Twitter Thread by jitu



jitu
@Jitendra_stock



#Jubilant ingrevia

Looking give WCB Breakouts

#Retest level 670

So many Capex in line

May be next 4 digits candidate

1. CDMO GMP bharuch plants April to June 2022

2. Two multi purpose speciality chemical plant April to June 2022

3. Food grade Acetic acid April to June 2022

https://t.co/XYZnctLb9U

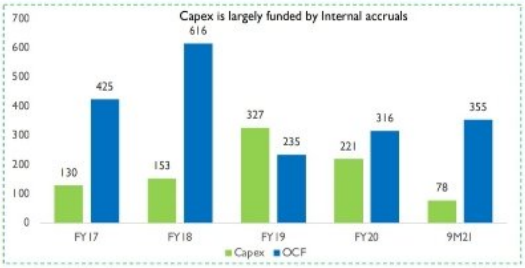
CAPITAL ALLOCATION

Capex over Next 3 Years

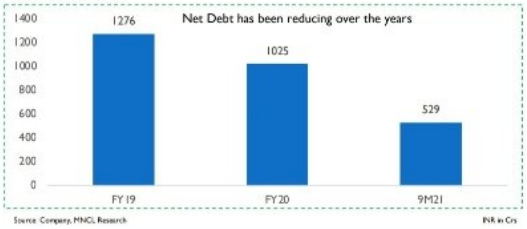


New round of Capex most likely to be covered by operating cashflows

- We strongly believe that the operating cashflows are likely to be higher than the capex requirements and thus there shouldn't be any additions to the current debt levels
- Further, we expect company to have >2x Asset turnovers in the new capex which should yield >20% EBITDA margins as the capex is directed towards value-added segments
- With this, company can potentially add INR ~360crs of EBITDA on account of these projects
- This is over an above INR ~620crs spent FY19 onwards which is yet to hit critical mass.



Source: Company, MNCL Research INR in Crs



Source: Company, MNCL Research INR in Crs