

Ratings Monitor

One Report – to monitor stocks and identify triggers to re-evaluate ratings

PI INDUSTRIES (PI)

Current Market Price	Potential Returns	Fair Value (FV)
Rs.3,122	13.7%	Rs.3,550

Date: 16th February, 2023

Previous Rating: **REDUCE**

Current Rating: **ADD**

Change: **Upgrade**

Ratings Rationale

- PI Managed to offset somewhat lower-than-expected revenues, with improved margins.
- The strong growth outlook for pyroxasulfone is a key near term tailwind.
- Positive outlook retained; no impact yet of channel inventory overhang.
- We expect CSM to continue to drive ~20% revenue growth for next couple of years.
- PI remains confident of delivering 20%+ revenue growth for the next few years.
- We expect EPS (Earnings Per Share) to grow 22.8% in FY24 and 21.4% in FY25.

Valuation

Upgrade to ADD after recent correction, with March 2024 FV of Rs3,550.

Read Full Report

Note: The performance horizon is 12 months unless specified.

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