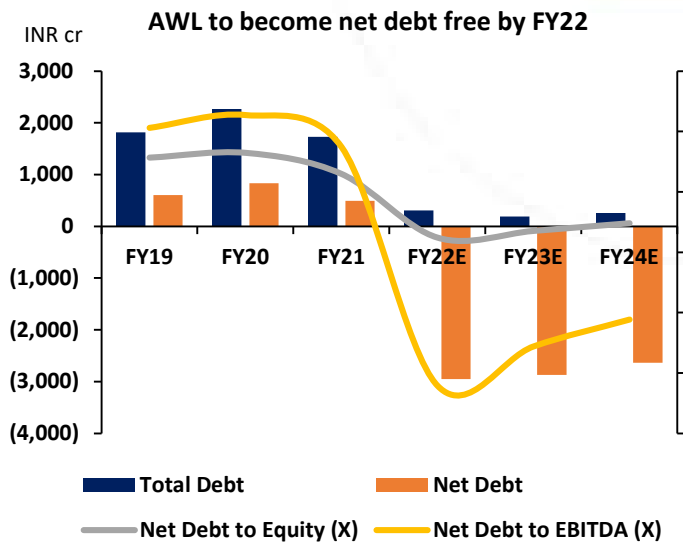
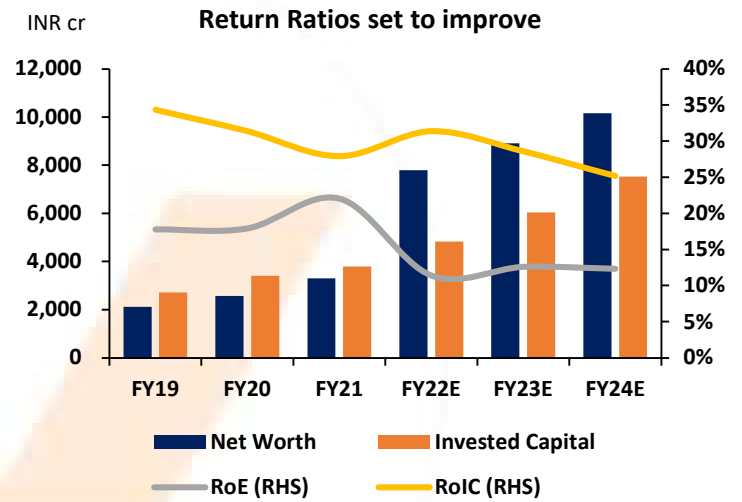
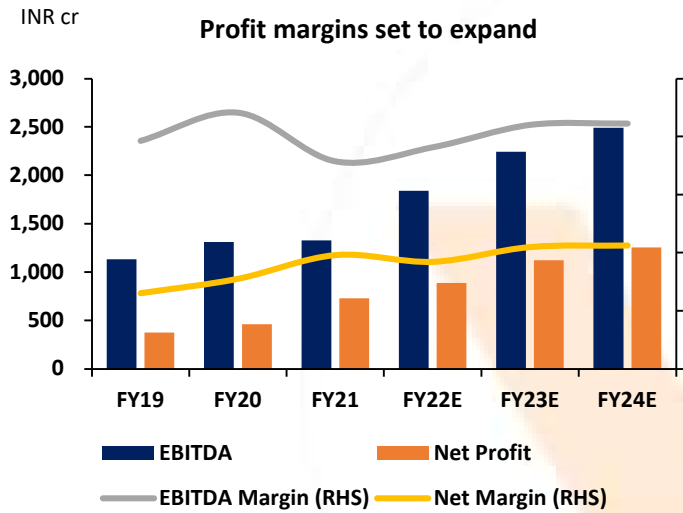
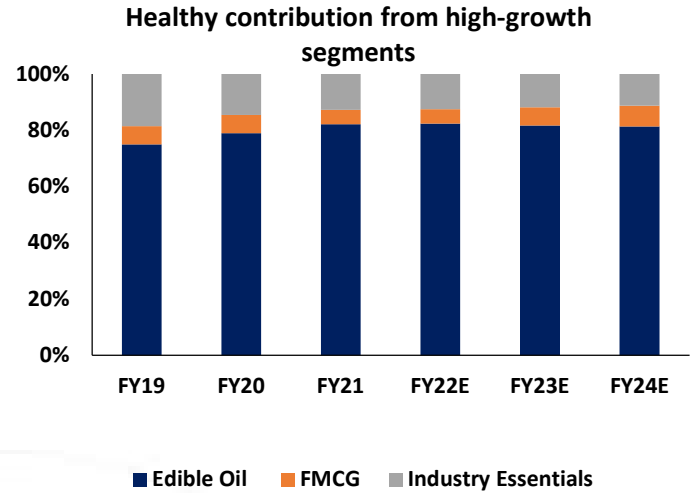
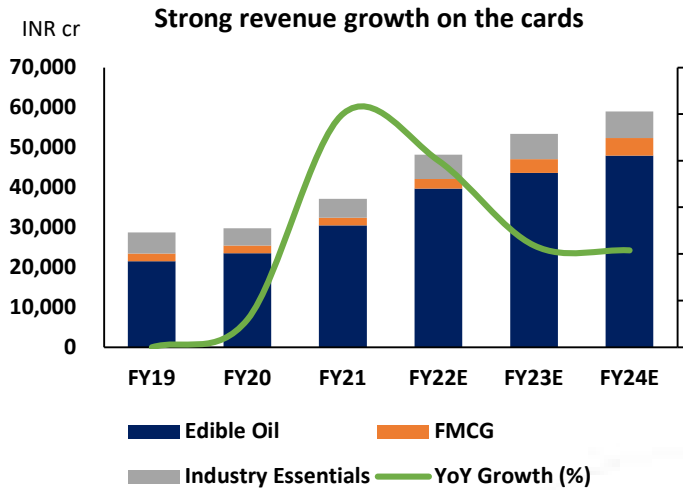
With strong cash flow generation and repayment of loans through IPO proceeds, we expect the company to be net debt free by FY22. Return ratios, ROE, ROCE and ROIC are expected to contract by 970 bps/450 bps/-270 bps to 12.3%/13.6%/25.2% respectively due to increase in net worth post IPO.

## AWL's Financial Summary

Fig in INR Cr (unless specified)	FY19	FY20	FY21	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E	FY28E	FY29E	FY30E
<b>Revenue from operations</b>	<b>28,797.5</b>	<b>29,657.0</b>	<b>37,090.4</b>	<b>48,156.1</b>	<b>53,413.7</b>	<b>58,959.0</b>	<b>63,397.1</b>	<b>68,243.9</b>	<b>73,164.1</b>	<b>78,485.6</b>	<b>84,246.9</b>	<b>90,490.5</b>
<i>YoY Growth (%)</i>	<i>0.0</i>	<i>3.0</i>	<i>25.1</i>	<i>20.0</i>	<i>10.9</i>	<i>10.4</i>	<i>7.5</i>	<i>7.6</i>	<i>7.2</i>	<i>7.3</i>	<i>7.3</i>	<i>7.4</i>
Raw Material Cost	25,065.2	25,370.2	32,489.8	40,932.6	44,867.5	48,346.4	50,717.7	53,912.7	57,068.0	60,433.9	64,027.6	66,963.0
<i>RM Cost to Sales (%)</i>	<i>87.0</i>	<i>85.5</i>	<i>87.6</i>	<i>85.0</i>	<i>84.0</i>	<i>82.0</i>	<i>80.0</i>	<i>79.0</i>	<i>78.0</i>	<i>77.0</i>	<i>76.0</i>	<i>74.0</i>
Employee Cost	206.9	223.9	321.7	433.4	480.7	471.7	475.5	511.8	548.7	588.6	631.9	678.7
<i>Employee Cost to Sales (%)</i>	<i>0.7</i>	<i>0.8</i>	<i>0.9</i>	<i>0.9</i>	<i>0.9</i>	<i>0.8</i>	<i>0.8</i>	<i>0.8</i>	<i>0.8</i>	<i>0.8</i>	<i>0.8</i>	<i>0.8</i>
Other Expenses	2,394.2	2,753.4	2,953.6	4,952.2	5,821.0	7,649.7	9,498.3	10,836.7	12,324.6	13,974.2	15,840.6	18,788.5
<i>Other Expenses to Sales (%)</i>	<i>8.3</i>	<i>9.3</i>	<i>8.0</i>	<i>10.3</i>	<i>10.9</i>	<i>13.0</i>	<i>15.0</i>	<i>15.9</i>	<i>16.8</i>	<i>17.8</i>	<i>18.8</i>	<i>20.8</i>
<b>EBITDA</b>	<b>1,131.2</b>	<b>1,309.5</b>	<b>1,325.3</b>	<b>1,837.8</b>	<b>2,244.4</b>	<b>2,491.2</b>	<b>2,705.6</b>	<b>2,982.7</b>	<b>3,222.8</b>	<b>3,488.9</b>	<b>3,746.8</b>	<b>4,060.3</b>
<i>EBITDA Margin (%)</i>	<i>3.9</i>	<i>4.4</i>	<i>3.6</i>	<i>3.8</i>	<i>4.2</i>	<i>4.2</i>	<i>4.3</i>	<i>4.4</i>	<i>4.4</i>	<i>4.4</i>	<i>4.4</i>	<i>4.5</i>
<b>Net Profit</b>	<b>375.5</b>	<b>460.9</b>	<b>727.7</b>	<b>887.8</b>	<b>1,121.9</b>	<b>1,253.2</b>	<b>1,373.4</b>	<b>1,503.0</b>	<b>1,632.0</b>	<b>1,800.9</b>	<b>1,947.6</b>	<b>2,236.5</b>
<i>Net Margin (%)</i>	<i>1.3</i>	<i>1.6</i>	<i>2.0</i>	<i>1.8</i>	<i>2.1</i>	<i>2.1</i>	<i>2.2</i>	<i>2.2</i>	<i>2.2</i>	<i>2.3</i>	<i>2.3</i>	<i>2.5</i>
<b>Adjusted EPS</b>	<b>71.1</b>	<b>87.3</b>	<b>137.8</b>	<b>168.2</b>	<b>212.5</b>	<b>237.4</b>	<b>260.2</b>	<b>284.7</b>	<b>309.1</b>	<b>341.1</b>	<b>368.9</b>	<b>423.6</b>
<i>P/E (X)</i>	<i>3.2</i>	<i>2.6</i>	<i>1.7</i>	<i>1.4</i>	<i>1.1</i>	<i>1.0</i>	<i>0.9</i>	<i>0.8</i>	<i>0.7</i>	<i>0.7</i>	<i>0.6</i>	<i>0.5</i>
<b>Adjusted BVPS</b>	<b>399.9</b>	<b>487.0</b>	<b>624.8</b>	<b>1,474.9</b>	<b>1,687.4</b>	<b>1,924.8</b>	<b>2,185.0</b>	<b>2,469.7</b>	<b>2,778.8</b>	<b>3,119.9</b>	<b>3,488.9</b>	<b>3,912.5</b>
<i>P/BV (X)</i>	<i>0.6</i>	<i>0.5</i>	<i>0.4</i>	<i>0.2</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>
<b>Enterprise Value</b>	<b>26,890.5</b>	<b>27,122.0</b>	<b>26,779.7</b>	<b>23,335.3</b>	<b>23,418.4</b>	<b>23,653.9</b>	<b>23,076.2</b>	<b>23,629.3</b>	<b>22,344.8</b>	<b>21,995.6</b>	<b>20,537.3</b>	<b>17,181.6</b>
<i>EV/EBITDA (X)</i>	<i>23.8</i>	<i>20.7</i>	<i>20.2</i>	<i>12.7</i>	<i>10.4</i>	<i>9.5</i>	<i>8.5</i>	<i>7.9</i>	<i>6.9</i>	<i>6.3</i>	<i>5.5</i>	<i>4.2</i>
<b>Net Worth</b>	<b>2,111.0</b>	<b>2,570.7</b>	<b>3,298.1</b>	<b>7,785.9</b>	<b>8,907.8</b>	<b>10,161.1</b>	<b>11,534.5</b>	<b>13,037.4</b>	<b>14,669.4</b>	<b>16,470.3</b>	<b>18,418.0</b>	<b>20,654.4</b>
<i>Return on Equity (%)</i>	<i>17.8</i>	<i>17.9</i>	<i>22.1</i>	<i>11.4</i>	<i>12.6</i>	<i>12.3</i>	<i>11.9</i>	<i>11.5</i>	<i>11.1</i>	<i>10.9</i>	<i>10.6</i>	<i>10.8</i>
<b>Capital Employed</b>	<b>3,929.2</b>	<b>4,837.0</b>	<b>5,028.5</b>	<b>8,092.3</b>	<b>9,098.7</b>	<b>10,422.0</b>	<b>11,865.4</b>	<b>13,438.3</b>	<b>15,150.3</b>	<b>17,031.2</b>	<b>19,078.9</b>	<b>21,415.3</b>
<i>Return on Capital Employed (%)</i>	<i>14.8</i>	<i>14.6</i>	<i>18.2</i>	<i>14.0</i>	<i>14.2</i>	<i>13.6</i>	<i>12.9</i>	<i>12.2</i>	<i>11.7</i>	<i>11.3</i>	<i>10.8</i>	<i>10.9</i>
<b>Invested Capital</b>	<b>2,713.7</b>	<b>3,404.9</b>	<b>3,790.0</b>	<b>4,833.4</b>	<b>6,038.4</b>	<b>7,527.2</b>	<b>8,322.9</b>	<b>10,378.9</b>	<b>10,726.4</b>	<b>12,178.1</b>	<b>12,667.4</b>	<b>11,548.2</b>
<i>Return on Invested Capital (%)</i>	<i>34.3</i>	<i>31.4</i>	<i>27.9</i>	<i>31.4</i>	<i>28.6</i>	<i>25.2</i>	<i>18.4</i>	<i>15.8</i>	<i>16.5</i>	<i>15.8</i>	<i>16.2</i>	<i>20.2</i>
Cash Flow from Operations	1,693.0	781.3	926.0	560.2	1,331.6	983.2	1,678.2	1,362.8	2,421.1	1,547.1	2,745.1	2,944.4
Cash Flow from Investing	(933.7)	(506.4)	(483.8)	(490.2)	(1,207.5)	(1,022.7)	(873.8)	(1,707.6)	(925.9)	(997.8)	(1,098.2)	612.0
Cash Flow from Financing	(762.3)	(7.8)	(731.0)	1,714.2	(477.4)	(289.3)	(287.3)	(281.0)	(275.7)	(276.7)	(258.1)	(284.5)
<b>Net Cash Flow</b>	<b>(2.9)</b>	<b>267.1</b>	<b>(288.7)</b>	<b>1,784.2</b>	<b>(353.3)</b>	<b>(328.7)</b>	<b>517.1</b>	<b>(625.7)</b>	<b>1,219.6</b>	<b>272.6</b>	<b>1,388.8</b>	<b>3,271.9</b>
<b>Free Cash Flow</b>	<b>2,283.2</b>	<b>463.1</b>	<b>203.6</b>	<b>866.5</b>	<b>133.0</b>	<b>145.2</b>	<b>936.4</b>	<b>(101.0)</b>	<b>1,767.0</b>	<b>839.6</b>	<b>1,973.0</b>	<b>3,899.1</b>
<i>FCF to Revenue (%)</i>	<i>7.9</i>	<i>1.6</i>	<i>0.5</i>	<i>1.8</i>	<i>0.2</i>	<i>0.2</i>	<i>1.5</i>	<i>(0.1)</i>	<i>2.4</i>	<i>1.1</i>	<i>2.3</i>	<i>4.3</i>
<i>FCF to EBITDA (%)</i>	<i>201.8</i>	<i>35.4</i>	<i>15.4</i>	<i>47.1</i>	<i>5.9</i>	<i>5.8</i>	<i>34.6</i>	<i>(3.4)</i>	<i>54.8</i>	<i>24.1</i>	<i>52.7</i>	<i>96.0</i>
<i>FCF to Net Profit (%)</i>	<i>608.0</i>	<i>100.5</i>	<i>28.0</i>	<i>97.6</i>	<i>11.9</i>	<i>11.6</i>	<i>68.2</i>	<i>(6.7)</i>	<i>108.3</i>	<i>46.6</i>	<i>101.3</i>	<i>174.3</i>
<i>FCF to Net Worth (%)</i>	<i>108.2</i>	<i>18.0</i>	<i>6.2</i>	<i>11.1</i>	<i>1.5</i>	<i>1.4</i>	<i>8.1</i>	<i>(0.8)</i>	<i>12.0</i>	<i>5.1</i>	<i>10.7</i>	<i>18.9</i>
<b>Total Debt</b>	<b>1,818.2</b>	<b>2,266.3</b>	<b>1,730.4</b>	<b>306.3</b>	<b>190.9</b>	<b>260.9</b>	<b>330.9</b>	<b>400.9</b>	<b>480.9</b>	<b>560.9</b>	<b>660.9</b>	<b>760.9</b>
<b>Net Debt</b>	<b>602.7</b>	<b>834.2</b>	<b>491.9</b>	<b>(2,952.6)</b>	<b>(2,869.4)</b>	<b>(2,633.9)</b>	<b>(3,211.6)</b>	<b>(2,658.5)</b>	<b>(3,943.0)</b>	<b>(4,292.2)</b>	<b>(5,750.5)</b>	<b>(9,106.2)</b>
<i>Net Debt to Equity (X)</i>	<i>0.3</i>	<i>0.3</i>	<i>0.1</i>	<i>(0.4)</i>	<i>(0.3)</i>	<i>(0.3)</i>	<i>(0.3)</i>	<i>(0.2)</i>	<i>(0.3)</i>	<i>(0.3)</i>	<i>(0.3)</i>	<i>(0.4)</i>
<i>Net Debt to EBITDA (X)</i>	<i>0.5</i>	<i>0.6</i>	<i>0.4</i>	<i>(1.6)</i>	<i>(1.3)</i>	<i>(1.1)</i>	<i>(1.2)</i>	<i>(0.9)</i>	<i>(1.2)</i>	<i>(1.2)</i>	<i>(1.5)</i>	<i>(2.2)</i>
<i>Interest Coverage Ratio (X)</i>	<i>1.9</i>	<i>1.9</i>	<i>2.6</i>	<i>3.3</i>	<i>4.8</i>	<i>5.3</i>	<i>5.7</i>	<i>6.3</i>	<i>6.7</i>	<i>7.2</i>	<i>7.7</i>	<i>8.1</i>

Source: Company Report

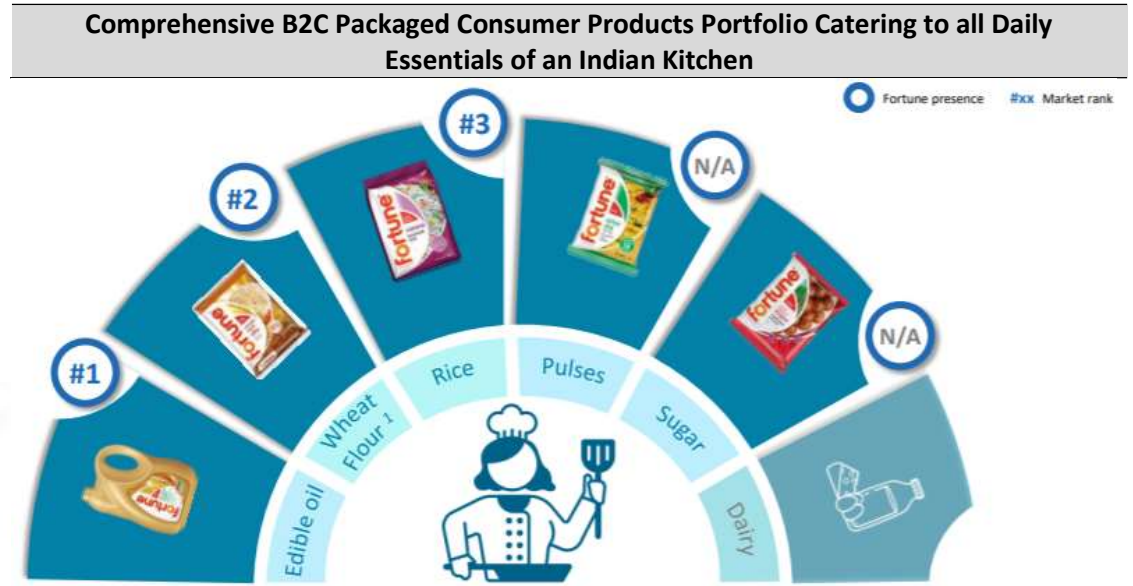




Source: Company Reports and Ventura Research

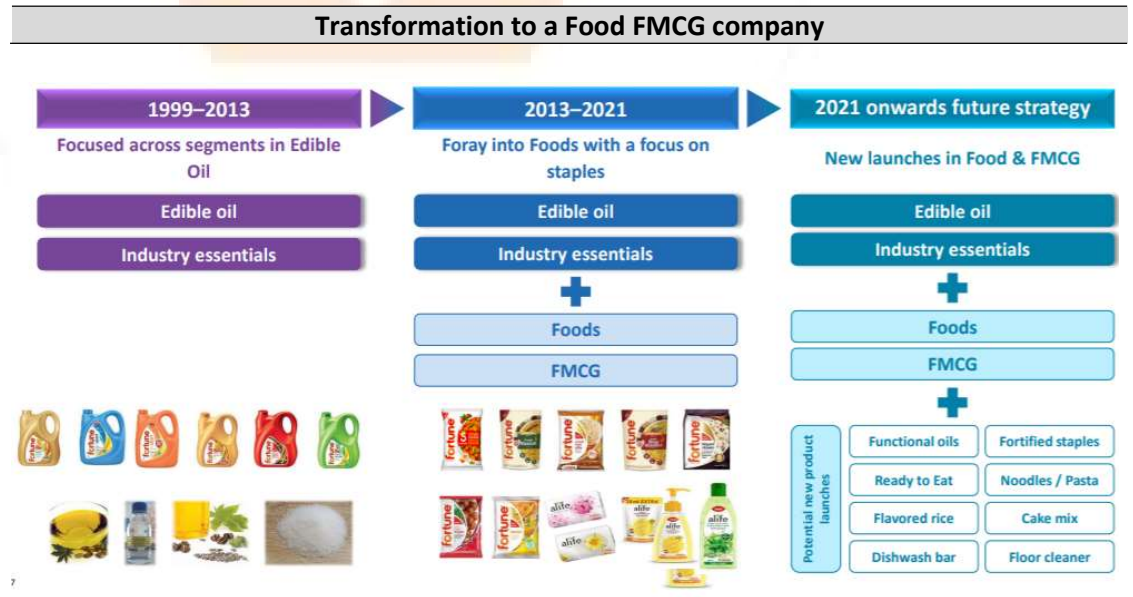
## Understanding how the AWL business is structured

Except for dairy products, Adani Wilmar is one of the few large FMCG food companies in India to offer most of the essential kitchen commodities such as edible oils, wheat flour, rice, pulses, sugar, etc.



Source: Company Reports

All its products are offered under a diverse range of brands, 'Fortune' being the flagship brand, across a broad spectrum of prices to cater to different customer groups.



Source: Company Reports

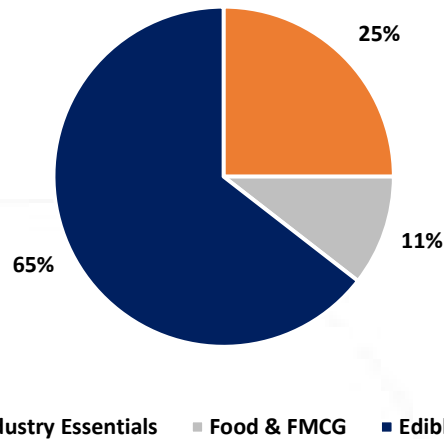
The company's portfolio spans across 3 categories namely,

1. Edible Oils,

2. FMCG and Packaged Food, and
3. Industry Essentials

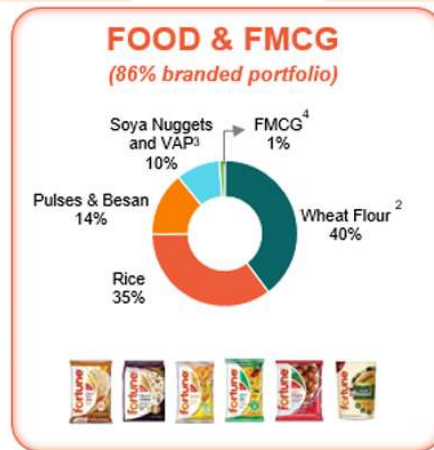
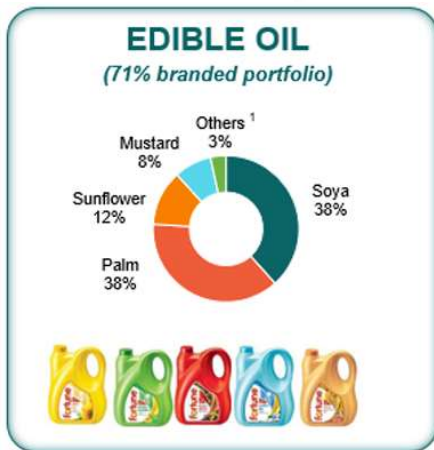
**FY21 Sales Volume break-up**

FY21 sales volume: 4.5MT



Source: Company RHP

**Segment Offerings based on sales volume as of FY21**



Source: Company RHP; 1) includes ricebran, groundnut, cotton seed, and coconut oil; 2) includes maida & suji; 3) VAP means value added products, includes sugar as well; 4) includes soaps, sanitizers and handwashes; 5) includes de-oiled cakes, Palm Stearin and Palm Fatty Acid, etc.

**Edible Oil** – This segment is the largest, contributing 65% to the portfolio in terms of volume. As of FY21, the Refined Oil in Consumer Packs (“ROCP”) market share of the company’s branded oil was 18.3% making it the dominant No.1 edible oil brand in India. ‘Fortune’ is the largest selling edible oil brand in India according to a Technopak report.

Market share and ranking of key edible oil products in India			
Products	Market Share		Ranking
	Soyabean Oil	<b>Fortune</b>	
King's		6.4%	
Total		29.2%	
Sunflower Oil	<b>Fortune</b>	<b>8.3%</b>	<b>Third</b>
	Aadhar	2.6%	
	Total	10.9%	

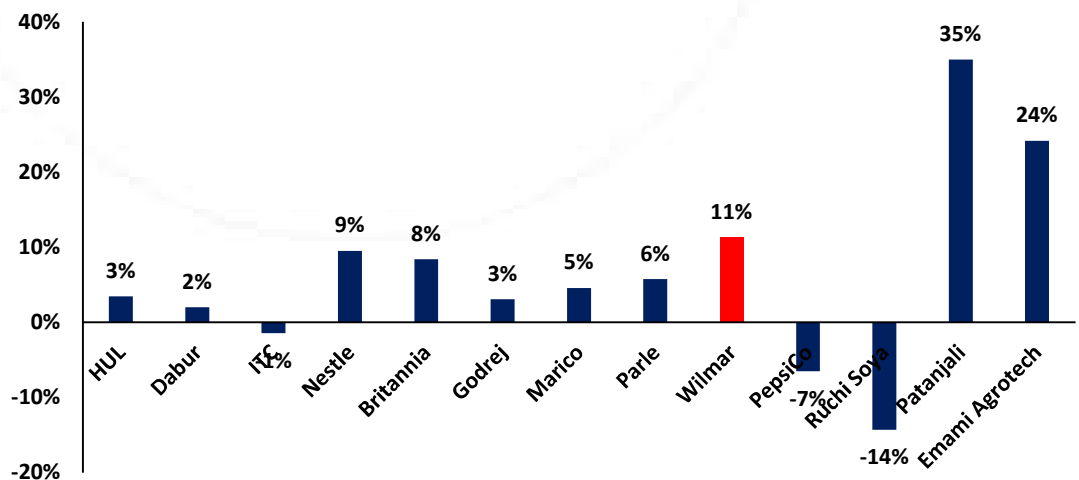
Source: Company RHP

**Packaged Food & FMCG** – This segment contributes 25% to the portfolio in terms of volume. Started in 2013, this is a relatively newer vertical wherein the company has leveraged their brand and distribution network to offer a wide array of packaged foods including wheat flour, rice, pulses, besan, sugar, soya chunks and ready-to-cook *khichadi*.

Amongst the large FMCG players, only a few like Emami Agrotech, Patanjali and Adani Wilmar have registered a double digit growth rate in the last 5 years. Adani Wilmar was among the top five fastest growing and most profitable packaged food companies in India based on growth in revenues and EBITDA during the period FY15-20.

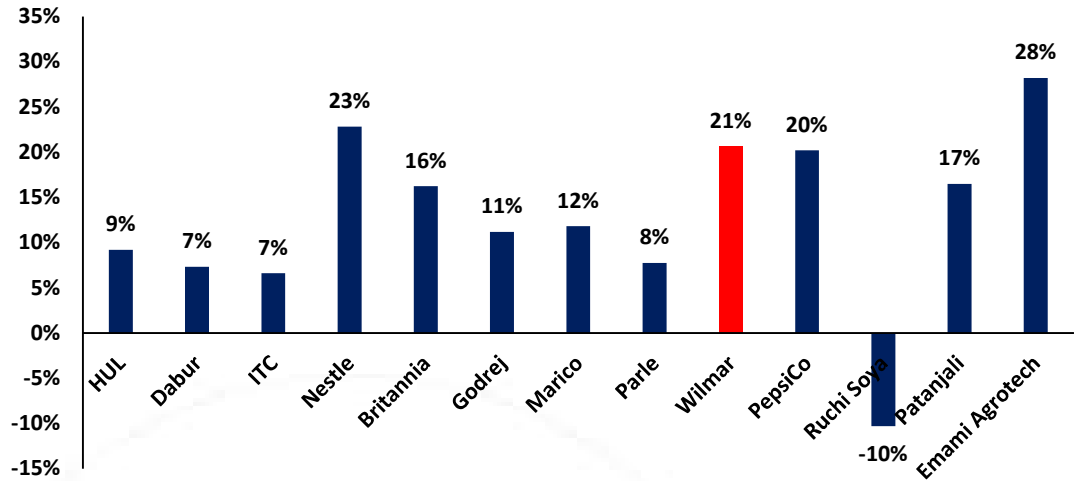
Over FY21-24 we expect AWL to grow its revenues at a robust CAGR of 16.7% to reach INR 58,959 cr by FY24. This is to be spearheaded by the FMCG vertical which is set to grow at a CAGR 31.5% to reach INR 4,338 cr by FY24. The edible oil vertical is expected to grow at 16.3% CAGR to INR 47,973 cr and the industry essentials segment is forecasted to grow at 12.2% CAGR to INR 6,648 cr.

**FY15-20 Revenue CAGR of some of the largest FMCG companies in India**



Source: Company RHP

**FY15-20 EBITDA CAGR of some of the largest FMCG companies in India**

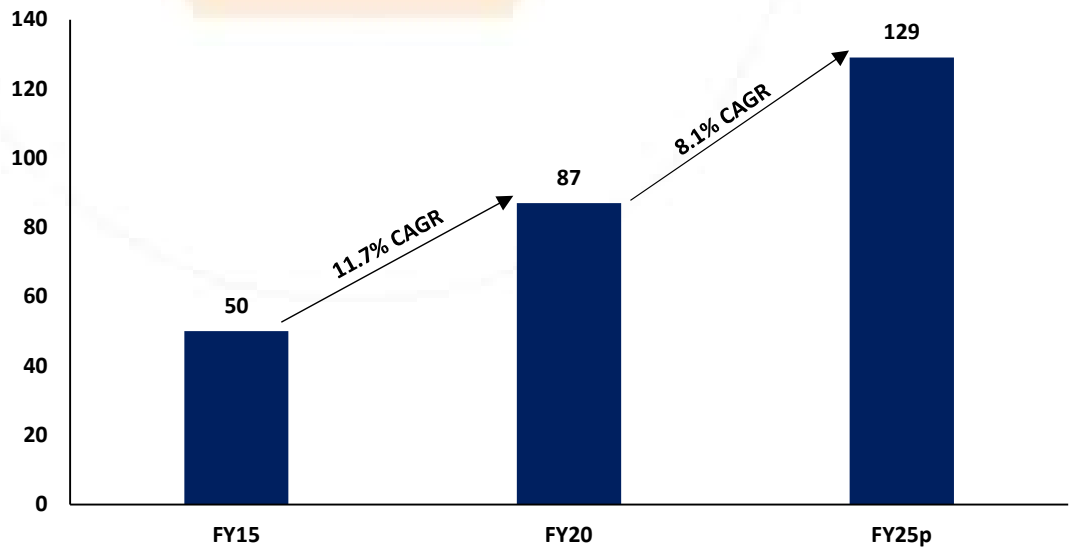


Source: Company RHP

**Industry Essentials** – This segment contributes 25% to the portfolio in terms of volume. It includes oleochemicals, castor oil and its derivatives and de-oiled cakes. AWL enjoys a market leading position in this segment as well.

India is the largest producer of Castor Seed by value and AWL had a #1 market rank with 26% market share in the category as of FY20. It has a 1,100 MT/day crushing capacity and 600 MT/day refining capacity. The market is expected to grow at 8.1% CAGR to reach INR 129 bn by FY25.

**Castor Seed Production in India in Value terms (INR bn)**



Source: Company Reports and Ventura Research

**AWL has #1 Market Rank in Castor Oil (26% Market Share)**



26%<sup>1,2</sup>

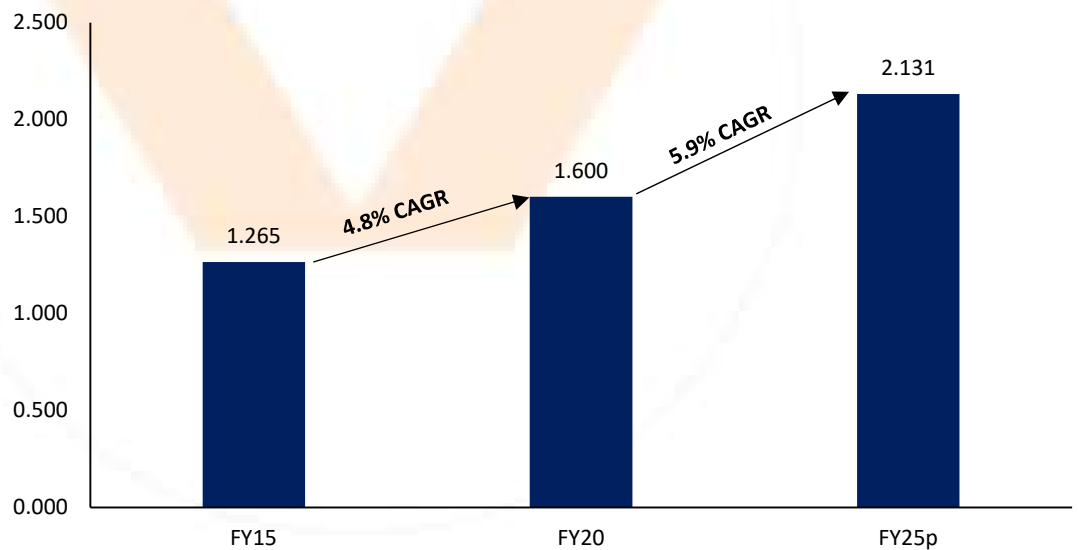
**1,100 MT per day**  
**Crushing Capacity**

**600 MT per day**  
**Refining Capacity**

Source: Company Reports, note 1: Export market share, note 2: Technopak Report

The oleochemical market volume is expected to grow at 5.9% CAGR to reach INR 2.131 MT by FY25. AWL enjoys a #1 market rank in Stearic Acid and Glycerin with 32% and 23% market shares respectively. It has a 9% market share in soap noodles. The company has 800 MT/day oleochemicals capacity in the Mundra facility.

**India Oleochemical Market by Volume (in MT)**



Source: Company Reports and Ventura Research



**AWL has #1 Market Rank in Stearic Acid & Glycerin (32% & 23% Market Share respectively)**

**Oleochemicals**

**#1**

**Stearic acid**



**32%<sup>2</sup>**

**#1**

**Glycerin**



**23%<sup>2</sup>**

**Soap noodles**



**9%<sup>2</sup>**

**800 MT per day<sup>3</sup>**

**Oleochemicals Capacity**

Source: Company Reports



## Presence across primary kitchen commodities

Over the years, primary kitchen commodities such as edible oils, wheat flour, rice, pulses, sugar and dairy have been largely handled by players focussed within a specific segment. Among the large FMCG players, limited players like Adani and Patanjali have entered into multiple categories in primary kitchen commodities. Adani Wilmar is present in most categories through its brand 'Fortune'. The company's brand architecture using a single brand identity for multi categories optimizes the marketing costs and enhances brand equity.

The spend on primary kitchen commodities accounts for 23% of total spend on food and grocery estimated to be INR 39,45,000 cr thereby presenting an opportunity size of INR 9,00,000 cr for any player in the primary kitchen commodity segments. Within this edible oils, wheat flour, rice, pulses, sugar etc account for 66% i.e., INR 6,00,000 cr and the balance comprises dairy products.

Presence of large FMCG companies across Essential Kitchen Commodities						
	Edible Oils	Wheat Flour	Rice	Pulses	Sugar	Dairy
HUL		✓				
Dabur						
ITC		✓				✓
Nestle						
Britannia						
Godrej						
Marico	✓					
Parle						
<b>Wilmar</b>	✓	✓	✓	✓	✓	
PepsiCo						
Ruchi Soya	✓	✓				
Patanjali	✓	✓	✓	✓	✓	
Emami Agrotech	✓					

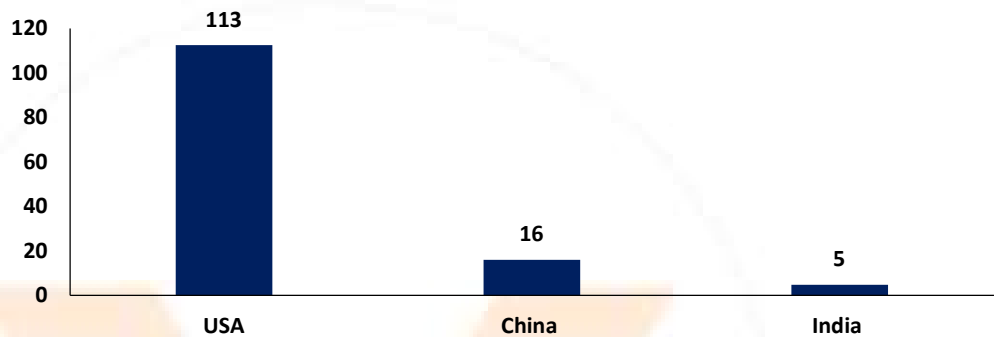
Source: Company RHP

## Key Growth Drivers

### Underpenetrated market with significant potential for growth –

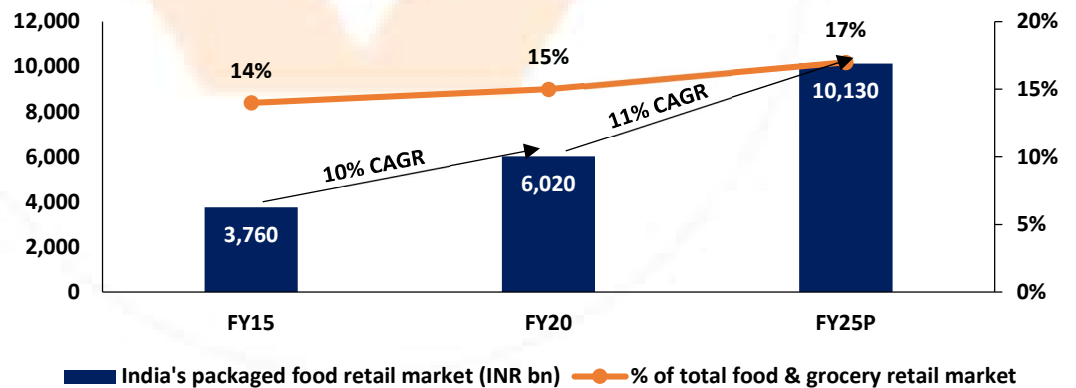
The penetration rate of packaged foods in India remains low, which provides significant potential for growth for packaged edible oil and food products. This is further supported by the favorable demographics with urbanization and rise in middle-class population, gradual expansion of modern retail including e-commerce, convenience and healthy eating trends.

**Annual per capita spend on packaged foods ('000 INR)**



Source: Company RHP

**Growth of the Indian Packaged Food Market**

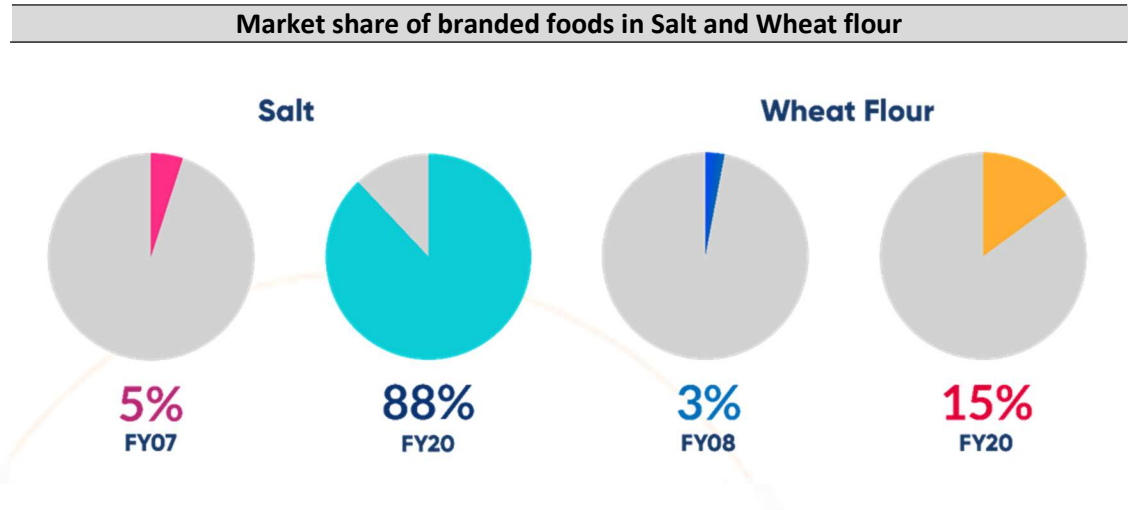


Source: Company RHP

The packaged food market is growing at almost double the pace of the overall food category and is expected to gain a market share of 17% by the fiscal year 2025 from a market share of 14% in the fiscal year 2015. The company plans to scale up its FMCG business at a CAGR of 31.5% over the next 3 years which is expected to better contribute towards margins. This will lead to EBITDA margin expansion of 70 bps to 4.2% by FY24.

## Shift of Consumer Preference to Branded Products Resulting in Immense Market Potential –

Select categories have seen a very strong shift from loose to branded.

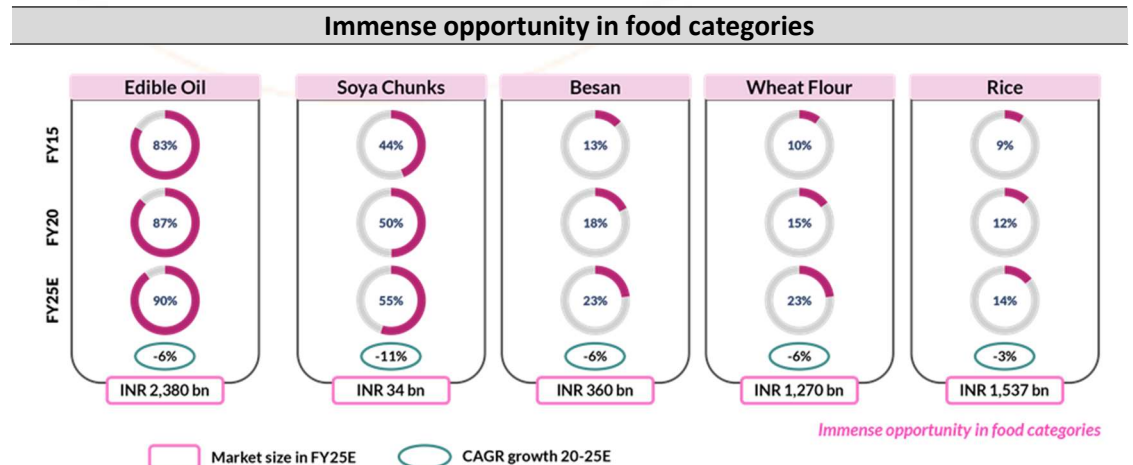


Source: Company Reports

With the onset of trends like

- urbanisation and rise in middle-class population,
- expansion of modern retail including e-commerce,
- increased in-home consumption due to Covid-19,
- government policies supporting food processing,
- convenience and healthy eating,
- consumers across spectrum moving towards premium products,

a broader set of categories are expected to experience a similar shift towards branded products –

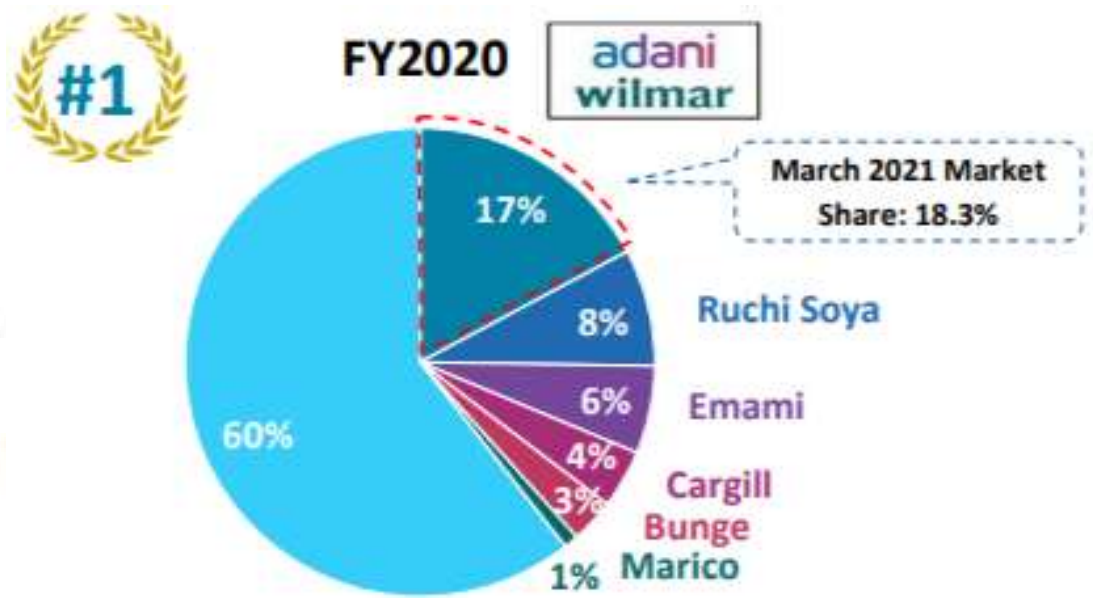


Source: Company Reports

**Leadership position in Branded Edible Oil and Packaged Food Business –**

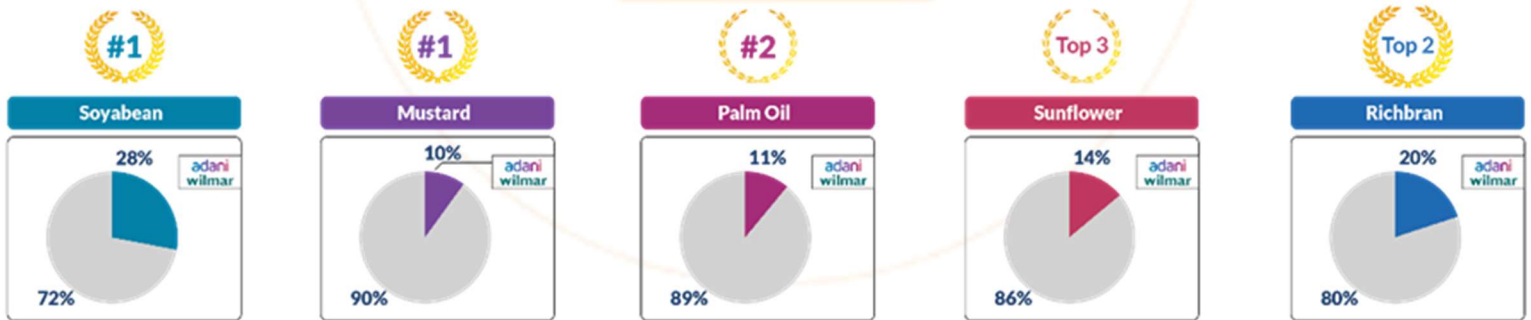
The company has sustained market leadership position in Edible Oil – It has a clear leadership in a fragmented market with a market share of more than 2x of the next competitor. It has huge potential to consolidate market share given that ~50% share is held by regional brands.

**Edible Oils Serviced by Branded players**



Source: Company Report

**Ranking of AWL according to Market Share by Value**



Source: Company Report

It has also demonstrated ability to rapidly gain market share in new categories like Rice, Soya Chunks and Wheat Flour. It has been leveraging the fortune brand to launch new products with increasing focus on value-added products and an aim to diversify revenue streams and generate high profit margins.

**Ranking of AWL according to Market Share**



Source: Company Report; Source 1: Technopak Report, Source 2: Nielsen Retail Index, Note 3: Market share by value, Note 4: Market share by volume

**Integration of Manufacturing Capacities –**

The company has 22 plants which are strategically located across 10 states in India. These comprise 10 crushing units and 18 refineries with an aggregate designed capacity of 8,525 MT per day and 16,285 MT per day, respectively, as of March 31, 2021. The company’s integrated manufacturing infrastructure enables them to share supply chain, storage facilities, distribution network and experienced manpower among different products and reduce the overall costs for processing and logistics.



**Integrated infrastructure has enabled reduction of processing and logistics cost**

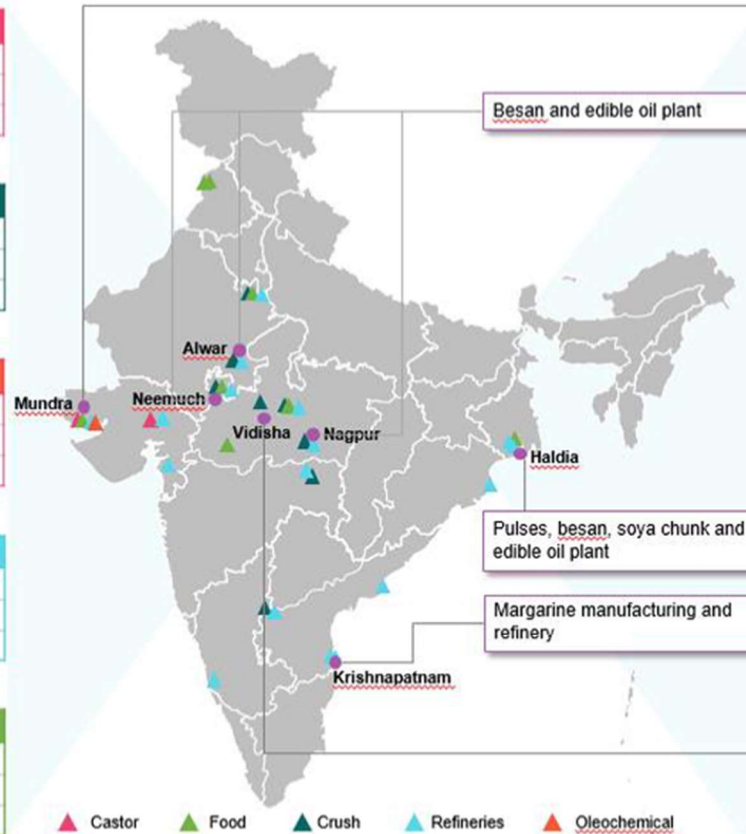
Castor crushing units	
Number of units	2
Capacity (MT) <sup>1</sup>	330,000
Utilization	92%

Crushing of edible oil seeds units	
Number of units	8
Capacity (MT) <sup>1</sup>	2,227,500
Utilization	25%

Oleochemical units	
Number of units	1
Capacity (MT) <sup>1</sup>	767,700
Utilization	65%

Refinery units	
Number of units	18
Capacity (MT) <sup>1</sup>	5,471,760
Utilization	55%

Food units	
Number of units	8
Capacity (MT) <sup>1</sup>	565,500
Utilization	39%



**End-to-end integrated plant**

- Crushing units and refineries
- Integrated to produce Vanaspati, margarine, oleo chemicals and soap bars with raw materials from refining
- Derive de-oiled cakes from crushing and oleochemicals from palm stearin derived from palm oil refining



**Integrated plant for soya**

- Covers entire value chain of soya-crushing, producing soya value-added products such as soya nuggets, soya flour, soya flaks and refined soya oil

Source: Company RHP

Therefore, the company intends to expand their business based on this integrated business model and develop additional integrated manufacturing facilities in the near future. Further, it plans to establish additional food processing units at existing crushing units or refineries. The details of its capex plans are given below.

**Proposed expansions/developments of manufacturing facilities**

Location	Description
<b>Expansion at manufacturing facilities</b>	
<b>Nagpur, MH</b>	50 TPD soya nugget plant with BP and CP packing (Nagpur 1)
	Soya value added products plants, namely, (a) Soya Crushing Plants - seed cleaning and dehulling section – 500 TPD, extraction section – 500 TPD, Silos & Conveying system, and Meal Grading System, b) soya flour mill - 150 TPD, and (c) Flour Packing - 100 TPD (Nagpur 2)
	240 TPD chana dal plant (Nagpur 3)
<b>Haldia, WB</b>	1,500 TPD palm oil refinery, 400 TPD neutralization plant, 300 kilo liters per day (“KLD”) effluent treatment plant (“ETP”), 500 TPD fractionation plant, and suitable expansion in acid oil
<b>Paradip, Odisha</b>	Setting up packing section with warehouse of 4,000 square meter
<b>Bundi, Rajasthan</b>	500 TPD oil mill
<b>Mantralayam, AP</b>	300 TPD solvent extraction plant, revamp of solvent extraction process, and warehouse for de-oiled cake
<b>Shujalpur, MP</b>	200 TPD organic soya meal plant
<b>Kadi, Gujrat</b>	240 TPD dal plant and 150 TPD besan plant
<b>Neemuch, MP</b>	240 TPD dal plant
<b>Developing new manufacturing facilities</b>	
<b>Kolkata, WB</b>	250 TPD wheat flour plant
<b>Gohana, Haryana</b>	Integrated manufacturing including 12 TPH x 2 Line P2R and 8 TPH R2R x 2 lines, 400 TPD rice bran oil extraction, 100 TPD Rice bran oil refinery, 500 TPD mustard oil mill and 200 TPD wheat flour plant

Source: Company RHP

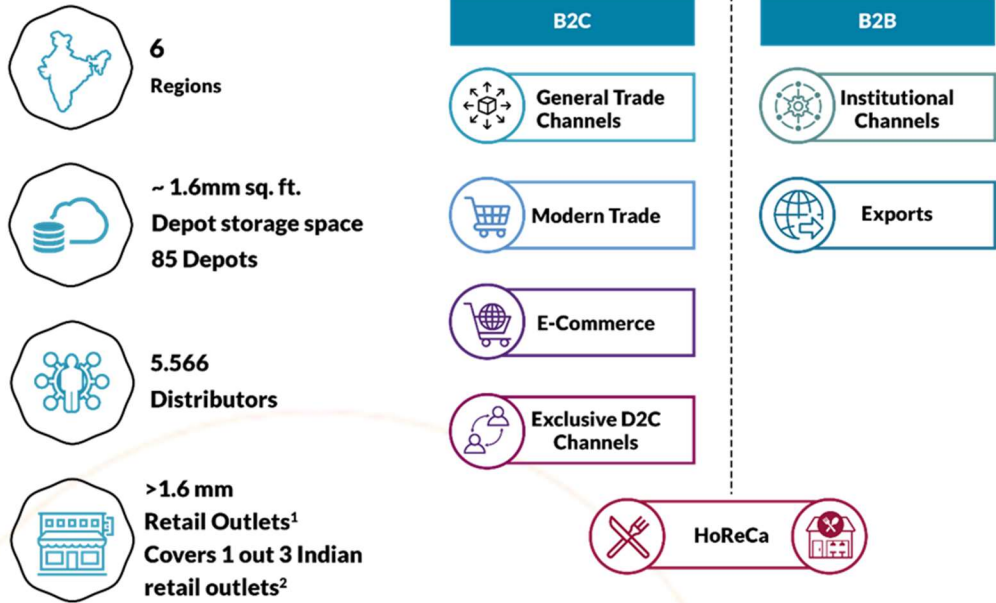
**Debt Reduction on the cards –**

The company plans to use part of the IPO proceeds to repay debt to the tune of INR 1058.9 cr by FY23. These are mainly in the form of term loans and will lead to a decrease in net debt to equity from 0.1x in FY21 to -0.4x by FY24. This will also lead to lower interest cost and therefore higher profit margins.

**Expansion of distribution network with an omni channel approach –**

From FY19-21, the number of distributors grew by 33%. As of March 31, 2021, the company had 5,566 distributors located in 28 states and eight union territories throughout India catering to over 1.6 million retail outlets, representing approximately 35 % of the retail outlets in India. The company strives to expand this network to further penetrate the market and increase sales. It aims to expand online reach from current 20 cities to 100 cities in the next few years and have more than 40 Fortune Mart stores opened across India in the next few years.

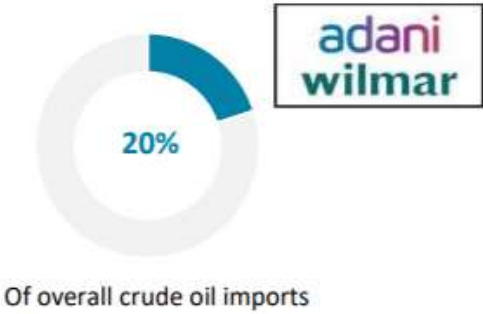
**Robust Distribution Infrastructure with Structured Distribution Networks**



Source: Company Reports

**Strong Raw Material Sourcing Capabilities –**

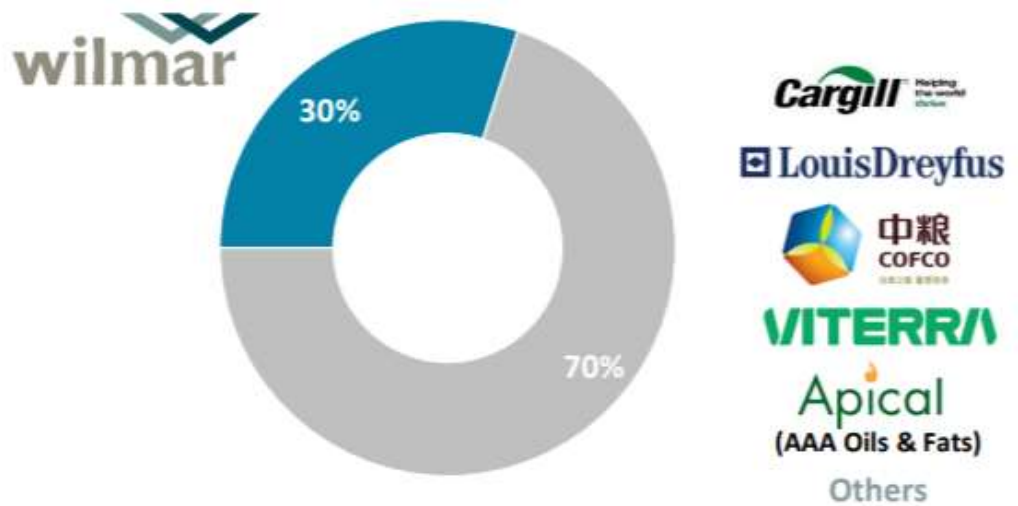
**Largest Edible Oil Importer in India**



Source: Company Reports

Being the largest importer gives AWL the bargaining power to source better quality raw materials. It has a well-established broad procurement network across the key raw material producing belts which aides in it getting favourable commercial terms.

**Global Suppliers of Palm Oil**



Source: Company Reports

Wilmar International is the largest palm oil supplier in the world giving AWL additional competitive edge in sourcing palm oil and enables the mitigation of price risk.

**Growth through strategic expansions –**

The company plans to use INR 500 cr from the IPO proceeds to fund strategic acquisitions, particularly for the food business (such as wheat flour, rice and besan, ready to cook and ready to eat segments) through acquisition of entity, brand acquisition, purchase of assets / business or partnerships with third party staple food manufacturers. As on the date of this Draft Red Herring Prospectus the company has not identified the potential acquisition targets and this amount is based on management’s current estimates, budgets and other relevant consideration and may be subject to changes.

### Adani Wilmar's Management Team

KMP	Designation	Description
Kuok Khoon Hong	Chairman	He holds a BBA degree from the University of Singapore and has over 40 years of experience in the agribusiness industry. He is also the co-founder of Wilmar International Ltd
Angshu Mallick	CEO & MD	He holds a bachelor's degree in dairy technology from Dairy Science College and a post graduate diploma in rural management from Institute of Rural Management, Anand. He has over 35 years of experience in marketing and sales in the food industry.
Shrikant Kanhere	CFO	He has a B-Com degree from Vikram University, Ujjain and is a member of ICAI. He has over 18 years of experience in finance.
Ravindra Kumar Singh	Head - Technical & Operations	He holds a bachelor's degree in chemical technology (oil technology) from Kanpur University and has 30 years of experience in the field of food business.
Biplab Pakrashi	Business Head - Oils & Fats	He holds a BSc and MSc in geology and a MSc in applied geology. Further, he holds a PGD in rural development management. He has over 34 years of experience across sales, marketing, product management, supply chain management and business information technology alignment.
Rajneesh Bansal	Head - Procurement & Supply Chain	He holds a BSc in Mechanical Engg and MSc in industrial engineering. Further, he has completed a PGD in management from IIM, Kozhikode. He has over 25 years of experience in various fields including business development and corporate communication, agriculture and FMCG sector
Satendra Agarwal	Business Head - Food & FMCG & Marketing	He passed the examination for the bachelor's degree in science and the master's degree in management studies from University of Bombay. Previously, he was the chief operating officer at Ruchi Soya and has also worked at HUL.
Saumin Sheth	Business Head - Trading, Oleo Chemicals & Castor	He has a B-Com and 21 years of experience in the field of international sourcing and trading, risk management, techno-commercial operations and marketing of bulk products.
Venkata Rao Damera	Chief Information Officer	He holds a bachelor's degree in science and a master's degree in computer applications. He has over 15 years of experience in the IT sector

Source: Company Reports

## Issue Structure and Offer Details

The proposed issue size of AWL's IPO is INR 3600 cr, out of which the entire amount is a fresh issue. The price band for the issue is in the range of INR 218-230 and the bid lot is 65 shares and multiples thereof.

Issue Structure		
Category	No. of shares offered	% of Issue
QIB	7,82,60,870	Not more than 50%
Non Institutional Bidders	2,34,78,261	Not less than 15%
Retail	5,47,82,609	Not less than 35%
<b>Total</b>	<b>15,65,21,739</b>	<b>100%</b>

*\* Number of shares based on higher price band of INR 230*

Source: Company Reports

Objects of the Offer	
Particulars	Amount (INR in cr)
Capital Expenditure	1,900
Repayment of Prepayment of Borrowings	1,059
Funding Strategic acquisitions and investments	450
General corporate purposes	[•]
Net Proceeds	[•]

Source: Company RHP; Issue related expenses to be subtracted from gross proceeds of INR 3,600 cr to come at net proceeds

Shareholding Pattern		
Category	Pre Issue	Post Issue
Promoters	100.00%	87.95%
Public	0.00%	12.05%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Company Reports

## Risks and Concerns

1. The availability of raw materials, which include, unrefined palm oil, soya oil and sunflower oil, wheat, paddy and oilseeds may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought caused by weather patterns such as the El Nino.
2. AWL does not have long term agreements with suppliers for raw materials and any increase in the cost of, or a shortfall in the availability of, such raw materials could have an adverse effect on our estimates of profitability.
3. A significant portion of revenue is derived from the edible oil business and any reduction in demand or production of such products could be a downside risk to our estimates.



## Financial Analysis & Projections

Fig in INR Cr (unless specified)	FY20	FY21	FY22E	FY23E	FY24E	Fig in INR Cr (unless specified)	FY20	FY21	FY22E	FY23E	FY24E
<b>Income Statement</b>						<b>Per share data &amp; Yields</b>					
Revenue	29,657.0	37,090.4	48,156.1	53,413.7	58,959.0	Adjusted EPS (INR)	3.5	5.6	6.8	8.6	9.6
YoY Growth (%)	3.0	25.1	29.8	10.9	10.4	Adjusted Cash EPS (INR)	5.4	7.7	9.3	12.6	14.2
Raw Material Cost	25,370.2	32,489.8	40,932.6	44,867.5	48,346.4	Adjusted BVPS (INR)	19.8	25.4	59.9	68.5	78.2
RM Cost to Sales (%)	85.5	87.6	85.0	84.0	82.0	Adjusted CFO per share (INR)	6.0	7.1	4.3	10.2	7.6
Employee Cost	223.9	321.7	433.4	480.7	471.7	CFO Yield (%)	2.6	3.1	1.9	4.5	3.3
Employee Cost to Sales (%)	0.8	0.9	0.9	0.9	0.8	Adjusted FCF per share (INR)	3.6	1.6	6.7	1.0	1.1
Other Expenses	2,753.4	2,953.6	4,952.2	5,821.0	7,649.7	FCF Yield (%)	1.5	0.7	2.9	0.4	0.5
Other Exp to Sales (%)	9.3	8.0	10.3	10.9	13.0	<b>Solvency Ratio (X)</b>					
EBITDA	1,309.5	1,325.3	1,837.8	2,244.4	2,491.2	Total Debt to Equity	0.9	0.5	0.0	0.0	0.0
Margin (%)	4.4	3.6	3.8	4.2	4.2	Net Debt to Equity	0.3	0.1	(0.4)	(0.3)	(0.3)
YoY Growth (%)	15.8	1.2	38.7	22.1	11.0	Net Debt to EBITDA	0.6	0.4	(1.6)	(1.3)	(1.1)
Depreciation & Amortization	241.3	267.3	321.2	518.0	596.5	<b>Return Ratios (%)</b>					
EBIT	1,068.3	1,058.0	1,516.7	1,726.4	1,894.7	Return on Equity	17.9	22.1	11.4	12.6	12.3
Margin (%)	3.6	2.9	3.1	3.2	3.2	Return on Capital Employed	14.6	18.2	14.0	14.2	13.6
YoY Growth (%)	14.6	(1.0)	43.3	13.8	9.7	Return on Invested Capital	31.4	27.9	31.4	28.6	25.2
Other Income	110.0	105.3	64.7	61.3	58.5	<b>Working Capital Ratios</b>					
Finance Cost	569.2	406.6	461.8	361.9	359.3	Payable Days (Nos)	70	62	58	54	48
Interest Coverage (X)	1.9	2.6	3.3	4.8	5.3	Inventory Days (Nos)	47	47	47	47	47
Exceptional Item	0.0	0.0	0.0	0.0	0.0	Receivable Days (Nos)	11	15	15	15	15
PBT	609.0	756.7	1,119.6	1,425.7	1,593.9	Net Working Capital Days (Nos)	-12	0	4	8	14
Margin (%)	2.1	2.0	2.3	2.7	2.7	Net Working Capital to Sales (%)	(3.2)	0.1	1.1	2.2	3.8
YoY Growth (%)	7.4	24.2	48.0	27.3	11.8	<b>Valuation (X)</b>					
Tax Expense	206.0	103.9	281.8	358.9	401.2	P/E	64.9	41.1	33.7	26.6	23.8
Tax Rate (%)	33.8	13.7	25.2	25.2	25.2	P/BV	11.6	9.1	3.8	3.4	2.9
PAT	403.0	652.8	837.8	1,066.9	1,192.7	EV/EBITDA	20.7	20.2	12.7	10.4	9.5
Margin (%)	1.4	1.8	1.7	2.0	2.0	EV/Sales	0.9	0.7	0.5	0.4	0.4
YoY Growth (%)	13.5	62.0	28.3	27.3	11.8	<b>Cash Flow Statement</b>					
Min Int/Sh of Assoc	57.8	74.9	50.0	55.0	60.5	PBT	609.0	756.7	1,119.6	1,425.7	1,593.9
Net Profit	460.9	727.7	887.8	1,121.9	1,253.2	Adjustments	779.5	1,251.1	212.0	906.6	880.1
Margin (%)	1.6	2.0	1.8	2.1	2.1	Change in Working Capital	(401.3)	(977.9)	(489.6)	(641.9)	(1,089.6)
YoY Growth (%)	22.7	57.9	22.0	26.4	11.7	Less: Tax Paid	(206.0)	(103.9)	(281.8)	(358.9)	(401.2)
<b>Balance Sheet</b>						<b>Cash Flow from Operations</b>	<b>781.3</b>	<b>926.0</b>	<b>560.2</b>	<b>1,331.6</b>	<b>983.2</b>
Share Capital	114.3	114.3	129.9	129.9	129.9	Net Capital Expenditure	(141.7)	(73.4)	(150.0)	(1,090.0)	(840.0)
Total Reserves	2,456.4	3,183.8	7,656.0	8,777.9	10,031.1	Change in Investments	(364.7)	(410.4)	(340.2)	(117.5)	(182.7)
Shareholders Fund	2,570.7	3,298.1	7,785.9	8,907.8	10,161.1	<b>Cash Flow from Investing</b>	<b>(506.4)</b>	<b>(483.8)</b>	<b>(490.2)</b>	<b>(1,207.5)</b>	<b>(1,022.7)</b>
Long Term Borrowings	1,146.4	1,024.1	165.4	0.0	0.0	Change in Borrowings	219.2	18.3	(858.7)	(165.4)	0.0
Deferred Tax Assets / Liabilities	389.3	208.9	208.9	208.9	208.9	Less: Finance Cost	(403.8)	(335.7)	(461.8)	(361.9)	(359.3)
Other Financial Liabilities	331.5	445.5	539.9	613.7	700.1	Proceeds from Equity	0.0	0.0	3,600.0	0.0	0.0
Long Term Provisions	24.8	27.5	37.1	41.1	40.3	Change in Lease Liabilities	(32.1)	(33.0)	40.0	50.0	70.0
<b>Total Liabilities</b>	<b>4,462.7</b>	<b>5,004.2</b>	<b>8,737.3</b>	<b>9,771.5</b>	<b>11,110.4</b>	Change in Short term borrowings	209.0	(380.6)	(605.4)	0.0	0.0
Net Block	3,508.0	3,465.8	3,340.6	3,965.2	4,270.9	Proceeds from Preference Shares	0.0	0.0	0.0	0.0	0.0
Capital Work in Progress	324.9	530.5	530.5	400.0	300.0	Equity contribution from Minority Int	0.0	0.0	0.0	0.0	0.0
Non Current Investments	206.0	282.1	338.5	375.4	414.4	Acquisition of Minority Int	0.0	0.0	0.0	0.0	0.0
Right of Use Assets	231.7	220.7	221.9	227.3	244.4	<b>Cash flow from Financing</b>	<b>(7.8)</b>	<b>(731.0)</b>	<b>1,714.2</b>	<b>(477.4)</b>	<b>(289.3)</b>
Income Tax Assets	1.5	0.8	1.0	1.1	1.2	<b>Net Cash Flow</b>	<b>267.1</b>	<b>(288.7)</b>	<b>1,784.2</b>	<b>(353.3)</b>	<b>(328.7)</b>
Deferred Tax Assets	0.1	0.0	0.0	0.0	0.0	Forex Effect	0.0	0.0	0.0	0.0	0.0
Other Intangible Assets	18.2	14.9	11.7	7.8	6.4	Opening Balance of Cash	78.9	346.0	57.3	1,841.4	1,488.1
Other Financial Assets	24.6	14.7	17.6	19.5	21.5	<b>Closing Balance of Cash</b>	<b>346.0</b>	<b>57.3</b>	<b>1,841.4</b>	<b>1,488.1</b>	<b>1,159.4</b>
Loans	20.9	17.9	21.4	23.8	26.3						
Other Non Current Assets	118.6	98.2	117.8	130.7	144.2						
Net Current Assets	8.3	358.7	4,136.2	4,620.8	5,681.0						
<b>Total Assets</b>	<b>4,462.7</b>	<b>5,004.2</b>	<b>8,737.3</b>	<b>9,771.5</b>	<b>11,110.4</b>						

Source: Company RHP and Ventura Research

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