



About Andhra Paper Ltd

One of India's leading integrated paper and pulp producers, Andhra Paper Limited (Andhra Paper), has been providing the appropriate products for the right uses at competitive prices for more than 50 years. They produce writing, printing, and cut-size papers for domestic and foreign markets, and they provide a wide selection of premium specialty grade materials for a number of applications. The papers have the best-in-class brightness and are produced using elemental chlorine free (ECF) pulp technology. They understand their responsibility towards the environment and invest in sustainable business growth and innovate products that enable us to reduce not only their but also their customers' environmental footprints.

Highlights of Latest Quarter Update

From Rs. 886.75 to Rs. 1380.23, **revenue from operations** increases by 7% quarterly and 56% annually.

EBITDA & PAT grow by 22% QoQ, 270% YoY, and 33% QoQ, 3138% YoY, respectively.

For FY22, **EBITDA, EBIT, and Net margins** were respectively 19%, 10.79%, and 9.80%.

Sales volume for FY22 is 240 479, up 36% year over year, while **production volume** is 235 155, up 42% year over year.

EPS increased to 35.14 in FY21 from -1 in FY22.

Key Risk

Raw Materials, Raw Commodity prices are impacted by changes in the world economies, and crises like pandemics can cause an extraordinary spike in input costs, which can have an impact on the company's operations.

High levels of competition and import threat. Manufacturers are competing more fiercely, and many of them are expanding their capacity, which will raise market pressure. It's a very competitive industry, and many competitors want to increase their market presence.

Failure to stay up with industrial technologies can reduce the competitive edge locally and internationally.

Economic factors generally the business may suffer as a result of political, economic, or other issues that are normally out of the organization's control.

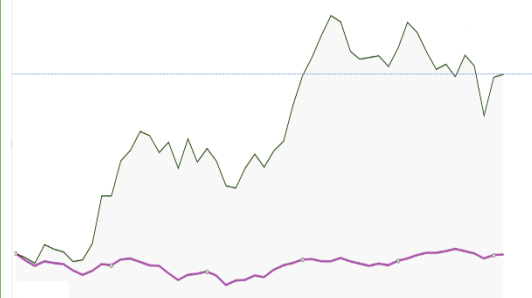
Overview

Market Cap	1690
Enterprise Value	1697
Total Debt	57
Cash	₹383.93 Cr
Shares Outstanding	3,97,70,039
Beta	1.03
52-Week Range	₹205.15 - 510.00
PE Ratio (TTM)	5.75
EPS	35.14

Revenue Segment

Sale of paper and paperboard	136,692
Sale of saplings	-
Export incentives	484.76
Sale of scrap	845.55

Comparisons (1 Yr.)



● Andhra Paper ● NSE

What should investors do?

Based on financial data The stock of the company is undervalued, and according to our estimate, it should trade between INR 588 and 680 per share. Investors can hold for long term period

Financials and Ratios

TTM	Mar-22	Mar-21	Mar-20	Mar-19	Mar-18	Mar-17
Operating Revenue	1,709.05	1,380.23	886.75	1,269.70	1,427.33	1,264.01
Revenue Growth (%)	40.2	55.65	-30.16	-11.04	12.92	7.82
Total Expenditure	1,295.96	1,159.31	825.86	967.22	1,048.76	1,042.57
EBITDA	413.09	220.93	60.89	302.48	378.58	221.43
Depreciation	68.07	72.01	73.38	75.9	67.87	65.81
EBIT	345.02	148.92	-12.49	226.58	310.71	155.62
EBIT Growth (%)	326.52	1,291.85	-105.51	-27.08	99.66	55.55
Interest	5.71	5.45	4.51	5.32	8.54	26.09
Other Income	45.42	44.88	15.22	14.54	14.59	5.29
Exceptional Items	--	--	-4.41	--	-5.43	-8.37
Profit before Tax	384.73	188.36	-6.2	235.8	311.33	126.46
Provision for Tax	91.63	48.62	-1.6	22.88	111.26	43.39
Profit after Tax	293.1	139.73	-4.6	212.92	200.08	83.07
Net Profit Growth (%)	259.97	3,138.58	-102.16	6.42	140.86	156.41
EPS	35.13	-1.16	53.54	50.31	20.89	8.15
EPS Growth (%)	259.97	3,138.57	-102.16	6.42	140.86	156.42

Quarterly Results

Particulars	Sep-22	Jun-22	%Change in	Sep-21	%Change in
Revenue	484.63	452.01	7%	349.4	39%
Other Income	13.21	8.71	52%	9.26	43%
Total Income	497.84	460.71	8%	358.65	39%
Total Expenditure	338.96	328.38	3%	313.97	8%
EBITDA	130.57	106.83	22%	17.2	659%
Interest	1.2	1.17	3%	1.09	10%
Exceptional Items	--	--	--	--	--
PBDT	157.68	131.17	20%	43.6	262%
Depreciation	15.1	16.81	-10%	18.23	-17%
PBT	142.58	114.36	25%	25.37	462%
Tax	29.15	29.42	-1%	6.5	348%
Profit after Tax	113.43	84.95	34%	18.87	501%
Equity Capital	39.77	39.77	0%	39.77	0%

	Mar-22	Mar-21	Mar-20	Mar-19	Mar-18
Debt to Equity info	0.05	0.03	0.01	0.02	0.37
Short term debt to equity (%)	3.66	2.26	--	--	20.57
Current Ratio info	2.39	2.22	2.56	1.52	0.8
Quick Ratio info	1.91	1.57	1.56	0.92	0.37
Interest Coverage info	35.59	-0.37	45.29	37.45	5.85
Price / Earnings info	8.45	--	2.7	8.88	13.91
Price / Book Value info	1.08	0.9	0.59	2.33	2.05
Debtors to sales (%)	7.43	8.53	3.21	5.15	5.5
Asset Turnover info	0.85	0.59	0.9	1.16	1.09
Receivable days info	23.56	23.95	16.43	18.3	19.55
Inventory Days info	40.91	79.8	54.68	39.86	48.29

	Mar-22	Mar-21	Mar-20	Mar-19
ROCE	18.03	-0.17	27.33	41.22
ROE	13.51	-0.47	24.48	30.14
ROA	8.65	-0.31	15.13	16.22

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