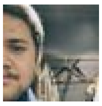
# Twitter Thread by Saket Reddy



**Saket Reddy**
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**JBCHEPHARM at 20x FY23 EPS is a much safer and a better buy than a conventional FMCG Player like HINDUNILVR with no significant reinvestment moat and single digit earnings growth.**

**The difference here is that JB can still reinvest bulk of its cash flows at a similar/higher ROIIC.**

> The cash compounding machine JBCHEPHARM does 42% ROCE ex cash, EBITDA Margins at 27.4%, I as an investor would be happy if they maintain margins in mid 20s.
>
> FY21 EPS of Rs. 58, you are getting a company growing at > 20% since the last 5 years at < 1 PEG and 26x TTM Earnings. pic.twitter.com/5u4u0C5MpK
>
> — Saket Reddy (@saketreddy) June 15, 2021