

27-01-2023

Result Summary – Q3 FY23

Particulars	Q3 FY23	Q2 FY23	Q3 FY22	QoQ	YoY
Sales	2,311	2,087	1,945	11%	19%
Operating Profit	303	147	318	106%	-5%
Net Profit	210	82	246	156%	-15%
EPS	16.53	6.46	19.34	156%	-15%

Concall Highlights & Update

- Company has achieved 51% volume growth in third quarter on a lower base. The Company has launched Cable shield conduit system in this month. With all above projects and expansion in place, Company expects to achieve volume growth in excess of 35% in this segment for this year compared to previous year.
- The Company's Capex plan for the year 2022-23 of about Rs.700 Crs. including carry forward commitment of Rs.280 Crs is progressing with a little delay from the envisaged schedule. New greenfield plants Guwahati(Assam) and Erode (Tamil Nadu) have gone into commercial production and plant at Cuttack (Odisha) is likely to commence production in February 2023. Entire capex is being funded from internal accruals.
- Company has received letter of intent (LOI) worth about Rs.45Crs. from ECIL for supply of Electronic Ballot Unit (EVM) plastic components and supply of VVPAT in addition to earlier order of Rs.76Crs.
- Raw Material Prices continue to slide down till November. The prices of different Polymers particularly for polypropylene (PP), Low Denier Polyethylene (LDPE) and Poly Vinyl Chloride (PVC) have gone down between Rs.41 per kg to Rs.66 per kg since beginning of the year till November i.e. a reduction between 28% to 46%. Severest fall among them was in PVC Resin which has corrected thereafter by Rs.15 per kg.
- In Composite LPG Cylinder division, Existing production line is running at full capacity and primarily catering to the order received from Indian Oil Corporation. Commissioning of the new line doubling the capacity is completed and the same is under trial runs now.



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Ratings (based on expected returns over 12 months investment period)

Buy
(>15%)

Accumulate
(5% to 15%)

Hold
(5% to -15%)

Sell
(<-15%)



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Place:- Mumbai

Date:- 27th October, 2022