

INITIATING COVERAGE

SCODA TUBES LIMITED



NOVEMBER 2025

ANALYSTS

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Scoda Tubes Ltd. | BUY | Target Price: Rs 240 | Upside: 49%**Integrated, Accredited and tailwind driven**
MONARCH
 NETWORK CAPITAL

We initiate coverage on Scoda Tubes with a BUY rating and TP of Rs240. This under-researched idea has undergone a transformational scale-up, expanding its land parcel and capacity manifold, through strategic accreditations and commissioning of a captive hot-piercing plant. This backward integration eliminated dependence on imported hollows, unlocked opportunities to bid for government tenders, and materially expanded margins. Scoda is now doubling its seamless finishing capacity and adding new capacity for welded pipes. These expansions position the company to potentially achieve ~Rs10bn in revenue by FY29e, delivering a powerful 22% & 40% CAGR in revenue & PAT resp. over FY25–28E. Robust demand from the power sector, expanding global approvals, low threat from new entrants and sustained supply tightness reinforce our conviction for re-rating, alongside structural margin gains and improved cash conversion.

- Evolution through integration and accreditation:** After the current management took control in 2016, the company rapidly evolved its operations, expanding the land parcel by 8x in the last 5 years. Total production capacity also increased from 1,700 tonnes/annum to 21,000 tonnes/annum. This significant growth in sales and manufacturing footprint was made possible by consistently securing successful qualifications and accreditations in leading Oil & gas, power, process industries, EPC and engg. companies, both in domestic and global markets. The crucial backward integration step involved commissioning a captive hot piercing plant in FY23, which eliminated reliance on imported mother hollow tubes. This hot piercing capability opened doors for large government tenders that now mandate the use of Indian-origin material and triggered massive margin expansion.
- Capacity expansion to unlock growth potential:** Despite having substantial backward integration capacity, Scoda's immediate growth was constrained by a shortage in seamless pipe finishing capacity and the lack of a welded pipe product line. To unlock this potential, Scoda is pursuing a capex program aimed at doubling the seamless cold finishing capacity and adding new welded pipe capacity. This capex was completely financed through the equity raise (pre-IPO and IPO) worth Rs2.75bn. A separate land parcel has been acquired for the welded capacity, with equipment ordered and commissioning anticipated by April 2026, leaving additional space for future expansion. We expect Scoda to achieve a maximum revenue of ~Rs10bn from these capacities by FY29, translating into a robust financial performance, i.e. 22% revenue and a 40% PAT CAGR over the FY25–28E.
- What drives our conviction in the thesis?** The fundamental conviction in Scoda is driven by strong underlying market demand and a deficit on supply. The Power sector is forecasted to be the primary demand driver for the 3-5 years, supported by major thermal power capacity additions announced by NTPC and Adani Power. Scoda is well-positioned to scale up utilization by securing new approvals from entities like ADNOC, SABIC, Reliance, BARC, large BHEL tenders that require Indian-made products, expanding its presence in the US and Europe and replacing imports. We expect a low threat from new capacities due to the gestation period to receive approvals. Margin expansion is anticipated due to an improved product mix, specifically the elimination of low-margin hollow tube, the full utilization of the hot piercing plant and efficiencies of scale. Finally, the introduction of welded pipes, which have a significantly shorter cash conversion cycle (around 90 days), is expected to improve working capital turnover and lead to better cash flow conversion in the coming years.
- Valuation, view & key risks:** We value Scoda tubes at a 19x Sept'27 PE (which is 20% discount to the PE attributed to value its peers Ratnamani metals) due to the best in industry earnings growth and very competent return ratios. We arrive at a TP of Rs240/sh and initiate coverage with a BUY rating. **Key Risks:** Weakness in export demand, commodity price risk, delay in setting up of new welded plant.

Target Price	240	Key Data	
		Bloomberg Code	SCODATUB :IN
CMP*	161	Curr Shares O/S (mn)	59.9
		Diluted Shares O/S(mn)	59.9
Upside	49%	Mkt Cap (Rsbn/USDmn)	9.7/108
Price Performance (%)		52 Wk H / L (Rs)	231/136
	1M 6M 1Yr	3M Average Vol.	190000
SCODATUB	-1.6	8.9	8.9
Nifty 50	0.1	4.0	7.4

Source: Bloomberg, ACE Equity, MNCL Research

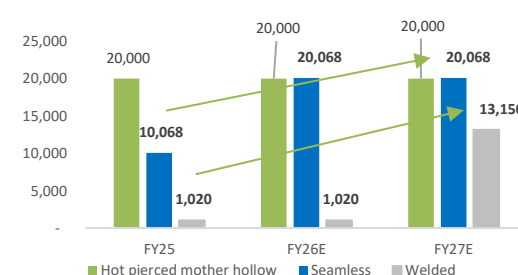
Shareholding pattern (%)

	Sept-25	Jun-25
Promoter	66.4	66.4
FII's	7.8	8.1
DII's	6.9	7.9
Others	18.9	17.6

Source: BSE

Why should you read this report?

- Understand why Scoda tubes is well placed in terms of approvals and demand tailwinds to capture market and grow aggressively.
- Import data for seamless and welded stainless steel pipes & tubes to substantiate our thesis.
- Reasons for margin expansion and release in working capital.

Capacity expansion and demand tailwinds to drive strong growth for Scoda Tubes (MT)

Source: Company, MNCL Research Estimates

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Y/E Mar (Rs mn)	Revenue	YoY (%)	EBITDA	EBITDA (%)	Adj PAT	YoY (%)	Adj EPS	RoE (%)	RoCE (%)	P/E (x)	EV/EBITDA (x)
FY23	3,051	57.3	348	11.4	103	531.3	80.5	21.1	9.1	NM	NM
FY24	3,999	31.0	588	14.7	183	77.1	142.6	12.0	11.2	NM	NM
FY25	4,849	21.3	781	16.1	317	73.5	7.2	13.3	12.6	NM	NM
FY26E	5,849	20.6	884	15.1	504	58.7	8.4	15.9	9.4	19.2	11.0
FY27E	7,261	24.1	1,110	15.3	634	26.0	10.6	16.8	10.6	15.2	8.8
FY28E	8,709	20.0	1,358	15.6	876	38.1	14.6	16.4	13.8	11.0	6.8

Source: Company, MNCL Research estimates, Consolidated Financials

Index

Investment Thesis in Charts.....	4
FAQ's – What drives our conviction for the company?	5
Capacity expansion to unlock growth	11
Peer Comparison – Scoda tubes in the evolution phase.....	14
Evolved through accreditations and backward integration	16
Financial Analysis	22
Valuation – Attractive for a re-rating play	24
Key risks to our thesis.....	25
Financials (Consolidated).....	26

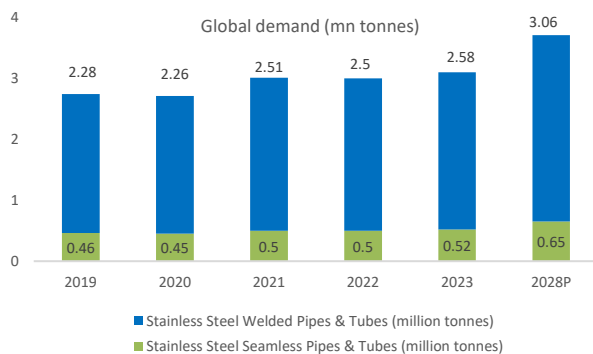
Investment Thesis in Charts

Exhibit 1: India's imports of both seamless and welded SS pipes & tubes have halved in the last 6 years

in tonnes	FY20	FY21	FY22	FY23	FY24	FY25	FY20-25 CAGR	FY26 YTD (Aug)	FY25 YTD (Aug)	YoY - %
Welded imports	86,055	51,110	48,137	47,902	46,714	39,891	-14%	18,003	17,788	1%
Seamless imports	14,540	9,656	10,876	10,875	6,235	7,390	-13%	1,418	1,679	-16%

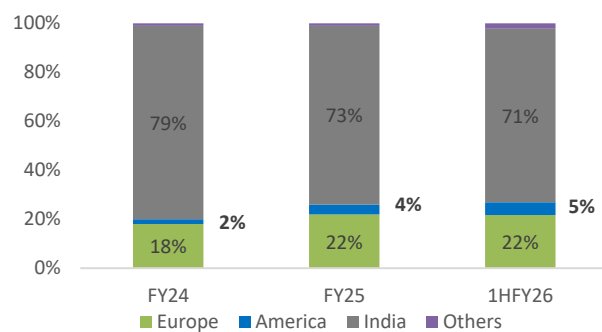
Source: Ministry of Commerce, MNCL Research

Exhibit 2: Scoda has immense potential to ramp up offtake in global markets



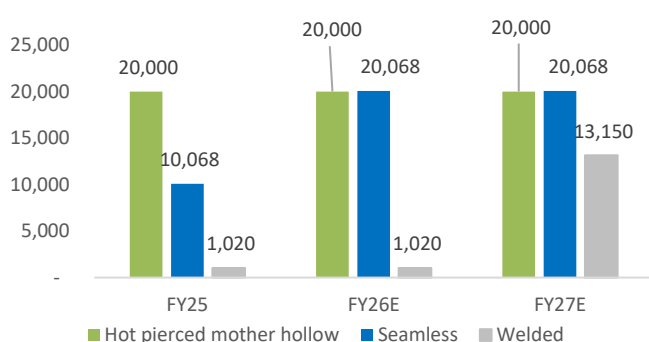
Source: Crisil, MNCL Research

Exhibit 3: Scoda is constantly expanding its presence and entering new geographies like the US and Middle East



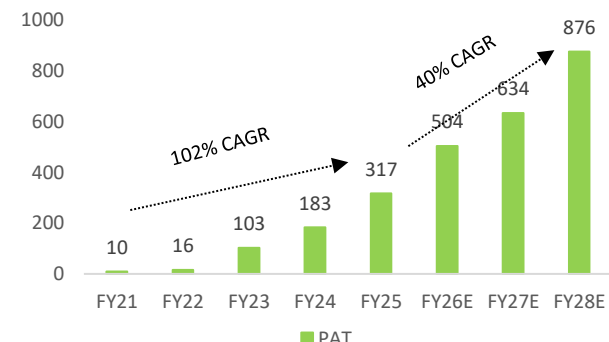
Source: Company, MNCL Research

Exhibit 4: Capacity expansion (MT) in seamless and welded SS pipes & tubes to unlock growth



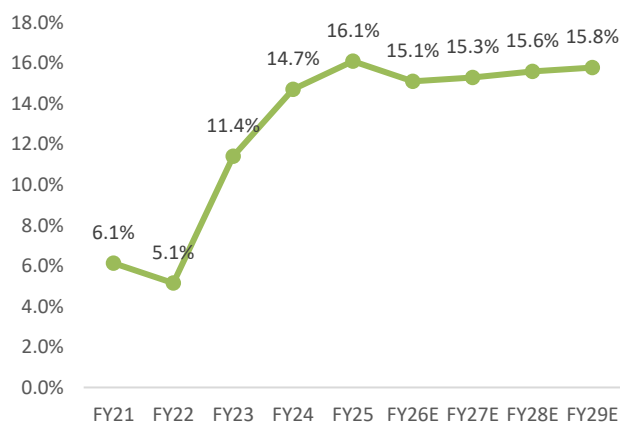
Source: Company, MNCL Research

Exhibit 5: We expect 40% CAGR in PAT over FY25-28E due to strong volume growth and margin expansion



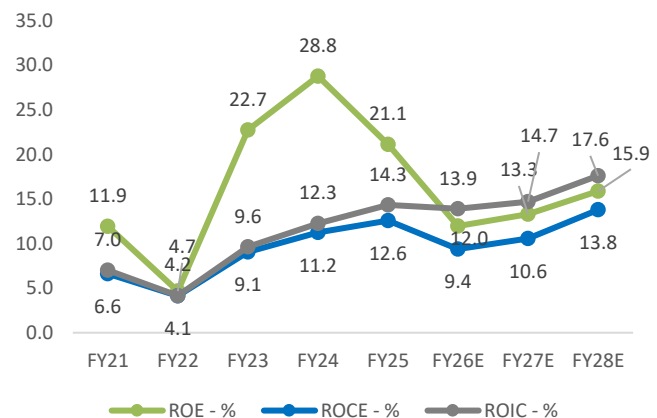
Source: Company, MNCL Research estimates

Exhibit 6: We expect 60-80bps of margin expansion from the existing levels due to improvement in product mix



Source: Company, MNCL Research estimates

Exhibit 7: We expect return ratios to reach 15-17% at optimum utilization of new capex



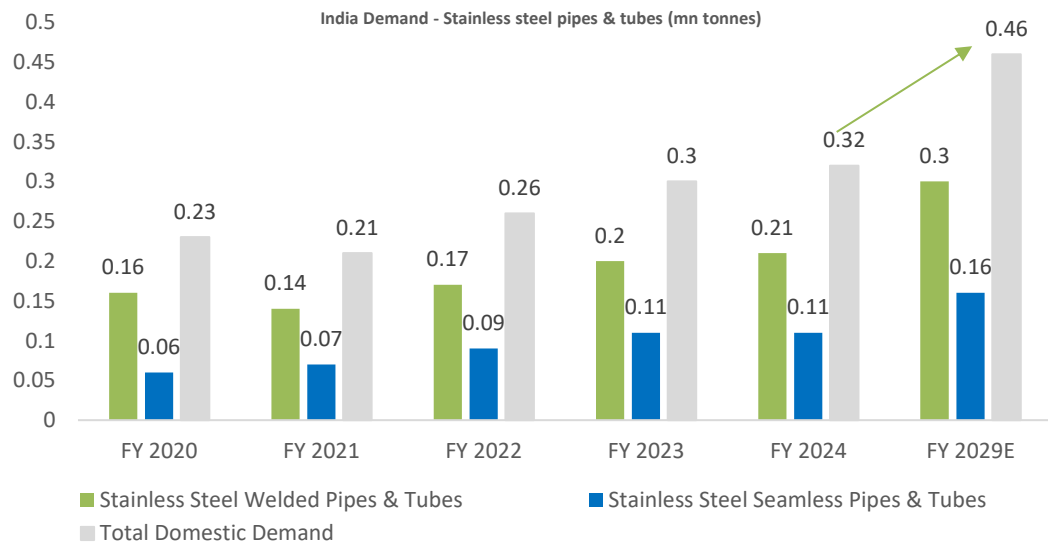
Source: Company, MNCL Research estimates

FAQ's – What drives our conviction for the company?

Q1. What is the annual demand for stainless steel seamless and welded pipes & tubes? Which are the sectors driving high demand for stainless steel pipes & tubes?

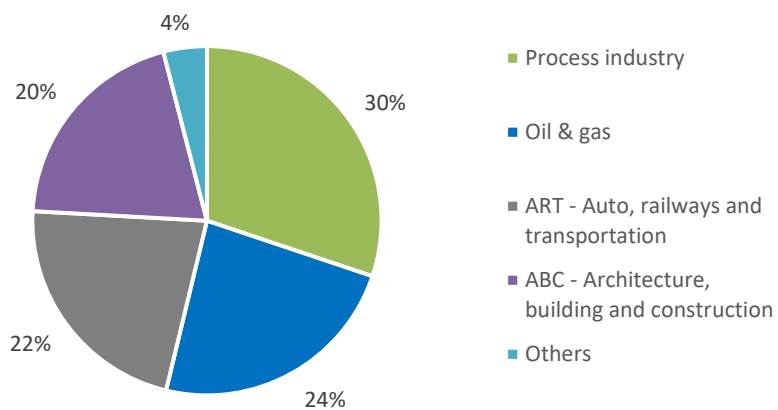
The annual domestic demand in India for stainless steel seamless & welded pipes and tubes was 110 & 210 kilo tonnes/annum resp. in FY24. Some part of this demand was catered by imports and the unorganized players. This demand is expected to grow at a CAGR of 6-8% over FY24-29E.

Exhibit 8: Stainless steel pipes & tubes demand in India is expected to grow at 6-8% CAGR over FY24-29



Source: Company, MNCL Research, Crisil Projections

Exhibit 9: Demand is dominated in industries where Scoda has strong presence



Source: Company, MNCL Research, Crisil Projections

As seen in the exhibit above, Process industries, Oil & gas, automotive and construction are the 4 major demand drivers for these products. While all these end user industries are highly cyclical, we expect the Power industry to drive very strong demand for 2-5years. We discuss this demand in detail in the following page.

Power sector to drive very strong demand in 3years for stainless steel pipes & tubes

Exhibit 10: Large thermal power capacities planned and capex spend started

Company	Existing Thermal Capacity	Planned Thermal Addition - GW	Target Total Thermal Capacity	Timeline / Duration	Estimated Investment
Adani Power	18.15 GW (coal-based)	23.7	41.8 GW	By FY32	₹2tn
NTPC	62.8 GW	27	89.8 GW	By FY31–32	>₹2.25tn
Torrent Power	~2.7 GW gas-based*	6	5-7 GW coal capacity (new)	By 2032	₹600–900bn
JSW Energy	5.7 GW	1.6	7.3 GW	By 2030	Not disclosed
Tata Power	8.8 GW thermal	0	8.8 GW	NA	NA
Total Addition(GW)		58			

Source: Industry, MNCL Research

Exhibit 11: We expect 5-6GW of annual thermal power capacity installations till FY30

GW	Mar-22	Mar-23	Mar-24	Mar-25	YTD FY26
Coal	204	205	211	215	217
Lignite	7	7	7	7	7
Thermal Capacity	211	212	218	222	223
<i>Addition</i>		1	6	4	2

In GW	by FY27	by FY32
Target in NEP	235	260
Implied additions	13	25
Annual capacity expected	6.6	4.9

Source: Industry, MNCL Research

Capacity additions in Thermal power had undergone a slowdown due to shift to renewables. India's peak power demand had reached 243GW in May 2023 for which other sources of power would take ample time for supply, making it clear that thermal power will stay due to its ability to supply stable and firm power during peak hours. Since then, two companies have focused on expanding this thermal power capacity – NTPC and Adani Power. The capacity expansions announced by them and other major players are highlighted in exhibit 10. Based on these new announcements, we expect annual commissioning of new thermal capacities to increase from just 1-2GW to 5-6GW annually for 3-5years.

In FY23, BHEL received its first in 3years EPC order for 2*660MW thermal power plant for NTPC in Talcher. By January'25, NTPC had 17.56GW of thermal capacity under construction and Adani power had 11GW of power capacity under construction. Most of the equipment for the Adani Power order used to be sourced from a Chinese company, which is no longer the preferred supplier due to geopolitical issues leading to a major blessing for BHEL in the 800MW thermal power segment unit in India.

*In FY24, BHEL received 9.6GW of thermal power orders amounting to Rs520bn.
 In FY25, BHEL received 14.6GW of thermal power sector orders – it's highest in this decade.*

Roughly 5-6% of the capex of new power plant is utilized for ordering stainless steel pipes & tubes which leads us to the conclusion that the power industry will keep driving demand for stainless pipes and tubes. Several tenders have already been floated and players like Ratnamani metals, Venus pipes, Welspun Corp. have already been beneficiaries of these tenders.

Q2. Where will Scoda tubes sell volumes to utilize its new seamless capacity? Is there enough demand to absorb the new capacity?

Power industry can be a major driver for Scoda tubes. BHEL is rolling out tenders for the power sector and has eased the criteria, which asks for Indian origin material i.e. both piercing and extrusion can qualify for these orders. Apart from that, Scoda has secured few more approvals from SABIC, ADNOC, BARC, Imperial Auto and Reliance Industries where further volumes will be sold. They have also applied for a few more approvals which will drive sales and diversification. Scoda is also ramping up its sales to the US, which can be seen in the regional split of exports in the first section. The global demand for seamless stainless-steel pipes & tubes is 520 kilo tonnes/annum which is expected to grow at a 3.5% CAGR for 3years and Scoda is expected to maintain its growth traction in exports.

There are few new capacities coming in for seamless, but the new entrants are expected to take couple of years to develop the past track record to get approved in industries like Oil& gas, power, auto etc.

Further our channel checks with leading engg. companies like Thermax, Inox India and Anup engg. indicate that they prefer Scoda tubes due to their timely delivery and superior quality. Therefore, we believe Scoda tubes has a right to win in the seamless pipes & tubes industry.

Q3. Where will Scoda tubes sell volumes to utilize its welded pipes capacity?

The existing end user industries like Oil & gas, power and auto are the ones which have requirement of welded pipes and the existing customers are ready to take offtake. So, large part of the new capacity will be sold to the existing customers and end user industries. Additionally, Scoda will also apply for more approvals in processing industries like Food, pharmaceuticals, chemicals, etc. These approvals will not require 2-3year long past track record and will be relatively quick. Further, the size of pipe manufactured by Scoda is the one where 70-80% of welded pipe demand is concentrated and is growing the most. The domestic welded pipes demand is also catered through imports. Scoda aims to replace these imports and expand market share. Also, the global demand for welded pipes & tubes is 2.5mntonnes where Scoda has established networks and distributors to sell its products.

Q4. Is there severe threat to prices and margins from new capacities and announced expansions in the seamless and welded pipes & tubes industry?

Players which have either announced expansion or are new entrants in the Seamless pipes & tubes industry:

Expansion: Venus pipes & tubes, Ratnamani Metals & tubes. Some new entrants: MAN Industries, Viraj Ltd., Lexcon. We believe that the new entrants will take time to develop their past track record and secure approvals from leading industries. Additionally, MAN and Ratnamani are expected to target the very high value-added segment of seamless pipes & tubes as they have the extrusion process for manufacturing.

Players which have either announced expansion or are new entrants in the Welded pipes & tubes industry:

Expansion: Venus Pipes & tubes. There are no big expansions or new entrants announced on the welded segment, which should lead to minimum threat from new capacities.

Q5. Risk of imports? Can Scoda play the import substitution game?

The DGTR has imposed anti-dumping duties on imports of Seamless stainless pipes & tubes from China in Dec'2022 for a period of 5years. It has also imposed countervailing duties on import of welded pipes & tubes from China since 2019, which was revised for 5years in Sept'2024. Similar duties were also announced on imports of welded pipes & tubes from Vietnam and Thailand in Nov'2024. These duties have meaningfully reduced the imports of both seamless and welded pipes as seen in exhibit 12.

Exhibit 12: Imports for both the segments have more than halved over FY20-25

in tonnes	FY20	FY21	FY22	FY23	FY24	FY25	FY20-25 CAGR	FY26 YTD (Aug)	FY25 YTD (Aug)	YoY - %
Welded imports	86,055	51,110	48,137	47,902	46,714	39,891	-14%	18,003	17,788	1%
Seamless imports	14,540	9,656	10,876	10,875	6,235	7,390	-13%	1,418	1,679	-16%

Exhibit 13: Welded pipes import cater to 1/5th of domestic demand

in tonnes	FY24 Total demand	Imports - FY24	% Imported
Total Welded demand	2,10,000	46,714	22%
Total Seamless demand	1,10,000	6,235	6%

Source: Ministry of commerce and industry, MNCL Research

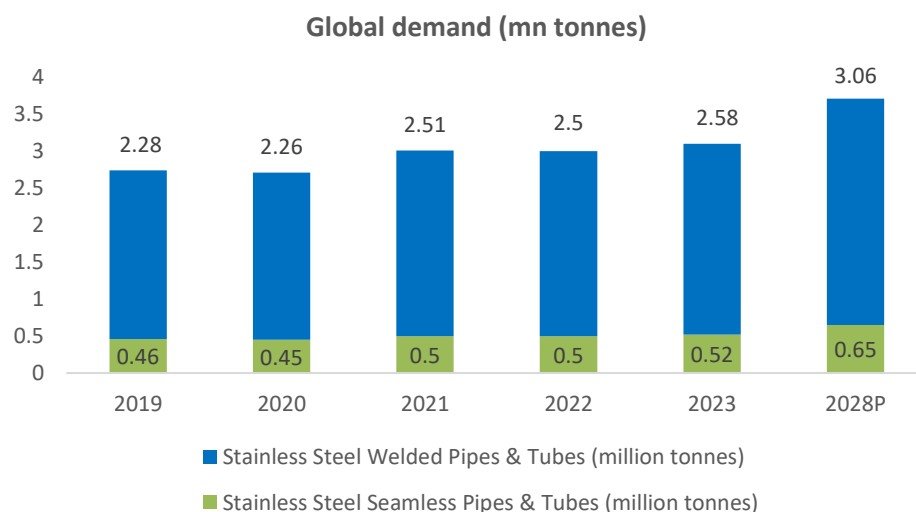
Seamless pipes & tubes continues to witness reduction in imports even in FY26 (visible in exhibit 26) as several government tenders mandate use of India made raw material for the manufacture of pipes & tubes. This would also imply that domestic players having hot extrusion or hot piercing plants will stand to qualify the most and will also lie lowest on the cost curve to manufacture these products. Imports as a % of total demand for seamless pipes & tubes were barely 6% in FY24.

Similarly, imports of welded pipes & tubes have reduced at a CAGR of 13% for the last 6years. However, these imports contributed to 22% of the Indian demand in FY24. Scoda tubes will work on replacing these imports to increase their share in the Indian market.

Q6. How big is the export opportunity for Scoda Tubes?

The global demand for stainless steel pipes and tubes is 3.1mn tonnes/ annum and is expected to grow at a CAGR of 3.5% over CY23-CY28 as per Crisil estimates as shown in the exhibit below:

Exhibit 14: Scoda remains a very small capacity to absorb in the huge global demand



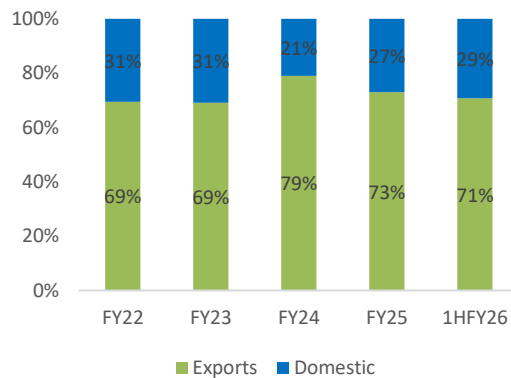
Source: MNCL Research, Crisil

Scoda's production at full capacity as a % of total Global demand: Seamless: 2.5%; Welded: 0.4%
Therefore, we believe that the incremental volume required for Scoda tubes to grow each year, can easily find some place in Global demand due to its existing set of approvals and established distributor network.

Additionally, exhibit 15 shows that Scoda's export dependency has remained in the range of 30-33% in the last 5 years. 60-70% of Scoda's exports are dispatched to countries in Europe. Scoda is continuously expanding its reach in exports markets and that is visible in Exhibit 16 where the penetration in the US market has increased from 2% in FY24 to 5% in 1QFY26. With new approvals from SABIC and ADNOC, we expect the exports to Middle East to increase meaningfully in the coming years.

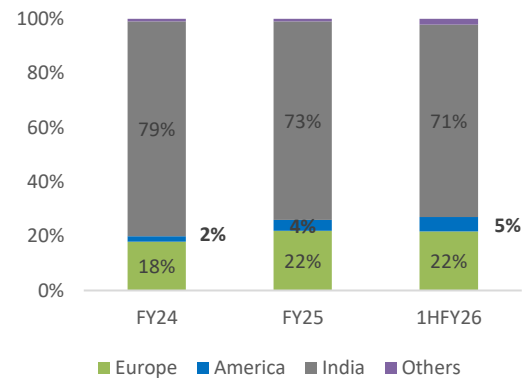
To strengthen its exports, Scoda acquired 100% stake in Arvind sp.z o.o. (Europe) on 1st Sept 2025. This is a trading firm dealing in coated/uncoated steel tubes, pipes & sections. By this acquisition, Scoda will leverage Arvind's local distribution and logistics capabilities in the eastern EU market. This will help increase exports & long-term value creation.

Exhibit 15: Exports contribute 1/3rd of revenues to Scoda tubes



Source: Company, MNCL Research

Exhibit 16: Scoda tubes is successfully increasing its presence in both Europe and America



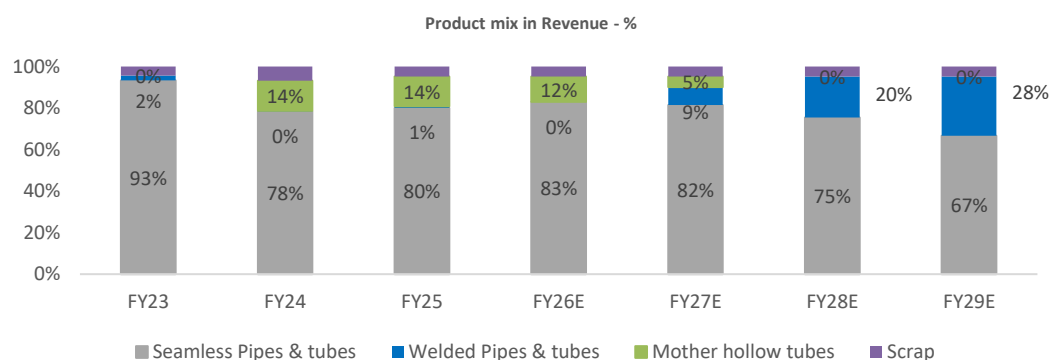
Source: Company, MNCL Research

Q6. What are the factors that will drive margin expansion for Scoda tubes?

We expect margins to improve due to the following factors:

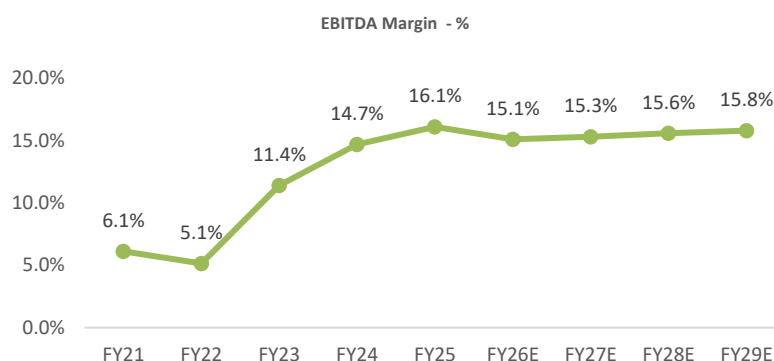
- Improvement in product mix** – elimination of the very low margin hollow tube sales and ramp up of the relatively high margin welded pipes offtake.
- Full sweating of the hot piercing plant**
- Operating leverage at higher utilization levels**

Exhibit 17: Improvement in Product mix to be a large margin driver



Source: Company, MNCL Research estimates

Exhibit 18: We expect 60-80bps of margin expansion for Scoda from current levels of 15% in 1HFY26



Source: Company, MNCL Research estimates

There is an upside risk to our margin estimates due to a favorable product mix. Increase in exports from current levels or a favorable change in product mix (increase proportion of value-added tubes) can lead to more than expected margins for Scoda tubes. A favorable product mix was the main reason for the 16% margins in FY25.

Q7. Why do we expect the cash conversion cycle to improve from current levels?

The ramp up of welded pipes in the revenue mix is expected to be the largest reason for tapering of the cash conversion cycle and unlocking of working capital in 3years. Welded pipes have a lower cash conversion cycle vs. seamless pipes & tubes due to a shorter manufacturing process.

Cash conversion days for welded pipes & tubes – 90days

This cycle is also dependent on the contribution of exports to the revenue mix.

We remain conservative on our estimates and there can be further reduction in the cash conversion cycle depending on the granular product mix.

Exhibit 19: We expect cash conversion cycle at ~150days by FY28E

Cash conversion cycle	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Inventory days	171	156	163	165	155	150	148
Receivable days	62	82	76	80	78	70	70
Payable days	81	75	74	75	73	68	65
Cash conversion cycle	151	162	164	170	160	152	153

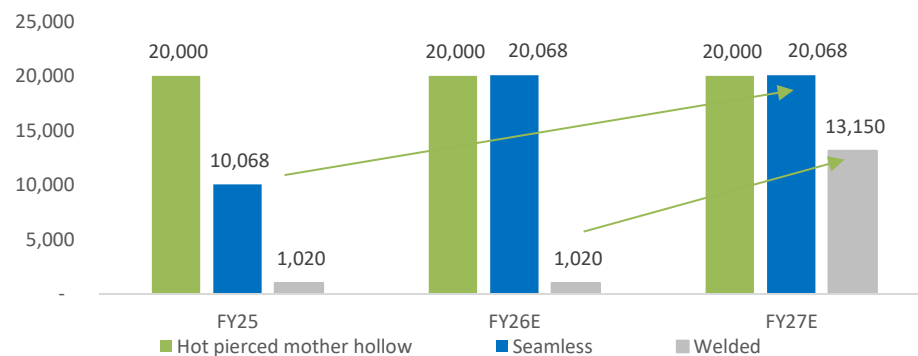
Source: Company, MNCL Research estimates

Capacity expansion to unlock growth

As discussed in the previous sections, despite having a large backward integration capacity, Scoda's growth was limited due to the shortage of finishing capacity for seamless pipes & tubes. Another major requirement by the existing customers was to provide a range of products catering to their complete needs and applications. This essentially means inclusion of welded pipes to the product portfolio. Therefore, Scoda decided to pursue an expansion of their seamless cold finishing capacity and welded pipe capacity from the proceeds of the IPO.

Scoda tubes is pursuing expansion as explained in the exhibit below:

Exhibit 20: Capacity expansion in both seamless and welded to drive growth (MTPA)



Source: Company, MNCL Research

The total capex for this expansion is Rs1.1bn and the new seamless capacity is partially commissioned as seen in the exhibit below. With two more finishing lines expected to get commissioned by Dec'25, Scoda will reach the nameplate capacity of 20,000 tonnes/annum.

Exhibit 21: New Seamless pipes & tubes capacity commissioned at Mehsana

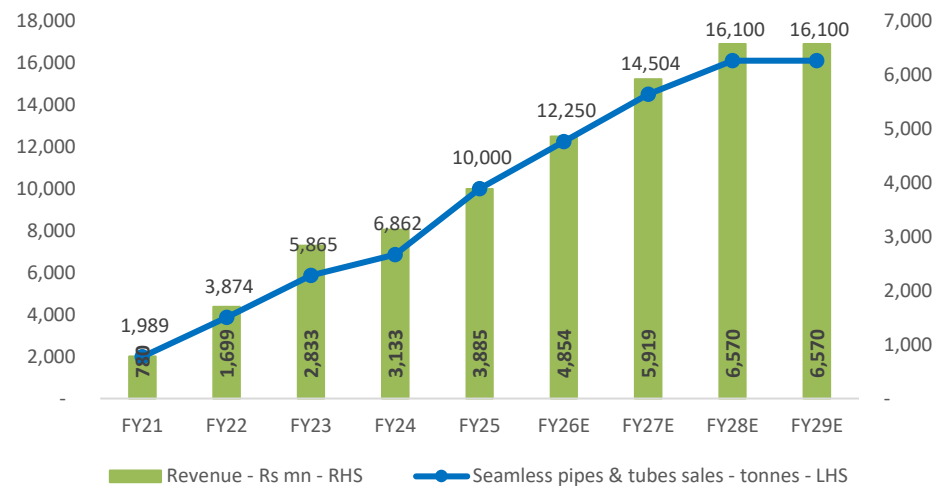


Source: Company, MNCL Research

A separate land piece has been acquired for installing the welded capacity in Mehsana, very close to the existing land parcel. The equipment for the welded pipe capacity has been already ordered, and we expect the commissioning to happen in the month of Apr'26. This new land parcel will only be half occupied, leaving space for further expansion of welded capacity at the same location.

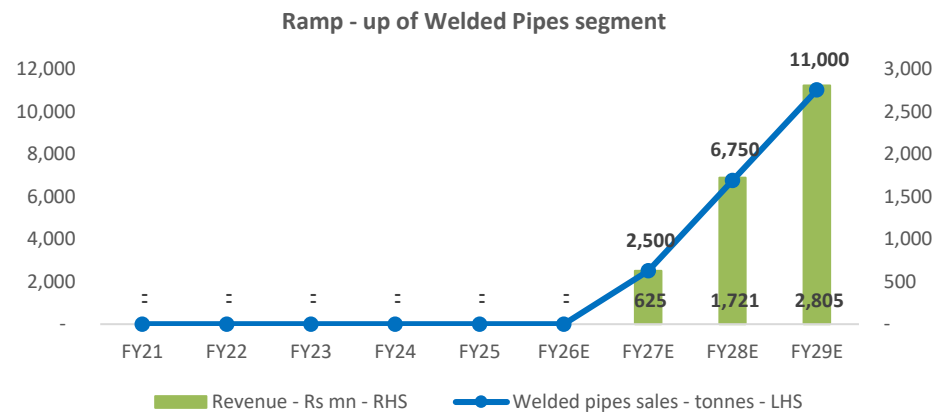
We expect a maximum revenue potential of ~Rs10bn from these expanded capacities, achievable in FY29e. We model for a gradual ramp up of these capacities due to the existing competition in both domestic and export markets. Details of the sales volume and revenue ramp up of each division is as shown in the exhibits below:

Exhibit 22: Factoring 17% / 19% CAGR over FY25-28E for sales volumes and revenue in the Seamless pipes & tubes segment



Source: Company, MNCL Research estimates

Exhibit 23: We expect optimum utilization in the welded pipes division in 3-years i.e. FY29e



Source: Company, MNCL Research estimates

Expansion financed through IPO proceeds

Scoda tubes has raised a total of Rs2.75bn in two rounds of fund raise to finance the expansion and working capital requirements for the next leg of growth. The details of the proceeds and utilization of the same are stated in the table below:

Exhibit 24: Scoda tubes has primarily used the proceeds to fund the next leg of growth

Date of fund raise	Amount raised	Shares issued in mn	Use of the proceeds
2HFY25	Rs550mn	4.4	Utilised to fund the seamless pipe & tube expansion
June'25	Rs2.2bn	15.7	Utilised to fund the capacity expansion and working capital requirement + general corporate purposes

Source: Company, MNCL Research

Of the above fund raise – Rs1.1bn is being earmarked towards capacity expansion; and the rest being towards working capital and GCP.

Peer Comparison – Scoda in the evolution phase

In the following exhibit, we present a detailed comparison in the operational and financial performance of the 3 listed players – Ratnamani Metals, Venus Pipes and Scoda tubes.

Please note: Ratnamani Metals does not report the split numbers for its carbon steel and stainless-steel divisions (including seamless and welded) and therefore the numbers in the exhibit below are on blended basis and may not be comparable for several parameters, especially the per tonne basis metrics.

Exhibit 25: Scoda tubes is in the evolution journey that has been largely completed by Venus and Ratnamani Metals

Peer Comparison	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26
Revenue mix - %							
Seamless Stainless-steel pipes & tubes							
Ratnamani Metals	NA	NA	NA	NA	NA	NA	NA
Venus Pipes	19%	31%	31%	45%	57%	57%	56%
Scoda Tubes	70%	74%	88%	93%	78%	80%	NA
Welded Stainless Steel pipes & tubes							
Ratnamani Metals	NA	NA	NA	NA	NA	NA	NA
Venus Pipes	70%	62%	57%	46%	39%	36%	38%
Scoda Tubes	28%	24%	6%	2%	0%	1%	NA
Realization - Rs/tonne - Seamless SS							
Venus Pipes	2,99,456	3,07,495	3,86,489	4,58,101	4,35,812	4,14,135	NA
Scoda Tubes	3,60,000	3,92,000	4,39,000	4,83,000	4,57,000	3,88,450	NA
Exports - %							
Ratnamani Metals (SS & CS)	20%	25%	14%	19%	24%	36%	NA
Venus Pipes	3%	5%	11%	5%	12%	35%	39%
Scoda Tubes	NA	NA	31%	31%	21%	27%	29%
RM cost/tonne - blended							
Ratnamani Metals (SS & CS)	NA	63,668	82,670	96,701	1,01,341	95,056	87,789
Venus Pipes	1,90,332	2,48,223	2,71,942	3,38,681	2,60,172	2,46,852	NA
Scoda Tubes	2,51,458	2,68,548	3,25,157	3,11,254	2,46,057	2,38,646	NA
Gross margins - %							
Ratnamani Metals (SS & CS)	34.3%	36.0%	33.0%	34.2%	34.2%	35.0%	37.3%
Venus Pipes	11.7%	15.5%	18.6%	19.5%	28.3%	33.3%	33.0%
Scoda Tubes	13.9%	17.2%	17.0%	30.3%	34.5%	30.6%	31.8%
Employee cost - %							
Ratnamani Metals (SS & CS)	5.6%	6.2%	5.1%	4.7%	5.1%	6.0%	7.4%
Venus Pipes	1.5%	1.0%	1.6%	1.8%	2.8%	4.0%	4.3%
Scoda Tubes	1.1%	1.3%	1.5%	1.8%	1.8%	1.7%	1.9%
Other expenses - %							
Ratnamani Metals (SS & CS)	12.3%	12.4%	12.1%	12.2%	11.4%	13.1%	13.4%
Venus Pipes	3.7%	3.2%	4.2%	5.2%	7.3%	11.8%	12.5%
Scoda Tubes	8.5%	9.7%	10.4%	17.1%	17.9%	12.9%	14.8%
Stores & spares - %							
Ratnamani Metals (SS & CS)	2.9%	2.9%	2.6%	2.5%	2.4%	2.7%	NA
Venus Pipes	0.6%	0.6%	0.9%	1.0%	1.0%	2.3%	NA
Scoda Tubes	NA	2.1%	3.0%	5.8%	8.4%	4.4%	NA
Power & fuel - %							
Ratnamani Metals (SS & CS)	1.5%	1.9%	1.8%	1.8%	1.7%	1.8%	NA
Venus Pipes	0.9%	0.6%	0.8%	1.1%	2.1%	3.3%	NA
Scoda Tubes	NA	1.9%	1.8%	3.3%	3.6%	2.9%	NA
Ebitda/tonne - blended							
Ratnamani Metals (SS & CS)	NA	17,300	19,443	25,455	27,305	24,273	23,753
Venus Pipes	14,108	33,014	42,500	52,643	66,170	64,694	NA
Scoda Tubes	12,232	19,857	20,164	50,923	55,219	55,372	NA
EBIDTA margins - %							
Ratnamani Metals (SS & CS)	16.4%	17.4%	15.8%	17.3%	17.7%	15.9%	16.6%
Venus Pipes	6.5%	11.2%	12.7%	12.5%	18.2%	17.5%	16.3%
Scoda Tubes	4.2%	6.1%	5.1%	11.4%	14.7%	16.1%	15.1%

Source: Companies, MNCL Research

Key Observations from the exhibit and its implications for Scoda tubes are as follows:

1. **Revenue mix:** the current revenue mix of Scoda tubes is heavy on seamless SS pipes & tubes but also consist of substantial sales of mother hollows. This is absent for Venus pipes, which has substantial sales of welded SS pipes & tubes. We expect hollow tubes sales to get eliminated in FY28 for Scoda tubes. Also, we expect Scoda tubes to play the welded pipes journey starting FY27, thereby fully evolving into a comprehensive SS pipes & tubes supplier.
2. **Realization:** We observe that within the Seamless SS pipe & tube segment, Scoda has been historically selling its product at par or at slight premium to Venus Pipes. Therefore, we believe that the product size and grade of Scoda is very much comparable to that of Venus pipes. With the inclusion of welded pipes, Scoda will further have a complete product basket, to increase offtake and add new end user industries.
3. **Exports:** Scoda tubes has been a major player in exports, especially for the Europe region and has maintained 25-30% dependency on exports. This is now expanding to other countries like the US and Middle East. The peers also have roughly 1/3rd of revenue dependency on exports.
4. **Blended RM cost/tonne and Gross margins** – Post the installation of the Hot piercing plant, the RM cost & gross margins for Scoda tubes is very much comparable to the industry standards and is expected to further reduce once the production of welded pipes starts in FY27. This metric is not comparable to Ratnamani metals due to presence of carbon steel pipes. Gross margins may vary slightly due to change in revenue mix – heavy on pipes or tubes for a particular period.
5. **Employee cost and Other operational expenses** – Scoda tubes continues to be lowest on employee expenses which will witness some increase with the start of welded pipe plant. We expect other expenses (as a % of revenue) to also reduce for Scoda tubes once the welded pipe plant scales up as welded pipes is low on operational expense due to a relatively process light manufacturing process as compared to seamless SS pipes & tubes. Therefore, we expect a reduction in stores and spares consumption expenses going forward for Scoda tubes.
6. **EBITDA/tonne and margins:** We expect margins and ebitda/tonne to improve for Scoda tubes due to elimination of low margin hollow tube sales, full sweating of the hot piercing plant and lower operational expense profile of welded pipes. Some efficiencies of scale will further improve margins on optimum utilization.

Evolved through accreditations and backward integration

Scoda tubes is a leading integrated manufacturer of Stainless-steel seamless pipes & tubes, seamless U tubes, instrumentation tubes and stainless-steel welded tubes with a ~6% market share in India. They are leading suppliers to industries in the Oil & gas, power, chemicals, fertilizers, pharmaceuticals, automotive and transportation. Over the last decade, their manufacturing facility has received several approvals and accreditations from world's leading engineering companies, EPC companies, and their direct end customers in the industries mentioned above. The seamless plant of Scoda tubes is located at Kadi, Mehsana, Gujarat in the hub for stainless steel pipes & tubes.

Scoda, with experience and qualified management and manufacturing team, has evolved and expanded its presence through backward integration and several accreditations. As shown in exhibit 26 below, the company was incorporated in 2008 but taken over by the current management in 2016. At the time of acquisition, Scoda had a land parcel of just 9429 sq. meters and a production capacity of only 1700tonnes/annum. But this entity had several important approvals from the likes of Engineers India Ltd., HPCL, Siemens and several fertilizer companies. Scoda had just entered exports with some dispatches to Europe. The new management, after taking over the control, has expanded the land parcel from 9,429sq. meters to 77,011 sq. meters, expanded the production capacity from a mere 1700tonnes/ annum to 21,000 tonnes/annum along with a backward integration plant of 20,000 tonnes/annum. The expansion journey and its timeline is explained in much more detail in the following exhibit.

Exhibit 26: Consistent adding land for expansion and optimizing capacity utilization



Source: Company, MNCL Research, Sales volume and Production capacity is a sum of seamless and welded stainless steel pipes & tubes.

This expansion, both in the land parcel and the sales volumes, was only possible due to the successful qualifications and accreditations received by Scoda tubes over the last 9 years.

The approvals in some of these vital industries need 3-4years of past track record and a superior quality product. Scoda tubes is approved at all large Oil & gas and power companies, several large engineering companies like Thermax, ISGEC, Anup Engineering and approved at large EPC players like L&T, EIL, etc. The list of accreditations is not only limited to the domestic market. The following exhibit has a comprehensive list of accreditations received by Scoda tubes.

Exhibit 27: Key approvals and Accreditations which has led to the evolution of Scoda Tubes

Year / Period	Key Milestones & Achievements
2008	Incorporation of the company / Commencement of operations.
2010	- Operated on a land parcel of 9,429 sq. mtrs with a capacity of 1,700 MT/year. - Commenced exports to Hong Kong, Spain, Belgium, Germany, UK & Italy.
2012	Received approval from BHEL (H.E.E.P Haridwar) for supply of products.
2013	- Received approvals from GNFC and IFFCO (Kandla & Kalol Units). - Received registration from KRIBHCO. Entered petroleum & power sector, supplying to HPCL and Siemens.
2014	Received approval from Engineers India Limited (EIL) for supply of products.
2016	Current management took over the company

2017	- Increased production capacity from 1,700 MT/year to 2,140 MT/year, expanding into two halls. - Started exports to Finland, Czech Republic, Netherlands, and the Middle East. - Began supplies to Chemical, Pharmaceutical, Mining & Engineering sectors. - Supplied products to Department of Atomic Energy, Government of India. - Received approval from BHEL Hyderabad.
2018	- Entered Power sector (Triveni Turbine). - Entered Mining & Engineering after approval from BEML. - Received approval from BHEL Bhopal & Jhansi.
2019	- Expanded unit, increasing capacity to 2,740 MT/year. - Registered & received trademark for 'Scoda Tubes. - Started exports to Poland, Brazil & Portugal.
2020	- Increased production to 3,340 MT/year. - During COVID-19 pandemic – supplied to Pfizer, Jubilant Lifesciences, Nikkiso Cosmo Dyne. - Started exports to Sweden. - Began supply to major government railway companies.
2021	- Purchased new land, total 15,034 sq. mtrs. - Supplied to Maire Tecnimont (EPC contractor) for Kinetics Energy Project.
2022	- Commenced exports to USA, Denmark & Romania. - Increased capacity to 5,140 MT/year with five new halls. - Supplied to 'BrahMos' missile systems. - Land increased to 21,199 sq. mtrs. - Supplied to Laxmi Organics. Supplied to Banaras Locomotive Works, Rail Coach Factory, Western & Central Railways.
2023	- Supplied to Australia. - Installed new production line – capacity 7,540 MT/year. - Supplied to NTPC Bilaspur, Modern Coach Factory, Chittaranjan Locomotive Works. - Received ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certifications. - Sponsored Stainless Steel World Exhibition (Netherlands). - Received DNV marine sector approval.
2024...	- Acquired 48,212 sq. mtrs of new land resulting in a total of 69,411 sq. mtrs of land bank. - Focused on Middle East – approvals from SABIC, started supply in Saudi Arabia. - Approvals in process from Lloyds Marine, Rina Marine, KNPC & KOC. - Supplied to Eastern & Northeastern Railways. - Achieved production capacity of 11,088 MT/year.

Source: Company, MNCL Research

With an endeavor to continuously expand its customer reach, Scoda has gained approvals from ADNOC, BARC, Reliance and Imperial Auto in the recent past. They have also applied for few more approvals in the marine segment, expected to be converted in 2quarters.

Backward Integration – A must now to qualify for large government tenders

With the imposition of anti-dumping duties on imports of seamless and hollow stainless-steel tubes from China, importing hollow tubes (a raw material used to manufacture seamless pipes & tubes) was impossible. Scoda was very much prepared with its captive mother hollow manufacturing hot piercing plant, commissioned in May 2022 to tackle this development. With this hot piercing plant (Capacity: 20,000tonnes/annum), Scoda procured stainless steel bars from local manufacturers like Mukand Ltd., Viraj, etc. and converted it into mother hollow tubes of various sizes. With rising demand in the recent years from the power industry, the government tenders have relaxed the criteria and started allowing Hot Piercing process to bid for the orders. **The criteria now mandate use of pipes/ tubes, which are made from Indian origin material and can be either extruded or pierced.** This has helped Scoda tubes qualify for several large government tenders.

Exhibit 28: Hot piercing mill has eliminated reliance on imports for mother hollow



Source: Company, MNCL Research

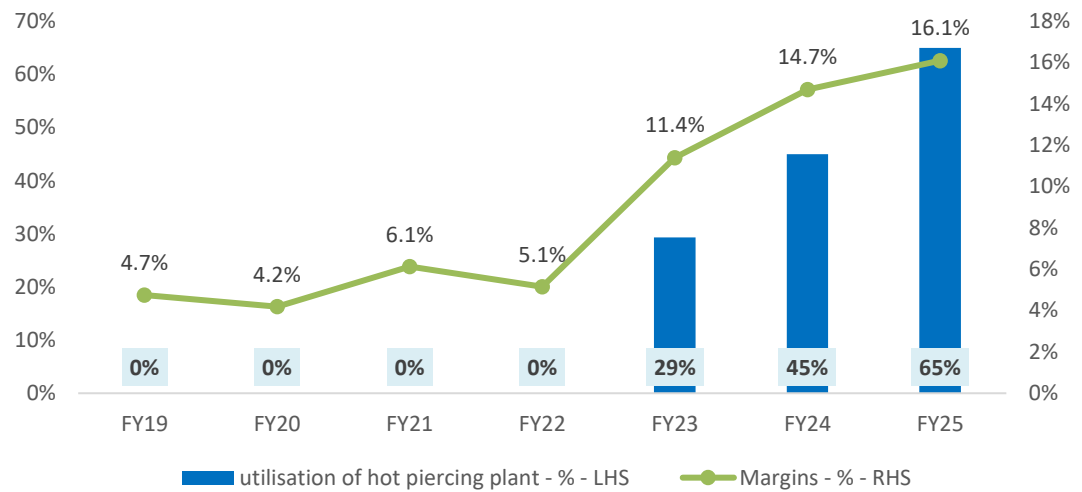
Exhibit 29: Hot piercing mill with a capacity of 20,000 tonnes at Scoda's Mehsana plant



Source: Company, MNCL Research

Scoda has witnessed a sharp increase in gross margins and reduction in its operational expenses post the switch to captive backward integration in FY23, which is also reflected in their EBITDA margins as shown in the exhibit below:

Exhibit 30: EBITDA margin expansion which triggered due to backward integration from FY23



Source: Company, MNCL Research

With rising utilization levels, the margin trajectory has improved as seen in the exhibit above. The hot piercing process involves heating and piercing at very high temperatures which requires heavy power. With about 65% utilization in FY25, the bottleneck for Scoda tubes is the limitation in forward processing of these pipes due to shortage of capacity (finishing capacity at 10,000 tonnes). Hot piercing plant has a high cost of shutdown due to which it is kept running despite not fully sweating the asset. Some capacity of this piercing plant is used to manufacture hollow tubes, which are in turn sold to local manufacturers. The hollow tubes have very low margins thereby not realizing the full potential and returns on this asset.

A comprehensive product portfolio with well diversified customer base

Exhibit 31: Scoda has a rich mix of commodity and value added pipes & tubes

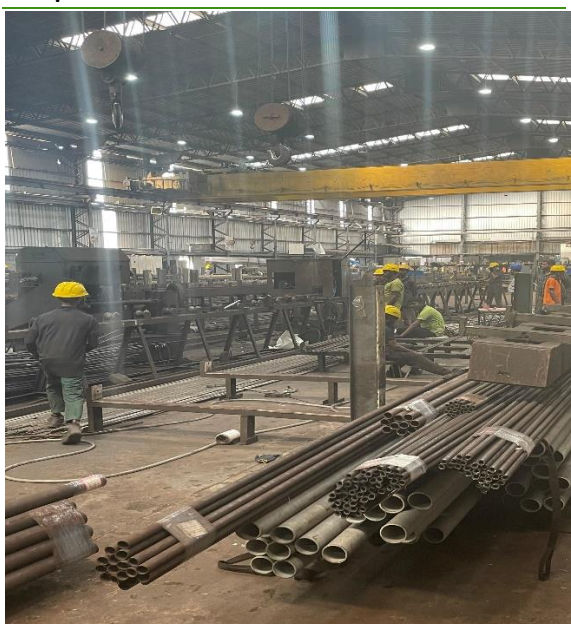
SS ¹ seamless pipes	SS seamless tubes	SS seamless "U" tubes	SS instrumentation tubes	SS welded tubes / "U" tubes
				
OD: 1/8" NB to 6" NB THK: Sch10s to Sch80s Length: Single random length and double random length	OD: 6.00mm to 101.6mm THK: 0.70mm to 6.00mm Length: Up to 22 Mtr	OD: 6.00mm to 50.80mm THK: 0.70mm to 4.00mm Length: Up to 22 Mtr	OD: 6.00mm to 50.80mm THK: 0.80mm to 6.00mm Length: Up to 18.000 Mtr	OD: 6.00mm to 60.30mm THK: 0.80mm to 4.00mm Length: Up to 18.000 Mtr
Application: By industries having high pressure application	Application: In heat exchangers, Air fin Coolers, Condensers, LP/HP heaters & boilers	Application: In heat exchangers, Air fin Coolers, Condensers, LP/HP heaters & boilers	Application: By industries having high pressure application	Application: By industries having low pressure application

Source: Company, MNCL Research

As shown in the exhibit above, Scoda tubes has a comprehensive product portfolio with a rich mix of high value-added seamless tubes for the Oil & gas, power, auto and engineering industry which includes U tubes, heat exchanger tubes and instrumentation tubes and the standard set of seamless pipes. In FY24, 77% of Scoda's revenue was catered by Seamless pipes & tubes, 7% by U tubes and the rest by instrumentation tubes.

Stainless steel pipes & tubes have a replacement cycle of 5-6years with some products used in the Sugar industry have a much shorter replacement cycle. 40% of Scoda's offtake is catered through the replacement demand and rest is new capex led demand.

Exhibit 32: Heat Exchanger tubes manufactured at the plant



Source: Company, MNCL Research

Exhibit 33: U tubes manufactured at the plant



Source: Company, MNCL Research

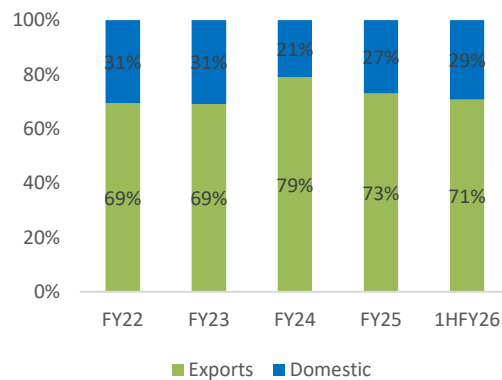
End user industry: Oil & gas, Power and Auto contributed to majority of the offtake.

Roughly half of the sales in FY24 happened to engineering companies like ISGEC, Thermax, The Anup Engineering etc., which in turn use these tubes to make engineering products like Heat Exchangers etc., for end use in Oil & gas industry and power industries.

Low Customer concentration risk (FY24): Top 5 customer contributed to 36% of revenue and top 10 contributed to 47% implying a low customer concentration risk.

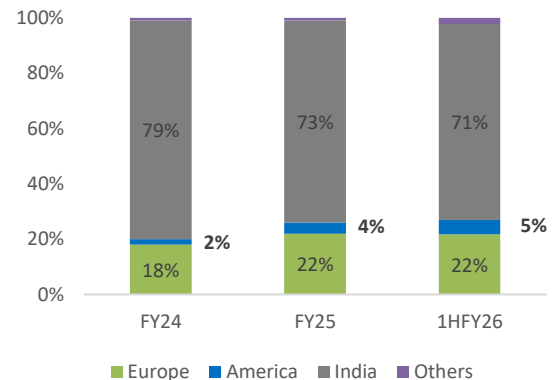
Exports: Scoda has added several new approvals to the export geography which has led to 20-30% of its offtake supplied to export markets mainly Europe. Scoda exports to a total of 32 countries worldwide. As seen in the exhibit below, Scoda is continuously expanding in newer geographies.

Exhibit 34: Exports contribute 1/3rd of revenues to Scoda tubes



Source: Company, MNCL Research

Exhibit 35: Scoda tubes is successfully increasing its presence in both Europe and America



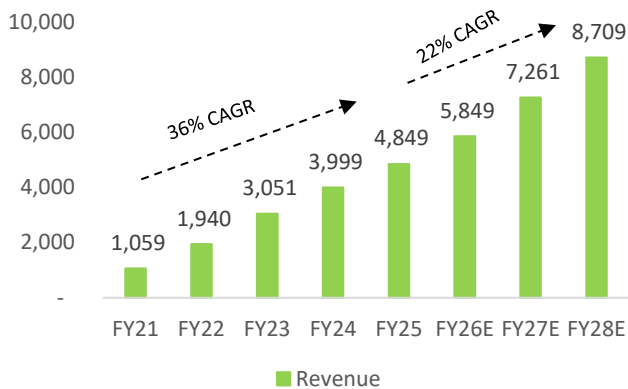
Source: Company, MNCL Research

Financial Analysis

A. Scoda tubes to beat the industry growth rate due to market penetration:

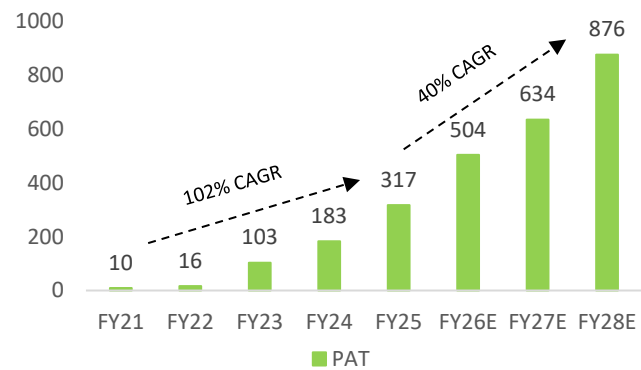
We expect Scoda's revenue and earnings to grow faster than the underlying domestic industry growth due to rising market share, addition of the welded pipes product, increasing penetration in exports and addition of new end user industries and approvals.

Exhibit 36: Factoring 22% revenue CAGR over FY25-28E



Source: Company, MNCL Research estimates

Exhibit 37: ... and a robust 40% CAGR in PAT over FY25-28E

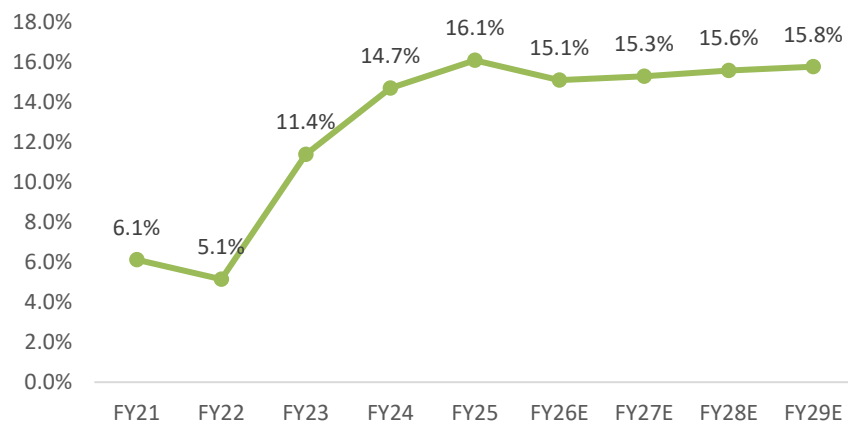


Source: Company, MNCL Research estimates

B. EBITDA margins to reach 15.6% level in FY28E:

As highlighted in the FAQ section, we expect margins to expand from the 1HFY26 levels due to improving product mix, scale efficiencies and full sweating of the hot piercing plant.

Exhibit 38: We expect 60-80bps margin expansion from the existing margin trajectory

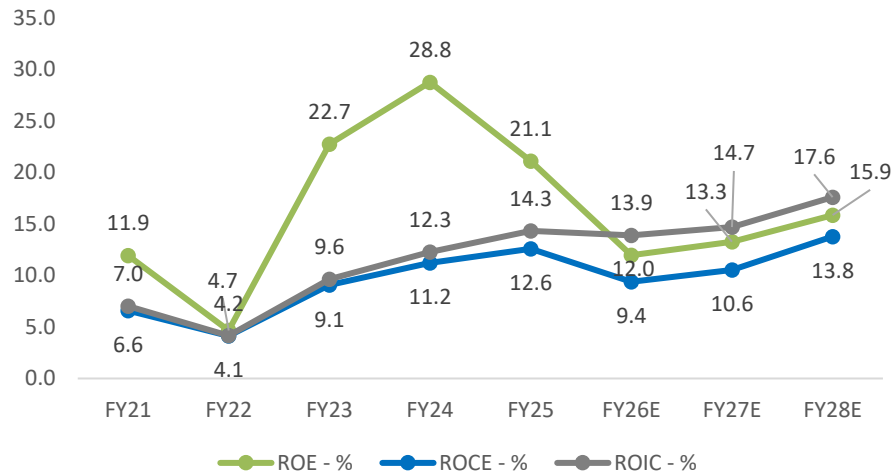


Source: Company, MNCL Research estimates

C. Return ratios to slightly moderate, yet remain healthy at 15%+ in FY28E:

Historically, Scoda has a higher ROE which has got adjusted due to the IPO fund raise. Going ahead, we expect return ratios to stabilize 16-17% level in FY29 on complete seating of the new capex and end of the capex cycle including payback of the debt from internal accruals.

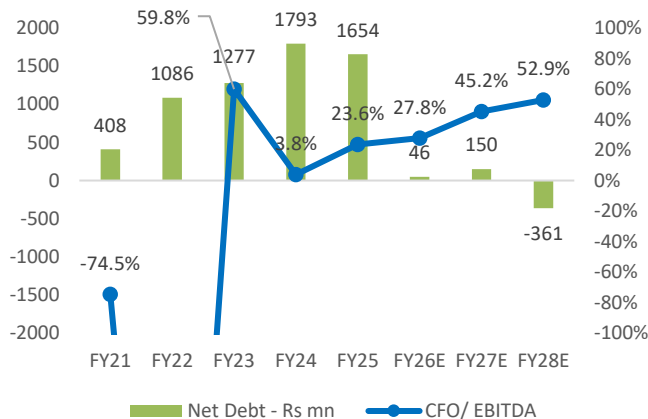
Exhibit 39: We expect return ratios to reach its full potential in FY29 once capex stops and utilization reaches optimum levels



Source: Company, MNCL Research estimates

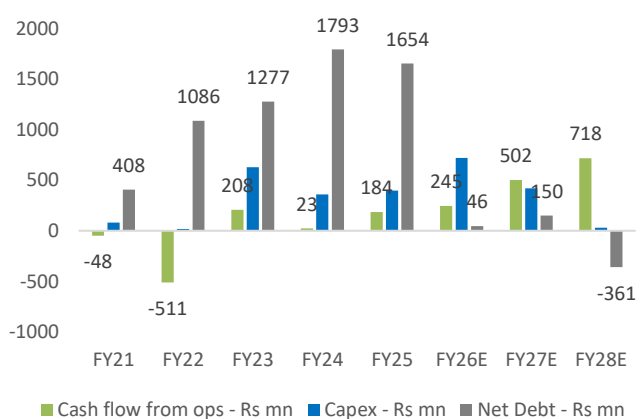
D. Cash flow conversion to gradually improve, debt to be paid back in 2-3years: With the IPO proceeds, Scoda tubes has enough cash to not only fund its capex but also its working capital requirement. As the scale improves, we expect the cash flow conversion also to improve for the company. We do not expect any debt burden or need to raise debt in the next 3years for Scoda. The company will have enough cash flows to repay its debt by FY27/ FY28E as per our estimates.

Exhibit 40: Cash flow conversion to improve with increase in scale of operations



Source: Company, MNCL Research estimates

Exhibit 41: Capex to be funded by internal accruals, balance to be utilized for debt repayment



Source: Company, MNCL Research estimates

Valuation – Attractive for a re-rating play

Scoda tubes has evolved as a company through the ideal route of earning approvals, accreditations and in-roads in value added applications. With new capacities, the growth story for 3years has already been unlocked and we expect strong growth ahead as the company executes on the planned ramp up. The financial metrics are also expected to improve substantially once the asset is optimally utilized and debt is paid back. In the exhibit below, we expect Scoda to deliver best earnings growth among its peers with very competent returns RoE/ROCE. Despite this, the company trades at a discounted but attractive valuations of 15.2x/ 11.0x FY27E/ FY28E EPS.

Exhibit 42: With industry leading earnings growth and improving ROE/ ROIC, we expect re-rating for Scoda

Company	Mkt Cap - Rs mn	CAGR FY25-28E (%)			EBITDA margins - %				ROE - %			
		Revenue	EBITDA	PAT	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Ratnamani Metals	1,72,146	7.8	11.2	10.6	15.9	17.2	17.3	17.5	15.9	15.1	14.2	14.8
Venus Pipes & Tubes	26,213	22.3	21.0	27.2	17.5	16.4	16.6	16.7	17.5	16.9	18.5	19.9
Scoda Tubes Ltd.	9,636	21.6	20.3	40.3	16.1	15.1	15.3	15.6	21.1	12.0	13.3	15.9

Company	Mkt Cap - Rs mn	ROIC - %				EV/EBITDA - x				PE Ratio - x			
		FY25	FY26E	FY25	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Ratnamani Metals	1,72,146	15.1	15.4	22.5	17.3	22.5	17.6	15.8	13.4	34.9	29.5	27.7	23.6
Venus Pipes & Tubes	26,213	15.6	15.4	23.6	19.8	23.6	14.5	11.6	9.0	40.7	24.4	18.3	13.7
Scoda Tubes Ltd.	9,636	14.3	13.9	14.7	17.6	NA	11.0	8.8	6.8	NA	19.2	15.2	11.0

Source: Ratnamani Metals & Venus Pipes numbers are MNCL Research estimates, data as on 24th Nov 2025, ROE reduced in FY26 for Scoda due to equity raise

We value Scoda tubes at a 19x Sept'27 PE (which is 20% discount to the PE attributed to value Ratnamani metals). The discount is largely due to the lower scale and the larger product portfolio present with the peer. We arrive at a TP of Rs240/sh and initiate coverage with a BUY rating.

Exhibit 43: Valuation

Valuation	Sept'27
PER Valuation	
EPS - Rs/sh	12.6
Attributed PE Ratio - x	19
TP - Rs/sh	240
CMP	161
Upside	49%

Source: Company, MNCL Research estimates

Key risks to our thesis

- **Impending quota reduction by Europe:** starting 1st July'26, Europe is expected to reduce its quotas for imports which can lead to dent in export volumes of Scoda tubes. While the company is leaving no stone unturned to work on backup plans to avoid any large risk to its sales, we might have to reduce our sales volume estimates in case of any severe impact of this.
- **Tariff headwind for exports to the US:** Despite the increase in the tariff for exports to the US, Scoda has been able to retain its margins and rather increase its sales.
- **Rising competition from domestic market:** With the rising demand, there are several new capacities being installed. If the large industries decide to relax the past track record criteria, there may be pressure on pricing and margins due to the sudden increase in competition. However, we expect very low possibility of this scenario.
- **Delay in commissioning the new welded pipes plant:** Any regulatory or supply chain related risk, teething issues and customer approval related delays can lead to push back in our utilization levels for the new welded pipes project.
- **Stainless Steel Price risk:** Due to weak RM prices mainly scrap steel, the prices of stainless-steel pipes and tubes have corrected meaningfully (more than 15%) in the last 2years. With the increase in demand for steel post monsoon, we expect prices to be maintained at current levels. Any further drop in steel prices may lead to downside risk in our revenue estimates.

Financials

Exhibit 44: Income Statement

Y/E March - Rs mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenues	1059	1940	3051	3999	4849	5849	7261	8709
Materials cost	877	1611	2126	2620	3364	4106	5075	6097
% of revenues	82.8	83.0	69.7	65.5	69.4	70.2	69.9	70.0
Employee cost	14	29	55	74	81	105	131	157
% of revenues	1.3	1.5	1.8	1.8	1.7	1.8	1.8	1.8
Others	103	201	523	717	624	755	944	1097
% of revenues	9.7	10.4	17.1	17.9	12.9	12.9	13.0	12.6
EBITDA	65	100	348	588	781	884	1110	1358
EBITDA margin (%)	6.1	5.1	11.4	14.7	16.1	15.1	15.3	15.6
Depreciation & Amortisation	13	15	115	164	181	94	142	144
EBIT	52	85	233	424	599	789	968	1214
Interest expenses	39	72	116	191	220	200	200	103
Other income	1	10	27	26	40	82	78	57
Exceptional items								
PBT	14	23	144	259	419	671	846	1169
Taxes	5	7	40	76	102	168	211	292
Effective tax rate (%)	33.5	29.2	28.1	29.5	24.2	25.0	25.0	25.0
PAT	10	16	103	183	317	504	634	876

Exhibit 45: Key Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Growth Ratio (%)								
Revenue	-2.8	83.2	57.3	31.0	21.3	20.6	24.1	20.0
EBITDA	42.1	54.0	248.2	69.0	32.8	13.2	25.7	22.3
Adjusted PAT	-7.1	71.4	531.3	77.1	73.5	58.7	26.0	38.1
Margin Ratios (%)								
Gross	17.2	17.0	30.3	34.5	30.6	29.8	30.1	30.0
EBITDA	6.1	5.1	11.4	14.7	16.1	15.1	15.3	15.6
Adjusted PAT	0.9	0.8	3.4	4.6	6.5	8.6	8.7	10.1
Return Ratios (%)								
ROE	11.9	4.7	22.7	28.8	21.1	12.0	13.3	15.9
ROCE	6.6	4.1	9.1	11.2	12.6	9.4	10.6	13.8
ROIC	7.0	4.2	9.6	12.3	14.3	13.9	14.7	17.6
Turnover Ratios (days)								
Gross block turnover ratio (x)	10.2	18.4	4.9	3.4	3.6	2.7	2.7	3.2
Debtors	68	66	62	82	76	80	78	70
Inventory	179	142	171	156	163	165	155	150
Creditors	98	20	81	75	74	75	73	68
Cash conversion cycle	149	189	151	162	164	170	160	152
Solvency Ratio (x)								
Net Debt/equity	5.1	3.1	2.8	2.8	1.1	0.0	0.0	-0.1
Interest coverage ratio	1.3	1.2	2.0	2.2	2.7	4.0	4.8	11.8
Net debt/EBITDA	6.3	10.9	3.7	3.1	2.1	0.1	0.1	-0.3
Current Ratio	1.4	1.2	1.1	1.1	1.3	2.1	2.1	2.4
Per share Ratios (Rs)								
Adjusted EPS	26.5	12.8	80.5	142.6	7.2	8.4	10.6	14.6
BVPS	221.7	273.5	354.0	495.5	34.0	70.2	79.8	92.2
CEPS	63.4	24.7	169.9	270.2	11.3	10.0	13.0	17.0
DPS	0.0	0.0	0.0	0.0	0.0	0.0	1.1	2.2
Dividend payout %	0%	0%	0%	0%	0%	0%	10%	15%
Valuation (x)*								
P/E (adjusted)						19.2	15.2	11.0
P/BV						2.3	2.0	1.7
EV/EBITDA						11.0	8.8	6.8
Dividend yield %						0.0%	0.7%	1.4%

Source: Company, MNCL Research Estimates

Exhibit 46: Balance Sheet

Y/E March (Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Sources of Funds								
Equity Share Capital	4	13	13	13	442	599	599	599
Reserves & surplus	76	338	442	623	1,062	3,608	4,179	4,924
Shareholders' fund	80	351	454	636	1504	4207	4778	5523
Total Debt	439	1099	1393	2027	2102	2102	2102	1083
Def tax liab. (net)	-2	-3	-4	3	0	0	0	0
Lease liabilities	0	3.76	3.77	3.79	3.79	3.79	3.79	3.79
Minority interest	0	0	0	0	0	0	0	0
Total Liabilities	517	1451	1847	2670	3610	6314	6885	6611
Gross Block	103	106	621	1176	1349	2194	2714	2744
Less: Acc. Depreciation	0	0	0	360	540	635	777	921
Net Block	103	106	621	816	809	1559	1937	1823
Capital WIP	10	346	0	0	225	100	0	0
Intangible assets	0	0	0	1	1	1	1	1
Net Fixed Assets	114	452	621	816	1035	1661	1938	1824
Non-Current Investments	0	5	9	9	9	9	9	9
Inventories	431	626	995	1119	1498	1856	2155	2505
Sundry debtors	197	353	516	893	1011	1282	1552	1670
Cash & Bank balance	31	8	107	224	439	2047	1943	1435
Loans & Advances	42	2	0	0	0	0	0	0
Other assets	10	114	133	242	471	471	471	471
Total Current Asset	712	1107	1759	2488	3428	5665	6130	6091
Trade payables	235	87	475	539	685	844	1015	1136
Other current Liab.	65	16	28	87	161	161	161	161
Provisions	8	5	30	9	8	8	8	8
Net Current Assets	404	999	1227	1853	2575	4653	4946	4786
Total Assets	517	1450	1848	2670	3610	6314	6885	6611

Source: Company, MNCL Research Estimates

Exhibit 47: Cash Flow

Y/E March (Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Operating profit bef working capital changes	66	110	374	602	795	884	1110	1358
Trade and other receivables	-219	-413	-549	-379	-117	-272	-270	-119
Trade payables	110	-201	423	65	145	159	171	121
Net change - WC	-44	-505	249	57	249	413	713	1010
Cash flow from operations	-48	-511	208	23	184	245	502	718
Net Capex	-82	-17	-629	-358	-399	-720	-420	-30
Others	45	-341	342	-108	-41	82	78	57
Cash flow from investing activities	-37	-358	-288	-466	-439	-638	-342	27
Proceeds from borrowings	128	660	294	634	76	0	0	-1019
Interest paid	-39	-72	-116	-191	-220	-200	-200	-103
Others	0	258	0	0	550	2200	-63	-131
Cash flow from financing	89	846	178	443	406	2000	-263	-1253
Net change in cash	4	-23	99	0	151	1607	-104	-508

Source: Company, MNCL Research Estimates

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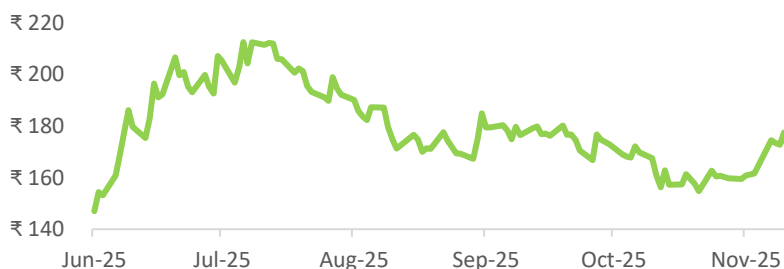
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