Ravinder Kumar

BSE : 500336 | NSE : SURYAROSNI

# FINANCIAL MODELING REPORT

(A Comprehensive DCF and Comparable Comps Valuation)

SURYA

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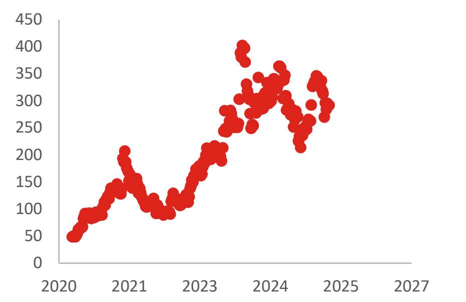
## SURYA ROSHNI LTD - ONE PAGE PROFILE

Surya Roshni Limited is a diversified Indian multinational company established in 1973, specializing in steel pipes and lighting products, and also producing fans, home appliances, and PVC pipes. Significant manufacturer in both the steel pipe and lighting sectors in India, with a strong international presence exporting to numerous countries. The company is known for its technological focus, particularly in LED lighting, and has grown significantly from its origins as a small steel tube unit to a large group with substantial turnover and a commitment to innovation.

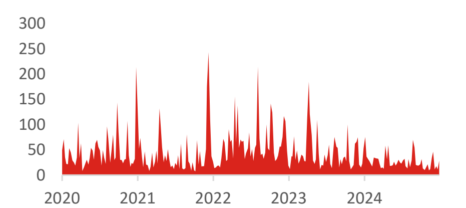
| Key Financial Matrix | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 |
|---|---|---|---|---|---|
| Sale | 5,554.37 | 7,730.07 | 7,995.95 | 7,808.52 | 7,435.22 |
| Sale Growth (y-o-y) | 1.56% | 39.17% | 3.44% | -2.34% | -4.78% |
| GP Margin | 14.01% | 13.30% | 15.24% | 14.49% | 18.36% |
| EBITDA Margin | 6.79% | 5.72% | 7.68% | 7.33% | 7.79% |
| EBIT Margin | 4.94% | 4.32% | 6.24% | 5.83% | 6.14% |
| EBT Margin | 3.77% | 3.57% | 5.74% | 5.69% | 6.28% |
| EAT Margin | 2.82% | 2.65% | 4.19% | 4.21% | 4.69% |
| EPS | 7.19 | 9.40 | 15.41 | 15.11 | 16.01 |
| EPS Growth | 53.12% | 30.72% | 63.89% | -1.91% | 5.94% |
| DPS | 0.74 | 0.98 | 1.73 | 2.49 | 5.50 |
| DPS Growth | 47.79% | 32.65% | 76.61% | 43.99% | 120.61% |

### Share Price - 5 Year



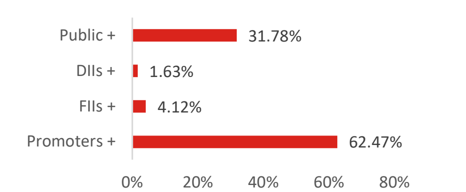

| Key Financial Ratio | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 |
|---|---|---|---|---|---|
| EV / Sale | 0.47 x | 0.37 x | 0.50 x | 0.70 x | 0.68 x |
| EV / EBITDA | 6.92 x | 6.42 x | 6.51 x | 9.61 x | 8.70 x |
| EV / Earning | 16.66 x | 13.89 x | 11.92 x | 16.72 x | 14.46 x |
| P/E | 11.99 x | 11.00 x | 10.67 x | 16.81 x | 15.26 x |
| P/B | 1.37 x | 1.46 x | 1.92 x | 2.56 x | 2.16 x |
| ROCE | 13.08% | 15.63% | 21.88% | 20.87% | 18.40% |
| ROE | 11.46% | 13.24% | 18.02% | 15.20% | 14.14% |

### Share Volume - 5 Year




| Managerial Remuneration | Designation | Median Salary |
|---|---|---|
| Jai Prakash Agarwal | Executive Chairman | 374.69 |
| Raju Bista | MD | 214.16 |
| Vinay Surya | MD | 199.89 |
| Kaustubh N Karmarkar | WTD | 22.44 |
| Puja Surya | WTD | 4.34 |
| B B Singal | CFO & CS | NA |
| Jitendra J Agrawal | CEO–Lighting & Consumer | NA |

### Shareholding Pattern




| Top Shareholder | No of Share (Cr) | % | MKT Cap (In Cr) |
|---|---|---|---|
| DIWAKAR MARKETING PRIVATE LIMITED | 2.26 | 10.36% | 609.30 |
| CUBITEX MARKETING PRIVATE LIMITED | 1.94 | 8.93% | 525.38 |
| SHREYANSH MERCANTILE PRIVATE LIMITED | 1.27 | 5.84% | 343.48 |
| SAHAJ TIE-UP PRIVATE LIMITED | 1.25 | 5.74% | 337.76 |
| DICORD COMMODEAL PRIVATE LIMITED | 0.91 | 4.16% | 244.87 |
| SHIRIN COMMODEAL PRIVATE LIMITED | 0.85 | 3.89% | 228.72 |
| S M VYAPAAR PRIVATE LIMITED | 0.79 | 3.65% | 214.42 |
| GOEL DIE CAST LIMITED | 0.77 | 3.54% | 208.37 |
| ZATCO VYAPAR PRIVATE LIMITED | 0.56 | 2.58% | 151.69 |
| HENCO COMMERCIALS PRIVATE LIMITED | 0.51 | 2.36% | 138.73 |

| Capital Structure | |
|---|---|
| No of Share | 21.76 |
| MKT Value | 270.20 |
| **MKT Cap** | **5,881** |
| Add : Debt | 16 |
| Add : Pref | 0 |
| Less : Cash | 296 |
| **Enterprise Value** | **5,600** |

## Future Vision

**Vision :** Be a Dynamic, Innovative and Profitable global automotive organization to emerge as the preferred supplier and employer and create value for all stakeholders.

**Mission :** Be a complete automotive system solutions provider and build a brand recognized by vehicle manufacturers all over the world.

**Value :** Commitment to Stakeholders, Passion for Excellence, Open Communication, Integrity & Fairness, Nurture Talent, Competency & Willingness, Respect & Humility.

**SURYA ROSHNI LTD**

## HISTORICAL FINANCIAL STATEMENT

| INCOME STATEMENT | Mar-16 | Mar-17 | Mar-18 | Mar-19 | Mar-20 | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 | LTM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Sale | ₹ 2,964.16 | ₹ 3,887.16 | ₹ 4,937.81 | ₹ 5,980.39 | ₹ 5,469.02 | ₹ 5,554.37 | ₹ 7,730.07 | ₹ 7,995.95 | ₹ 7,808.52 | ₹ 7,435.22 | ₹ 7,146.55 |
| *Sale (y-o-y)* | | *31.14%* | *27.03%* | *21.11%* | *-8.55%* | *1.56%* | *39.17%* | *3.44%* | *-2.34%* | *-4.78%* | *-3.88%* |
| COGS | ₹ 2,448.06 | ₹ 3,235.41 | ₹ 4,204.71 | ₹ 5,153.24 | ₹ 4,685.69 | ₹ 4,776.01 | ₹ 6,701.99 | ₹ 6,777.06 | ₹ 6,676.80 | ₹ 6,070.05 | ₹ 6,648.48 |
| *COGS % Sale* | *82.59%* | *83.23%* | *85.15%* | *86.17%* | *85.68%* | *85.99%* | *86.70%* | *84.76%* | *85.51%* | *81.64%* | *93.03%* |
| **Gross Margin** | **₹ 516.10** | **₹ 651.75** | **₹ 733.10** | **₹ 827.15** | **₹ 783.33** | **₹ 778.36** | **₹ 1,028.08** | **₹ 1,218.89** | **₹ 1,131.72** | **₹ 1,365.17** | **₹ 498.07** |
| *GP %* | *17.41%* | *16.77%* | *14.85%* | *13.83%* | *14.32%* | *14.01%* | *13.30%* | *15.24%* | *14.49%* | *18.36%* | *6.97%* |
| Selling & Admin Exp | ₹ 273.56 | ₹ 338.65 | ₹ 387.17 | ₹ 455.10 | ₹ 429.73 | ₹ 401.40 | ₹ 585.60 | ₹ 604.93 | ₹ 559.58 | ₹ 786.00 | - |
| *S&G % Sale* | *9.23%* | *8.71%* | *7.84%* | *7.61%* | *7.86%* | *7.23%* | *7.58%* | *7.57%* | *7.17%* | *10.57%* | *0.00%* |
| **EBITDA** | **₹ 242.54** | **₹ 313.10** | **₹ 345.93** | **₹ 372.05** | **₹ 353.60** | **₹ 376.96** | **₹ 442.48** | **₹ 613.96** | **₹ 572.14** | **₹ 579.17** | **₹ 498.07** |
| *EBITDA % Sale* | *8.18%* | *8.05%* | *7.01%* | *6.22%* | *6.47%* | *6.79%* | *5.72%* | *7.68%* | *7.33%* | *7.79%* | *6.97%* |
| Depreciation | ₹ 61.01 | ₹ 83.61 | ₹ 87.31 | ₹ 88.51 | ₹ 103.47 | ₹ 102.70 | ₹ 108.38 | ₹ 115.41 | ₹ 117.27 | ₹ 122.74 | ₹ 124.14 |
| *Depreciation % Sale* | *2.06%* | *2.15%* | *1.77%* | *1.48%* | *1.89%* | *1.85%* | *1.40%* | *1.44%* | *1.50%* | *1.65%* | *1.74%* |
| **EBIT** | **₹ 181.53** | **₹ 229.49** | **₹ 258.62** | **₹ 283.54** | **₹ 250.13** | **₹ 274.26** | **₹ 334.10** | **₹ 498.55** | **₹ 454.87** | **₹ 456.43** | **₹ 373.93** |
| *EBIT % Sale* | *6.12%* | *5.90%* | *5.24%* | *4.74%* | *4.57%* | *4.94%* | *4.32%* | *6.24%* | *5.83%* | *6.14%* | *5.23%* |
| Interest Exp | ₹ 96.43 | ₹ 112.72 | ₹ 105.16 | ₹ 115.07 | ₹ 114.11 | ₹ 69.79 | ₹ 63.63 | ₹ 44.84 | ₹ 24.05 | ₹ 20.73 | ₹ 20.96 |
| *Interest % Sale* | *3.25%* | *2.90%* | *2.13%* | *1.92%* | *2.09%* | *1.26%* | *0.82%* | *0.56%* | *0.31%* | *0.28%* | *0.29%* |
| Other Income | ₹ 1.69 | ₹ 0.80 | ₹ 2.66 | ₹ 4.11 | ₹ 3.35 | ₹ 4.67 | ₹ 5.72 | ₹ 5.22 | ₹ 13.78 | ₹ 31.48 | ₹ 36.64 |
| *Other Income % Sale* | *0.06%* | *0.02%* | *0.05%* | *0.07%* | *0.06%* | *0.08%* | *0.07%* | *0.07%* | *0.18%* | *0.42%* | *0.51%* |
| **EBT** | **₹ 86.79** | **₹ 117.57** | **₹ 156.12** | **₹ 172.58** | **₹ 139.37** | **₹ 209.14** | **₹ 276.19** | **₹ 458.93** | **₹ 444.60** | **₹ 467.18** | **₹ 389.61** |
| *EBT % sale* | *2.93%* | *3.02%* | *3.16%* | *2.89%* | *2.55%* | *3.77%* | *3.57%* | *5.74%* | *5.69%* | *6.28%* | *5.45%* |
| Tax | ₹ 23.69 | ₹ 31.29 | ₹ 48.08 | ₹ 51.70 | ₹ 37.16 | ₹ 52.64 | ₹ 71.62 | ₹ 123.65 | ₹ 115.74 | ₹ 118.78 | ₹ 100.02 |
| *Effective Tax Rate* | *27.30%* | *26.61%* | *30.80%* | *29.96%* | *26.66%* | *25.17%* | *25.93%* | *26.94%* | *26.03%* | *25.42%* | *25.67%* |
| **EAT** | **₹ 63.10** | **₹ 86.28** | **₹ 108.04** | **₹ 120.88** | **₹ 102.21** | **₹ 156.50** | **₹ 204.57** | **₹ 335.28** | **₹ 328.86** | **₹ 348.40** | **₹ 289.59** |
| *EAT % Sale* | *2.13%* | *2.22%* | *2.19%* | *2.02%* | *1.87%* | *2.82%* | *2.65%* | *4.19%* | *4.21%* | *4.69%* | *4.05%* |
| No of Share | 17.54 | 17.54 | 21.76 | 21.76 | 21.76 | 21.76 | 21.76 | 21.76 | 21.76 | 21.76 | |
| EPS | ₹ 3.60 | ₹ 4.92 | ₹ 4.97 | ₹ 5.56 | ₹ 4.70 | ₹ 7.19 | ₹ 9.40 | ₹ 15.41 | ₹ 15.11 | ₹ 16.01 | |
| *EPS Growth* | | *36.74%* | *0.94%* | *11.88%* | *-15.45%* | *53.12%* | *30.72%* | *63.89%* | *-1.91%* | *5.94%* | |
| DPS | ₹ 0.25 | ₹ 0.47 | ₹ 0.50 | ₹ 0.50 | ₹ 0.50 | ₹ 0.74 | ₹ 0.98 | ₹ 1.73 | ₹ 2.49 | ₹ 5.50 | |
| *DPS Growth* | | *86.30%* | *7.48%* | *0.00%* | *0.00%* | *47.79%* | *32.65%* | *76.61%* | *43.99%* | *120.61%* | |
| *DPS Payout Ratio* | *6.94%* | *9.46%* | *10.07%* | *9.00%* | *10.64%* | *10.27%* | *10.43%* | *11.24%* | *16.49%* | *34.35%* | |
| **Retained Earning** | **93.06%** | **90.54%** | **89.93%** | **91.00%** | **89.36%** | **89.73%** | **89.57%** | **88.76%** | **83.51%** | **65.65%** | |

| BALANCE SHEET | Mar-16 | Mar-17 | Mar-18 | Mar-19 | Mar-20 | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 |
|---|---|---|---|---|---|---|---|---|---|---|
| Equity Share Capital | 43.83 | 54.41 | 54.41 | 54.41 | 54.41 | 53.61 | 53.33 | 53.81 | 54.24 | 108.78 |
| Reserves | 647.63 | 896.51 | 992.91 | 1,097.52 | 1,184.54 | 1,311.59 | 1,491.82 | 1,807.14 | 2,109.21 | 2,355.30 |
| Borrowings | 894.99 | 1,070.90 | 1,097.39 | 1,191.53 | 1,090.36 | 732.03 | 593.09 | 417.77 | 16.01 | 16.30 |
| Other Liabilities | 390.50 | 594.38 | 710.69 | 685.30 | 640.84 | 841.85 | 973.93 | 775.70 | 739.24 | 752.21 |
| **Total Liability** | **1,976.95** | **2,616.20** | **2,855.40** | **3,028.76** | **2,970.15** | **2,939.08** | **3,112.17** | **3,054.42** | **2,918.70** | **3,232.59** |
| | | | | | | | | | | |
| Net Block | ₹ 753.44 | ₹ 1,100.79 | ₹ 1,071.92 | ₹ 1,088.58 | ₹ 1,061.12 | ₹ 1,029.16 | ₹ 942.87 | ₹ 912.47 | ₹ 834.66 | ₹ 840.61 |
| Capital Work in Progress | ₹ 18.37 | ₹ 15.55 | ₹ 21.91 | ₹ 24.57 | ₹ 14.99 | ₹ 9.66 | ₹ 52.97 | ₹ 8.47 | ₹ 17.07 | ₹ 56.98 |
| Investments | ₹ 50.00 | - | - | ₹ 0.05 | ₹ 3.85 | ₹ 3.85 | ₹ 3.85 | ₹ 3.85 | ₹ 3.85 | ₹ 3.85 |
| Other Assets | ₹ 132.32 | ₹ 190.80 | ₹ 195.89 | ₹ 232.29 | ₹ 277.99 | ₹ 274.03 | ₹ 239.18 | ₹ 232.42 | ₹ 216.61 | ₹ 239.13 |
| **Total Non-Current Assets** | ₹ 954.13 | ₹ 1,307.14 | ₹ 1,289.72 | ₹ 1,345.49 | ₹ 1,357.95 | ₹ 1,316.70 | ₹ 1,238.87 | ₹ 1,157.21 | ₹ 1,072.19 | ₹ 1,140.57 |
| | | | | | | | | | | |
| Receivables | ₹ 525.68 | ₹ 631.81 | ₹ 712.59 | ₹ 837.68 | ₹ 697.81 | ₹ 753.23 | ₹ 885.42 | ₹ 744.57 | ₹ 714.93 | ₹ 893.91 |
| Inventory | ₹ 469.88 | ₹ 654.95 | ₹ 828.57 | ₹ 843.53 | ₹ 912.81 | ₹ 868.22 | ₹ 987.09 | ₹ 1,151.96 | ₹ 1,086.46 | ₹ 901.72 |
| Cash & Bank | ₹ 27.26 | ₹ 22.30 | ₹ 24.52 | ₹ 2.06 | ₹ 1.58 | ₹ 0.93 | ₹ 0.79 | ₹ 0.68 | ₹ 45.12 | ₹ 296.39 |
| **Total Current Assets** | ₹ 1,022.82 | ₹ 1,309.06 | ₹ 1,565.68 | ₹ 1,683.27 | ₹ 1,612.20 | ₹ 1,622.38 | ₹ 1,873.30 | ₹ 1,897.21 | ₹ 1,846.51 | ₹ 2,092.02 |
| | | | | | | | | | | |
| **Total Assets** | ₹ 1,976.95 | ₹ 2,616.20 | ₹ 2,855.40 | ₹ 3,028.76 | ₹ 2,970.15 | ₹ 2,939.08 | ₹ 3,112.17 | ₹ 3,054.42 | ₹ 2,918.70 | ₹ 3,232.59 |
| | | | | | | | | | | |
| Check | TRUE | TRUE | TRUE | TRUE | TRUE | TRUE | TRUE | TRUE | TRUE | TRUE |

| CASH FLOW STATEMENT | Mar-16 | Mar-17 | Mar-18 | Mar-19 | Mar-20 | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 |
|---|---|---|---|---|---|---|---|---|---|---|
| Cash from Operating Activity | 208.28 | 256.26 | 154.92 | 120.14 | 280.26 | 539.92 | 284.96 | 279.31 | 540.17 | 393.27 |
| Cash from Investing Activity | (51.10) | (100.15) | (63.37) | (105.33) | (51.97) | (65.88) | (53.62) | (33.18) | (51.46) | (327.51) |
| Cash from Financing Activity | (156.26) | (162.59) | (87.79) | (37.30) | (228.92) | (474.79) | (231.40) | (246.16) | (454.33) | (80.34) |
| | | | | | | | | | | |
| **Net Cash Flow** | **0.92** | **(6.48)** | **3.76** | **(22.49)** | **(0.63)** | **(0.75)** | **(0.06)** | **(0.03)** | **34.38** | **(14.58)** |

**SURYA ROSHNI LTD**

## *RATIO ANALYSIS*

| PARTICULARS | Mar-16 | Mar-17 | Mar-18 | Mar-19 | Mar-20 | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 | Trend | Mean | Median |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sale Growth | | 31.14% | 27.03% | 21.11% | -8.55% | 1.56% | 39.17% | 3.44% | -2.34% | -4.78% | | 11.98% | 3.44% |
| GP Growth | | 26.28% | 12.48% | 12.83% | -5.30% | -0.63% | 32.08% | 18.56% | -7.15% | 20.63% | | 12.20% | 12.83% |
| EBITDA Growth | | 29.09% | 10.49% | 7.55% | -4.96% | 6.61% | 17.38% | 38.75% | -6.81% | 1.23% | | 11.04% | 7.55% |
| EBIT Growth | | 26.42% | 12.69% | 9.64% | -11.78% | 9.65% | 21.82% | 49.22% | -8.76% | 0.34% | | 12.14% | 9.65% |
| EBT Growth | | 35.46% | 32.79% | 10.54% | -19.24% | 50.06% | 32.06% | 66.16% | -3.12% | 5.08% | | 23.31% | 32.06% |
| EPS Growth | | 36.74% | 0.94% | 11.88% | -15.45% | 53.12% | 30.72% | 63.89% | -1.91% | 5.94% | | 20.65% | 11.88% |
| DPS Growth | | 86.30% | 7.48% | 0.00% | 0.00% | 47.79% | 32.65% | 76.61% | 43.99% | 120.61% | | 46.16% | 43.99% |
| | | | | | | | | | | | | | |
| Gross Profit Margin | 17.41% | 16.77% | 14.85% | 13.83% | 14.32% | 14.01% | 13.30% | 15.24% | 14.49% | 18.36% | | 15.26% | 14.67% |
| EBITDA Margin | 8.18% | 8.05% | 7.01% | 6.22% | 6.47% | 6.79% | 5.72% | 7.68% | 7.33% | 7.79% | | 7.12% | 7.17% |
| EBIT Margin | 6.12% | 5.90% | 5.24% | 4.74% | 4.57% | 4.94% | 4.32% | 6.24% | 5.83% | 6.14% | | 5.40% | 5.53% |
| EBT Margin | 2.93% | 3.02% | 3.16% | 2.89% | 2.55% | 3.77% | 3.57% | 5.74% | 5.69% | 6.28% | | 3.96% | 3.37% |
| EAT Margin | 2.13% | 2.22% | 2.19% | 2.02% | 1.87% | 2.82% | 2.65% | 4.19% | 4.21% | 4.69% | | 2.90% | 2.43% |
| | | | | | | | | | | | | | |
| S&G % Sale | 9.23% | 8.71% | 7.84% | 7.61% | 7.86% | 7.23% | 7.58% | 7.57% | 7.17% | 10.57% | | 8.14% | 7.73% |
| Depreciation % Sale | 2.06% | 2.15% | 1.77% | 1.48% | 1.89% | 1.85% | 1.40% | 1.44% | 1.50% | 1.65% | | 1.72% | 1.71% |
| Operating Exp % Sale | 6.12% | 5.90% | 5.24% | 4.74% | 4.57% | 4.94% | 4.32% | 6.24% | 5.83% | 6.14% | | 5.40% | 5.53% |
| | | | | | | | | | | | | | |
| Return on Capital Employed | 11.44% | 11.35% | 12.06% | 12.10% | 10.74% | 13.08% | 15.63% | 21.88% | 20.87% | 18.40% | | 14.75% | 12.59% |
| Retained Earning | 93.06% | 90.54% | 89.93% | 91.00% | 89.36% | 89.73% | 89.57% | 88.76% | 83.51% | 65.65% | | 87.11% | 89.65% |
| Return on Equity | 9.13% | 9.07% | 10.32% | 10.49% | 8.25% | 11.46% | 13.24% | 18.02% | 15.20% | 14.14% | | 11.93% | 10.98% |
| Self Sustained Growth | 8.49% | 8.22% | 9.28% | 9.55% | 7.37% | 10.29% | 11.86% | 15.99% | 12.69% | 9.28% | | 10.30% | 9.42% |
| Return on Assets | 3.19% | 3.30% | 3.78% | 3.99% | 3.44% | 5.32% | 6.57% | 10.98% | 11.27% | 10.78% | | 6.26% | 4.66% |
| | | | | | | | | | | | | | |
| Debtors Turnover | 5.64 x | 6.15 x | 6.93 x | 7.14 x | 7.84 x | 7.37 x | 8.73 x | 10.74 x | 10.92 x | 8.32 x | | 7.98 x | 7.61 x |
| Inventory Turnover | 5.21 x | 4.94 x | 5.07 x | 6.11 x | 5.13 x | 5.50 x | 6.79 x | 5.88 x | 6.15 x | 6.73 x | | 5.75 x | 5.69 x |
| Creditors Turnover | 6.27 x | 5.44 x | 5.92 x | 7.52 x | 7.31 x | 5.67 x | 6.88 x | 8.74 x | 9.03 x | 8.07 x | | 7.09 x | 7.10 x |
| Fixed Assets Turnover | 3.93 x | 3.53 x | 4.61 x | 5.49 x | 5.15 x | 5.40 x | 8.20 x | 8.76 x | 9.36 x | 8.85 x | | 6.33 x | 5.45 x |
| Capital Turnover [Sales/(Eq+Res)] | 4.29 x | 4.09 x | 4.71 x | 5.19 x | 4.41 x | 4.07 x | 5.00 x | 4.30 x | 3.61 x | 3.02 x | | 4.27 x | 4.29 x |
| | | | | | | | | | | | | | |
| Debtors Days | 65 Days | 59 Days | 53 Days | 51 Days | 47 Days | 49 Days | 42 Days | 34 Days | 33 Days | 44 Days | | 48 Days | 48 Days |
| Inventory Days | 70 Days | 74 Days | 72 Days | 60 Days | 71 Days | 66 Days | 54 Days | 62 Days | 59 Days | 54 Days | | 64 Days | 64 Days |
| Creditors Days | 58 Days | 67 Days | 62 Days | 49 Days | 50 Days | 64 Days | 53 Days | 42 Days | 40 Days | 45 Days | | 53 Days | 51 Days |
| Cash Conversion Days | 77 Days | 66 Days | 63 Days | 62 Days | 68 Days | 52 Days | 43 Days | 54 Days | 52 Days | 53 Days | | 59 Days | 58 Days |
| Interest Coverage Ratio | 1.88 x | 2.04 x | 2.46 x | 2.46 x | 2.19 x | 3.93 x | 5.25 x | 11.12 x | 18.91 x | 22.02 x | | 7.23 x | 3.20 x |
| | | | | | | | | | | | | | |
| EV / Sale | 0.50 x | 0.51 x | 0.64 x | 0.43 x | 0.26 x | 0.47 x | 0.37 x | 0.50 x | 0.70 x | 0.68 x | | 0.51 x | 0.50 x |
| EV / EBITDA | 6.16 x | 6.33 x | 9.10 x | 6.89 x | 4.05 x | 6.92 x | 6.42 x | 6.51 x | 9.61 x | 8.70 x | | 7.07 x | 6.70 x |
| EV / Earning | 23.67 x | 22.96 x | 29.14 x | 21.20 x | 14.00 x | 16.66 x | 13.89 x | 11.92 x | 16.72 x | 14.46 x | | 18.46 x | 16.69 x |
| P/E | 9.92 x | 10.81 x | 19.21 x | 11.36 x | 3.35 x | 11.99 x | 11.00 x | 10.67 x | 16.81 x | 15.26 x | | 12.04 x | 11.18 x |
| P/B | 0.90 x | 0.98 x | 1.98 x | 1.19 x | 0.28 x | 1.37 x | 1.46 x | 1.92 x | 2.56 x | 2.16 x | | 1.48 x | 1.42 x |
| | | | | | | | | | | | | | |
| CFO / Sale | 0.07 x | 0.07 x | 0.03 x | 0.02 x | 0.05 x | 0.10 x | 0.04 x | 0.03 x | 0.07 x | 0.05 x | | 0.05 x | 0.05 x |
| CFO / Total Assets | 0.11 x | 0.10 x | 0.05 x | 0.04 x | 0.09 x | 0.18 x | 0.09 x | 0.09 x | 0.19 x | 0.12 x | | 0.11 x | 0.10 x |
| CFO / Total Debt | 0.23 x | 0.24 x | 0.14 x | 0.10 x | 0.26 x | 0.74 x | 0.48 x | 0.67 x | 33.74 x | 24.13 x | | 6.07 x | 0.37 x |

## SURYA ROSHNI LTD

# *COMMON SIZE FINANCIAL STATEMENT*

| INCOME STATEMENT | Mar-16 | Mar-17 | Mar-18 | Mar-19 | Mar-20 | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 |
|---|---|---|---|---|---|---|---|---|---|---|
| Sales | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| Raw Material Cost | 74.05% | 75.53% | 78.20% | 77.77% | 78.50% | 77.15% | 80.12% | 78.00% | 77.56% | 74.47% |
| Change in Inventory | -0.73% | -2.13% | -1.70% | 0.65% | -1.76% | 0.28% | -0.51% | -0.78% | -0.23% | 1.31% |
| Power and Fuel | 2.22% | 1.93% | 1.62% | 1.46% | 1.92% | 1.65% | 1.51% | 1.60% | 1.66% | 0.00% |
| Other Mfr. Exp | 0.78% | 1.85% | 1.59% | 1.38% | 1.46% | 1.37% | 1.18% | 1.27% | 1.27% | 0.00% |
| Employee Cost | 6.26% | 6.06% | 5.44% | 4.91% | 5.55% | 5.53% | 4.40% | 4.66% | 5.25% | 5.86% |
| Selling and admin | 6.43% | 5.95% | 6.13% | 6.23% | 6.35% | 5.83% | 6.48% | 6.35% | 5.68% | 0.00% |
| Other Expenses | 2.80% | 2.76% | 1.71% | 1.38% | 1.51% | 1.40% | 1.10% | 1.21% | 1.48% | 10.57% |
| Other Income | 0.06% | 0.02% | 0.05% | 0.07% | 0.06% | 0.08% | 0.07% | 0.07% | 0.18% | 0.42% |
| Depreciation | 2.06% | 2.15% | 1.77% | 1.48% | 1.89% | 1.85% | 1.40% | 1.44% | 1.50% | 1.65% |
| Interest | 3.25% | 2.90% | 2.13% | 1.92% | 2.09% | 1.26% | 0.82% | 0.56% | 0.31% | 0.28% |
| Profit before tax | 2.93% | 3.02% | 3.16% | 2.89% | 2.55% | 3.77% | 3.57% | 5.74% | 5.69% | 6.28% |
| Tax | 0.80% | 0.80% | 0.97% | 0.86% | 0.68% | 0.95% | 0.93% | 1.55% | 1.48% | 1.60% |
| Net profit | 2.13% | 2.22% | 2.19% | 2.02% | 1.87% | 2.82% | 2.65% | 4.19% | 4.21% | 4.69% |

| BALANCE SHEET | Mar-16 | Mar-17 | Mar-18 | Mar-19 | Mar-20 | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total Liability** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** |
| Equity Share Capital | 2.22% | 2.08% | 1.91% | 1.80% | 1.83% | 1.82% | 1.71% | 1.76% | 1.86% | 3.37% |
| Reserves | 32.76% | 34.27% | 34.77% | 36.24% | 39.88% | 44.63% | 47.94% | 59.16% | 72.27% | 72.86% |
| Borrowings | 45.27% | 40.93% | 38.43% | 39.34% | 36.71% | 24.91% | 19.06% | 13.68% | 0.55% | 0.50% |
| Other Liabilities | 19.75% | 22.72% | 24.89% | 22.63% | 21.58% | 28.64% | 31.29% | 25.40% | 25.33% | 23.27% |
| **Total Assets** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** |
| Net Block | 38.11% | 42.08% | 37.54% | 35.94% | 35.73% | 35.02% | 30.30% | 29.87% | 28.60% | 26.00% |
| Capital Work in Progress | 0.93% | 0.59% | 0.77% | 0.81% | 0.50% | 0.33% | 1.70% | 0.28% | 0.58% | 1.76% |
| Investments | 2.53% | 0.00% | 0.00% | 0.00% | 0.13% | 0.13% | 0.12% | 0.13% | 0.13% | 0.12% |
| Other Assets | 6.69% | 7.29% | 6.86% | 7.67% | 9.36% | 9.32% | 7.69% | 7.61% | 7.42% | 7.40% |
| Receivables | 26.59% | 24.15% | 24.96% | 27.66% | 23.49% | 25.63% | 28.45% | 24.38% | 24.49% | 27.65% |
| Inventory | 23.77% | 25.03% | 29.02% | 27.85% | 30.73% | 29.54% | 31.72% | 37.71% | 37.22% | 27.89% |
| Cash & Bank | 1.38% | 0.85% | 0.86% | 0.07% | 0.05% | 0.03% | 0.03% | 0.02% | 1.55% | 9.17% |

## SURYA ROSHNI LTD

# WEIGHTAGE AVERAGE COST OF CAPITAL

Peer's Comp

| Name | Country | Tax Rate[1] | Debt | Equity | Debt / Equity | Debt / Capital | Levered Beta[2] | Un-levered Beta[3] |
|---|---|---|---|---|---|---|---|---|
| APL Apollo Tubes | India | 30.00% | 634 | 44,658 | 1.42% | 1.40% | 0.53 | 0.52 |
| Shyam Metalics | India | 30.00% | 789 | 26,721 | 2.95% | 2.87% | 1.25 | 1.22 |
| Welspun Corp | India | 30.00% | 1,122 | 23,223 | 4.83% | 4.61% | 0.77 | 0.74 |
| Ratnamani Metals | India | 30.00% | 157 | 16,423 | 0.96% | 0.95% | 0.73 | 0.72 |
| Gallantt Ispat L | India | 30.00% | 378 | 15,799 | 2.39% | 2.33% | 1.36 | 1.34 |
| | | | | Average | 2.51% | 2.43% | 0.93 | 0.91 |
| | | | | Median | 2.39% | 2.33% | 0.77 | 0.74 |

### Cost of Debt (Kd)

| | |
|---|---|
| Pre-Tax Cost of Debt | 8.40% |
| Tax Rate | 30.00% |
| **Post-Tax Cost of Debt** | **5.88%** |

### Cost of Equity (Ke) - CAPM

| | |
|---|---|
| Risk Free Return[4] | 5.86% |
| MKT Return | 16.71% |
| Beta | 0.76 |
| **Cost of Equity (Ke)** | **14.08%** |

### Capital Structure

| | | Current | Target |
|---|---|---|---|
| Debt | 16.30 | 0.28% | 2.33% |
| Equity | 5,880.52 | 99.72% | 97.67% |
| **Total Capital** | **5,896.82** | **100.00%** | **100.00%** |
| **Debt / Equity** | | **0.28%** | **2.39%** |

### Levered Beta

| | |
|---|---|
| Median Peer's Comp Un-Levered Beta | 0.74 |
| Tax Rate | 30.00% |
| Target D/E | 2.39% |
| **Levered Beta** | **0.76** |

### Note:

*1. Tax Rate Consider Marginal tax rate of foreign Country*

*2. Levered Beta calculation on basis of 2 weekly 2 year data taken from https://www.topstockresearch.com/*

*3. Unlevered Beta = Levered Beta /1 + (1-Tax Rate)*D/E*

*4. Levered Beta = Unlevered Beta * 1 + (1-Tax Rate)*D/E*

*5. Risk Free Return taken from www. Investing.com*

*6. MKT return taken from Nifty 50 20Y return from https://primeinvestor.in/nifty-50-*

### WACC

| | Cost | Weight |
|---|---|---|
| Cost of Debt | 5.88% | 2.33% |
| Cost of Equity | 14.08% | 97.67% |
| **WACC** | | **13.89%** |

## SURYA ROSHNI LTD

# *CALCULATION OF MARKET RETURN*

**Nifty 50 - 20Y Return**

| Year | Annual |
|---|---|
| 2000 | -14.65% |
| 2001 | -16.18% |
| 2002 | 3.25% |
| 2003 | 71.90% |
| 2004 | 10.68% |
| 2005 | 36.34% |
| 2006 | 39.83% |
| 2007 | 54.77% |
| 2008 | -51.79% |
| 2009 | 75.76% |
| 2010 | 17.95% |
| 2011 | -24.62% |
| 2012 | 27.70% |
| 2013 | 6.76% |
| 2014 | 31.39% |
| 2015 | -4.06% |
| 2016 | 3.01% |
| 2017 | 28.65% |
| 2018 | 3.15% |
| 2019 | 12.02% |
| 2020 | 14.90% |
| 2021 | 24.12% |
| 2022 | 4.32% |
| 2023 | 19.42% |
| 2024 | 8.75% |

**Calculation of MKT Return**

| | |
|---|---|
| MKT Return | 15.33% |
| Dividend | 1.38% |
| MKT Return | 16.71% |

## SURYA ROSHNI LTD

# CALCULATION OF BETA

### SURYA ROSHNI LTD - 2Y Weekly Return

| Date | Close | Return |
|---|---|---|
| 21-08-23 | 213.18 | |
| 28-08-23 | 244.04 | 14.48% |
| 04-09-23 | 281.95 | 15.54% |
| 11-09-23 | 248.38 | -11.91% |
| 18-09-23 | 242.68 | -2.29% |
| 25-09-23 | 245.45 | 1.14% |
| 03-10-23 | 252.30 | 2.79% |
| 09-10-23 | 263.03 | 4.25% |
| 16-10-23 | 282.25 | 7.31% |
| 23-10-23 | 276.05 | -2.20% |
| 30-10-23 | 266.00 | -3.64% |
| 06-11-23 | 254.93 | -4.16% |
| 12-11-23 | 251.38 | -1.39% |
| 20-11-23 | 251.18 | -0.08% |
| 28-11-23 | 253.08 | 0.76% |
| 04-12-23 | 251.00 | -0.82% |
| 11-12-23 | 258.05 | 2.81% |
| 18-12-23 | 303.03 | 17.43% |
| 26-12-23 | 388.53 | 28.22% |
| 01-01-24 | 380.23 | -2.14% |
| 08-01-24 | 402.48 | 5.85% |
| 15-01-24 | 395.53 | -1.73% |
| 23-01-24 | 397.13 | 0.40% |
| 29-01-24 | 371.55 | -6.44% |
| 05-02-24 | 330.63 | -11.01% |
| 12-02-24 | 318.10 | -3.79% |
| 19-02-24 | 310.65 | -2.34% |
| 26-02-24 | 303.00 | -2.46% |

### Nifty 50 - 2Y Weekly Return

| Date | Close | Return |
|---|---|---|
| 21-08-23 | 19,265.80 | |
| 28-08-23 | 19,435.30 | 0.88% |
| 04-09-23 | 19,819.95 | 1.98% |
| 11-09-23 | 20,192.35 | 1.88% |
| 18-09-23 | 19,674.25 | -2.57% |
| 25-09-23 | 19,638.30 | -0.18% |
| 03-10-23 | 19,653.50 | 0.08% |
| 09-10-23 | 19,751.05 | 0.50% |
| 16-10-23 | 19,542.65 | -1.06% |
| 23-10-23 | 19,047.25 | -2.53% |
| 30-10-23 | 19,230.60 | 0.96% |
| 06-11-23 | 19,425.35 | 1.01% |
| 12-11-23 | 19,731.80 | 1.58% |
| 20-11-23 | 19,794.70 | 0.32% |
| 28-11-23 | 20,267.90 | 2.39% |
| 04-12-23 | 20,969.40 | 3.46% |
| 11-12-23 | 21,456.65 | 2.32% |
| 18-12-23 | 21,349.40 | -0.50% |
| 26-12-23 | 21,731.40 | 1.79% |
| 01-01-24 | 21,710.80 | -0.09% |
| 08-01-24 | 21,894.55 | 0.85% |
| 15-01-24 | 21,571.80 | -1.47% |
| 23-01-24 | 21,352.60 | -1.02% |
| 29-01-24 | 21,853.80 | 2.35% |
| 05-02-24 | 21,782.50 | -0.33% |
| 12-02-24 | 22,040.70 | 1.19% |
| 19-02-24 | 22,212.70 | 0.78% |
| 26-02-24 | 22,378.40 | 0.75% |

### Beta Drifting

| | |
|---|---|
| Levered Raw Beta | 1.32 |
| Levered Raw Beta Weight | 0.75 |
| MKT Raw Beta | 1.00 |
| MKT Raw Beta Weight | 0.25 |
| **Adjusted Beta** | **1.24** |

### Beta Calculation - Different Method

| | |
|---|---|
| Beta - Slope | 1.33 |
| Beta - CoVar | 1.32 |
| Beta - Regression | 1.31 |

**SUMMARY OUTPUT**

| *Regression Statistics* | |
|---|---|
| Multiple R | 0.314949463 |
| R Square | 0.099193164 |
| Adjusted R Square | 0.090274285 |
| Standard Error | 0.068453127 |
| Observations | 103 |

ANOVA

| | *df* | *SS* |
|---|---|---|
| Regression | 1 | 0 |
| Residual | 101 | 0 |
| Total | 102 | 1 |

| | *Coefficients* | *ırc* |
|---|---|---|
| Intercept | 0.001052957 | 0 |
| 0.008797974 | 1.306588252 | 0 |

SURYA ROSHNI LTD

# FORECASTING

## SURYA ROSHNI LTD - SALE FORECAST

| Yr Wt | Year | Sales | Growth |
|---|---|---|---|
| 1 | 2016 A | 2,964 | |
| 2 | 2017 A | 3,887 | 31.14% |
| 3 | 2018 A | 4,938 | 27.03% |
| 4 | 2019 A | 5,980 | 21.11% |
| 5 | 2020 A | 5,469 | -8.55% |
| 6 | 2021 A | 5,554 | 1.56% |
| 7 | 2022 A | 7,730 | 39.17% |
| 8 | 2023 A | 7,996 | 3.44% |
| 9 | 2024 A | 7,809 | -2.34% |
| 10 | 2025 A | 7,435 | -4.78% |
| 11 | 2026 E | 8,920 | 19.97% |
| 12 | 2027 E | 9,455 | 6.00% |
| 13 | 2028 E | 9,991 | 5.66% |
| 14 | 2029 E | 10,526 | 5.36% |
| 15 | 2030 E | 11,061 | 5.09% |
| 16 | 2031 E | 11,596 | 4.84% |
| 17 | 2032 E | 12,131 | 4.62% |

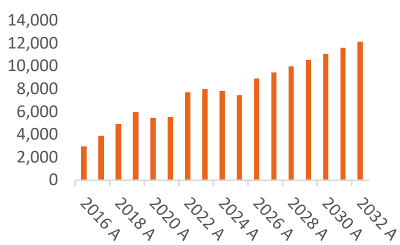
## SURYA ROSHNI LTD - EBITDA FORECAST

| Yr Wt | Year | EBITDA | Growth |
|---|---|---|---|
| 1 | 2016 A | 243 | |
| 2 | 2017 A | 313 | 29.09% |
| 3 | 2018 A | 346 | 10.49% |
| 4 | 2019 A | 372 | 7.55% |
| 5 | 2020 A | 354 | -4.96% |
| 6 | 2021 A | 377 | 6.61% |
| 7 | 2022 A | 442 | 17.38% |
| 8 | 2023 A | 614 | 38.75% |
| 9 | 2024 A | 572 | -6.81% |
| 10 | 2025 A | 579 | 1.23% |
| 11 | 2026 E | 635 | 9.66% |
| 12 | 2027 E | 674 | 6.12% |
| 13 | 2028 E | 713 | 5.77% |
| 14 | 2029 E | 752 | 5.46% |
| 15 | 2030 E | 791 | 5.17% |
| 16 | 2031 E | 830 | 4.92% |
| 17 | 2032 E | 868 | 4.69% |

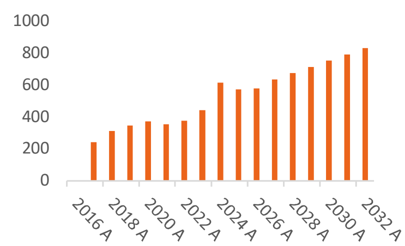
## SURYA ROSHNI LTD - EARNING FORECAST

| Yr Wt | Year | EARNING | Growth |
|---|---|---|---|
| 1 | 2016 A | 63 | |
| 2 | 2017 A | 86 | 36.74% |
| 3 | 2018 A | 108 | 25.22% |
| 4 | 2019 A | 121 | 11.88% |
| 5 | 2020 A | 102 | -15.45% |
| 6 | 2021 A | 157 | 53.12% |
| 7 | 2022 A | 205 | 30.72% |
| 8 | 2023 A | 335 | 63.89% |
| 9 | 2024 A | 329 | -1.91% |
| 10 | 2025 A | 348 | 5.94% |
| 11 | 2026 E | 376 | 7.82% |
| 12 | 2027 E | 410 | 9.21% |
| 13 | 2028 E | 445 | 8.43% |
| 14 | 2029 E | 479 | 7.78% |
| 15 | 2030 E | 514 | 7.21% |
| 16 | 2031 E | 549 | 6.73% |
| 17 | 2032 E | 583 | 6.31% |

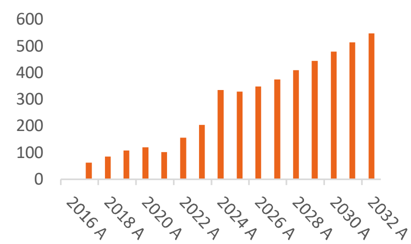
Sales Growth




EBITDA Growth




Earning Growth




| | |
|---|---|
| Arithmatic Mean | 11.98% |
| Geomatric Mean | 9.63% |
| | 9.63% |
| Regression | As below |

# FORECASTING - REGRESSION ANALYSIS

| Yr Wt | Year | Sales | Growth |
|---|---|---|---|
| 1 | 2016 A | 2,964 | |
| 2 | 2017 A | 3,887 | 31.14% |
| 3 | 2018 A | 4,938 | 27.03% |
| 4 | 2019 A | 5,980 | 21.11% |
| 5 | 2020 A | 5,469 | -8.55% |
| 6 | 2021 A | 5,554 | 1.56% |
| 7 | 2022 A | 7,730 | 39.17% |
| 8 | 2023 A | 7,996 | 3.44% |
| 9 | 2024 A | 7,809 | -2.34% |
| 10 | 2025 A | 7,435 | -4.78% |
| 11 | 2026 E | 8,920 | 19.97% |
| 12 | 2027 E | 9,455 | 6.00% |
| 13 | 2028 E | 9,991 | 5.66% |
| 14 | 2029 E | 10,526 | 5.36% |
| 15 | 2030 E | 11,061 | 5.09% |
| 16 | 2031 E | 11,596 | 4.84% |
| 17 | 2032 E | 12,131 | 4.62% |

SUMMARY OUTPUT

| *Regression Statistics* | |
|---|---|
| Multiple R | 0.92552 |
| R Square | 0.856587 |
| Adjusted R | 0.83866 |
| Standard E | 703.2949 |
| Observatio | 10 |

ANOVA

| | *df* | *SS* | *MS* | *F* | *ignificance F* |
|---|---|---|---|---|---|
| Regression | 1 | 23634512 | 23634512 | 47.7828 | 0.000123 |
| Residual | 8 | 3956990 | 494623.8 | | |
| Total | 9 | 27591502 | | | |

| | *Coefficients* | *andard Erro* | *t Stat* | *P-value* | *Lower 95%* | *Upper 95%* | *ower 95.0%* | *Upper 95.0%* |
|---|---|---|---|---|---|---|---|---|
| Intercept | 3032.462 | 480.4419 | 6.311818 | 0.00023 | 1924.561 | 4140.363 | 1924.561 | 4140.363 |
| Yr Wt | 535.2373 | 77.43022 | 6.912511 | 0.00012 | 356.6829 | 713.7917 | 356.6829 | 713.7917 |

## SURYA ROSHNI LTD

| Calculation of ROIC | Mar21 | Mar22 | Mar23 | Mar24 | Mar25 |
|---|---|---|---|---|---|
| **Current Assets** | | | | | |
| Inventories | 869.00 | 988.00 | 1,152.00 | 1,087.00 | 902.00 |
| Trade receivables + | 756.00 | 888.00 | 747.00 | 718.00 | 897.00 |
| Cash Equivalents | 1.00 | 1.00 | 2.00 | 46.00 | 296.00 |
| Loans n Advances | 47.00 | 57.00 | 38.00 | 22.00 | 42.00 |
| Other asset items | 230.00 | 185.00 | 197.00 | 198.00 | 200.00 |
| **Total Current Assets** | **1,903.00** | **2,119.00** | **2,136.00** | **2,071.00** | **2,337.00** |
| **Current Liabilities** | | | | | |
| Trade Payables | 480.00 | 594.00 | 407.00 | 369.00 | 364.00 |
| Advance from Customers | 33.00 | 31.00 | 53.00 | 35.00 | 37.00 |
| Other liability items | 329.00 | 350.00 | 316.00 | 336.00 | 352.00 |
| **Total Current Liabilities** | **842.00** | **975.00** | **776.00** | **740.00** | **753.00** |
| **Net Working Capital** | **1,061.00** | **1,144.00** | **1,360.00** | **1,331.00** | **1,584.00** |
| **Fixed Assets -** | | | | | |
| Land | 44.00 | 44.00 | 44.00 | 51.00 | 52.00 |
| Building | 235.00 | 235.00 | 243.00 | 242.00 | 245.00 |
| Plant Machinery | 1,235.00 | 1,235.00 | 1,292.00 | 1,307.00 | 1,403.00 |
| Equipments | 4.00 | 5.00 | 6.00 | 6.00 | 9.00 |
| Computers | 7.00 | 8.00 | 8.00 | 9.00 | 11.00 |
| Furniture n fittings | 7.00 | 6.00 | 6.00 | 6.00 | 7.00 |
| Vehicles | 12.00 | 12.00 | 15.00 | 17.00 | 19.00 |
| Other fixed assets | 26.00 | 30.00 | 28.00 | 25.00 | 32.00 |
| **Gross Block** | **1,570.00** | **1,575.00** | **1,642.00** | **1,663.00** | **1,778.00** |
| Accumulated Depreciation | 541.00 | 634.00 | 729.00 | 829.00 | 936.00 |
| **Net Block** | **1,029.00** | **941.00** | **913.00** | **834.00** | **842.00** |
| **Capital Employed** | 2,090.00 | 2,085.00 | 2,273.00 | 2,165.00 | 2,426.00 |
| **EBIT** | 274.26 | 334.10 | 498.55 | 454.87 | 456.43 |
| **ROIC** | **13.12%** | **16.02%** | **21.93%** | **21.01%** | **18.81%** |

| Calculation of Re-Investment | Mar22 | Mar23 | Mar24 | Mar25 |
|---|---|---|---|---|
| Capex | 54.00 | 33.00 | 52.00 | 140.00 |
| Change in Working Capital | 83.00 | 216.00 | -29.00 | 253.00 |
| **Re-Investment** | **137.00** | **249.00** | **23.00** | **393.00** |
| EBIT | 334.10 | 498.55 | 454.87 | 456.43 |
| Tax Rate | 25.00% | 25.00% | 25.00% | 25.00% |
| EBIT (1-Tax Rate) | 250.57 | 373.91 | 341.15 | 342.32 |
| **Re-Investment Rate** | **54.67%** | **66.59%** | **6.74%** | **114.80%** |
| | | | 4 Year Average | 60.70% |
| | | | 4 Year Median | 60.63% |

| Calculation of Growth | Mar22 | Mar23 | Mar24 | Mar25 |
|---|---|---|---|---|
| ROIC | 16.02% | 21.93% | 21.01% | 18.81% |
| Re-Investment | 54.67% | 66.59% | 6.74% | 114.80% |
| **Growth Rate** | **8.76%** | **14.61%** | **1.42%** | **21.60%** |
| | | | 4 Year Average | 11.60% |
| | | | 4 Year Median | 11.68% |

**SURYA ROSHNI LTD**

# *CALCULATION OF FREE CASH FLOW*

| Particulars | 2025 A | 2026 E | 2027 E | 2028 E | 2029 E | 2030 E |
|---|---|---|---|---|---|---|
| EBIT | 456.43 | 509.76 | 569.32 | 635.83 | 710.12 | 793.09 |
| Tax Rate | 25.00% | 25.00% | 25.00% | 25.00% | 25.00% | 25.00% |
| EBIT (1-Tax Rate) | 342.32 | 382.32 | 426.99 | 476.87 | 532.59 | 594.82 |
| Re-Investment | 60.70% | 61.36% | 62.02% | 62.68% | 63.34% | 64.00% |
| Free Cash Flow | 134.52 | 147.72 | 162.16 | 177.96 | 195.24 | 214.13 |
| Mid year Convention | | 0.50 | 1.50 | 2.50 | 3.50 | 4.50 |
| Discounting Factor | | 0.937 | 0.823 | 0.722 | 0.634 | 0.557 |
| **PV of FCF** | | **138.42** | **133.42** | **128.57** | **123.85** | **119.27** |

| | |
|---|---|
| Expected Growth Rate | 11.68% |
| Terminal Growth Rate | 7.20% |
| WACC | 13.89% |

| Terminal Value | |
|---|---|
| Free Cash Flow (n+1) | 239.15 |
| Terminal Growth | 7.20% |
| WACC | 13.89% |
| **Terminal Value** | **3,575.96** |

| Sensitivity Analysis - Share Price | | | | |
|---|---|---|---|---|
| 133.96 | 12.00% | 13.00% | 13.89% | 14.00% |
| 6.00% | 144.45 | 129.88 | 120.01 | 118.95 |
| 7.00% | 164.85 | 144.45 | 131.27 | 129.88 |
| 7.20% | 169.95 | 147.97 | 133.93 | 132.45 |
| 8.00% | 195.46 | 164.85 | 146.35 | 144.45 |
| 9.00% | 246.46 | 195.46 | 167.61 | 164.85 |

| Calculation of Value per Share | |
|---|---|
| PV of FCF | 643.54 |
| PV of Terminal Value | 1,991.80 |
| **Operating Value** | **2,635.33** |
| Less : Debt | 16.3 |
| Add : Cash | 296.39 |
| **Enterprise Value** | **2,915.42** |
| No of Share | 21.76 |
| **Value per Share** | **133.96** |
| MKT Value | 270.20 |
| **Premium/Discount** | **2.02x** |

**Assumptions**

1. The reinvestment rate and growth rate are taken from the NYU Stern report on the Indian sector, updated in January 2024.
2. The terminal growth rate is based on India's long term GDP growth rate.

# SURYA ROSHNI LTD

## CALCULATION OF PEER'S COMP'S VALUATION

| Peer' Comp | Market Data | | | | | | Financial Data | | | Valuation | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | No of Share | MKT Price | MKT Cap | Debt | Cash | EV | Revenue | EBITDA | Earning | EV / Sale | EV / EBITDA | EV / Earning |
| APL Apollo Tubes | 27.76 | 1,608.50 | 44,652 | 634 | 575 | 44,711 | 20,885 | 1,366 | 801 | 2.14 x | 32.73 x | 55.82 x |
| Shyam Metalics | 27.91 | 957.30 | 26,718 | 789 | 68 | 27,439 | 15,945 | 2,190 | 924 | 1.72 x | 12.53 x | 29.70 x |
| Welspun Corp | 26.32 | 882.25 | 23,221 | 1,122 | 1,255 | 23,088 | 14,392 | 2,621 | 2,004 | 1.60 x | 8.81 x | 11.52 x |
| Ratnamani Metals | 7.01 | 2,343.00 | 16,424 | 157 | 225 | 16,357 | 5,154 | 925 | 563 | 3.17 x | 17.68 x | 29.06 x |
| Gallantt Ispat L | 24.13 | 654.80 | 15,800 | 378 | 258 | 15,920 | 4,261 | 748 | 453 | 3.74 x | 21.28 x | 35.17 x |
| Godawari Power | 66.94 | 202.76 | 13,573 | 309 | 694 | 13,187 | 5,357 | 1,212 | 743 | 2.46 x | 10.88 x | 17.76 x |
| Max | | | | | | | | | | 3.74 x | 32.73 x | 55.82 x |
| 75 Percantile | | | | | | | | | | 3.00 x | 20.38 x | 33.80 x |
| **Mean** | | | | | | | | | | **2.47 x** | **17.32 x** | **29.84 x** |
| **Median** | | | | | | | | | | **2.30 x** | **15.11 x** | **29.38 x** |
| 25 Percentile | | | | | | | | | | 1.83 x | 11.29 x | 20.59 x |
| Min | | | | | | | | | | 1.60 x | 8.81 x | 11.52 x |

| SURYA ROSHNI LTD - COMPARABLE VALUATION | EV / Sale | EV / EBITDA | EV / Earning |
|---|---|---|---|
| Implicit Enterprises Value | 16,447 | 8,080 | 8,509 |
| Less : Debt | 16 | 16 | 16 |
| Add : Cash | 296 | 296 | 296 |
| Implied Market Value | 16,727 | 8,360 | 8,789 |
| No of Share | 21.76 | 21.76 | 21.76 |
| Implied Value per Share | 768.70 | 384.19 | 403.90 |
| **Status** | **Under Value** | **Under Value** | **Under Value** |

# SURYA ROSHNI LTD

**INR 270.2**

52 Week (High INR 372  Low INR 205 )

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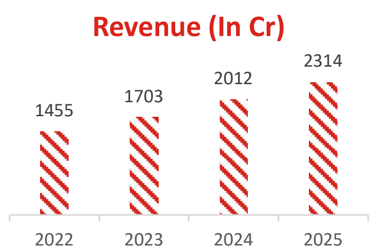
**About**

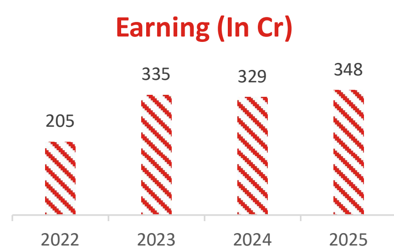
Surya Roshni Limited is a diversified Indian multinational company established in 1973, specializing in steel pipes and lighting products, and also producing fans, home appliances, and PVC pipes. They are a significant manufacturer in both the steel pipe and lighting sectors in India, with a strong international presence exporting to numerous countries. The company is known for its technological focus, particularly in LED lighting, and has grown significantly from its origins as a small steel tube unit to a large group with substantial turnover and a commitment to innovation.

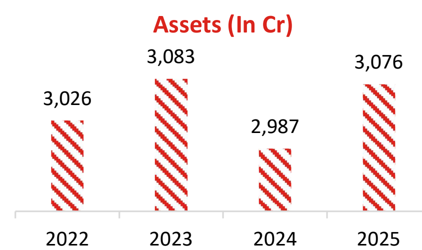
In the year 1984, Surya's lighting division was started with the dream of 'Lighting Every City Every Home'. More than decades down the line, it is one of the leading brands in the Lighting industry. LED technology has opened up a new frontier and is acknowledged as the future of lighting.

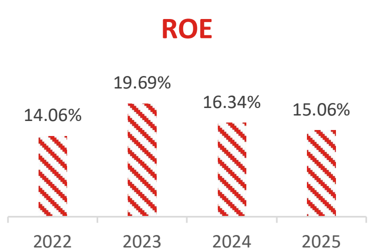
The LEDs manufactured by us are energy efficient, with significantly lower maintenance costs, and much longer life span.

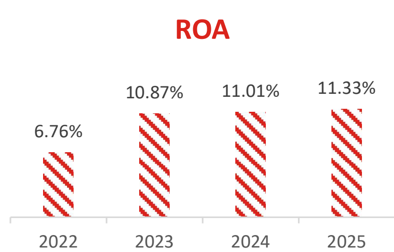
## *FINANCIAL SUMMARY*

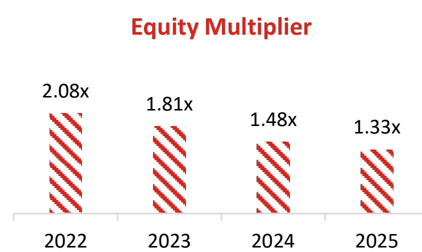



**Result Summary**

The company continues to be debt-free, having a cash surplus (~₹65.81 crore as on 31 March 2024) at least in prior FY24; I didn't find a FY25 number for cash surplus in all sources but the cash surplus of ~₹331 crore in Q1 FY26 indicates strong liquidity.

In FY24 (previous year), Lighting & Consumer Durables segment showed good growth in EBITDA and profit despite price deflation in the pipes segment.

The sharp drop in Q1 FY26 profitability is driven largely by the steel pipes/strips business (lower prices, slower execution, seasonality e.g. early monsoon) even though the lighting / consumer durable side is doing somewhat better in terms of volume.

Margins are under pressure, especially in steel, but some recovery could happen if steel prices stabilize, execution improves (especially in government projects), and seasonal headwinds ease.

# DUPONT ANALYSIS - ROE & ROA

## RETURN ON EQUITY

| | Mar-19 | Mar-20 | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 |
|---|---|---|---|---|---|---|---|
| Net Profit | 120.88 | 102.21 | 156.50 | 204.57 | 335.28 | 328.86 | 348.40 |
| Average Shareholder | 1,099.63 | 1,195.44 | 1,302.08 | 1,455.18 | 1,703.05 | 2,012.20 | 2,313.77 |
| **Return on Equity** | **10.99%** | **8.55%** | **12.02%** | **14.06%** | **19.69%** | **16.34%** | **15.06%** |

## ROE - Dupont Analysis

| Particulars | Mar-19 | Mar-20 | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 |
|---|---|---|---|---|---|---|---|
| Net Profit | 120.88 | 102.21 | 156.50 | 204.57 | 335.28 | 328.86 | 348.40 |
| Sale | 5,980.39 | 5,469.02 | 5,554.37 | 7,730.07 | 7,995.95 | 7,808.52 | 7,435.22 |
| **Net Profit Margin (A)** | **2.02%** | **1.87%** | **2.82%** | **2.65%** | **4.19%** | **4.21%** | **4.69%** |
| | | | | | | | |
| Sale | 5,980.39 | 5,469.02 | 5,554.37 | 7,730.07 | 7,995.95 | 7,808.52 | 7,435.22 |
| Average Assets | 2,942.08 | 2,999.46 | 2,954.62 | 3,025.63 | 3,083.30 | 2,986.56 | 3,075.65 |
| **Assets Turnover (B)** | **2.03x** | **1.82x** | **1.88x** | **2.55x** | **2.59x** | **2.61x** | **2.42x** |
| | | | | | | | |
| Average Assets | 2,942.08 | 2,999.46 | 2,954.62 | 3,025.63 | 3,083.30 | 2,986.56 | 3,075.65 |
| Average Shareholder Fund | 1,099.63 | 1,195.44 | 1,302.08 | 1,455.18 | 1,703.05 | 2,012.20 | 2,313.77 |
| **Equity Multiplier ©** | **2.68x** | **2.51x** | **2.27x** | **2.08x** | **1.81x** | **1.48x** | **1.33x** |
| | | | | | | | |
| **Return on Equity (A*B*C)** | **10.99%** | **8.55%** | **12.02%** | **14.06%** | **19.69%** | **16.34%** | **15.06%** |

## RETURN ON ASSETS

| | Mar-19 | Mar-20 | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 |
|---|---|---|---|---|---|---|---|
| Net Profit | 120.88 | 102.21 | 156.50 | 204.57 | 335.28 | 328.86 | 348.40 |
| Average Assets | 2,942.08 | 2,999.46 | 2,954.62 | 3,025.63 | 3,083.30 | 2,986.56 | 3,075.65 |
| **Return on Assets** | **4.11%** | **3.41%** | **5.30%** | **6.76%** | **10.87%** | **11.01%** | **11.33%** |

## ROA - Dupont Analysis

| Particulars | Mar-19 | Mar-20 | Mar-21 | Mar-22 | Mar-23 | Mar-24 | Mar-25 |
|---|---|---|---|---|---|---|---|
| Net Profit | 120.88 | 102.21 | 156.50 | 204.57 | 335.28 | 328.86 | 348.40 |
| Sale | 5,980.39 | 5,469.02 | 5,554.37 | 7,730.07 | 7,995.95 | 7,808.52 | 7,435.22 |
| **Net Profit Margin (A)** | **2.02%** | **1.87%** | **2.82%** | **2.65%** | **4.19%** | **4.21%** | **4.69%** |
| | | | | | | | |
| Sale | 5,980.39 | 5,469.02 | 5,554.37 | 7,730.07 | 7,995.95 | 7,808.52 | 7,435.22 |
| Average Assets | 2,942.08 | 2,999.46 | 2,954.62 | 3,025.63 | 3,083.30 | 2,986.56 | 3,075.65 |
| **Assets Turnover (B)** | **2.03x** | **1.82x** | **1.88x** | **2.55x** | **2.59x** | **2.61x** | **2.42x** |
| | | | | | | | |
| **Return on Assets** | **4.11%** | **3.41%** | **5.30%** | **6.76%** | **10.87%** | **11.01%** | **11.33%** |

**Dupont Summary:**

**Return on Equity :** Despite strong operational performance, ROE has declined from 19.69% (FY23) to 15.06% (FY25) due to a sharp drop in financial leverage.

**Net Profit Margin (Profitability) :** Steady improvement from FY20 (1.87%) to FY25 (4.69%). Indicates stronger profitability, likely due to: Cost control, Better product mix, Higher margins in lighting & consumer durables segment, Efficiency improvements**.**

**Asset Turnover (Efficiency) :** Peaked at 2.61x in FY24, dipped slightly to 2.42x in FY25. Indicates effective use of assets to generate sales, though some decline may be due to weaker top-line in FY25.

**Equity Multiplier (Leverage) :** Declined from 2.68x (FY19) to 1.33x (FY25). Implies a strategic deleveraging—less reliance on debt, which improves financial stability but reduces ROE unless offset by margin or turnover gains.