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Industry & Business

Business overview:

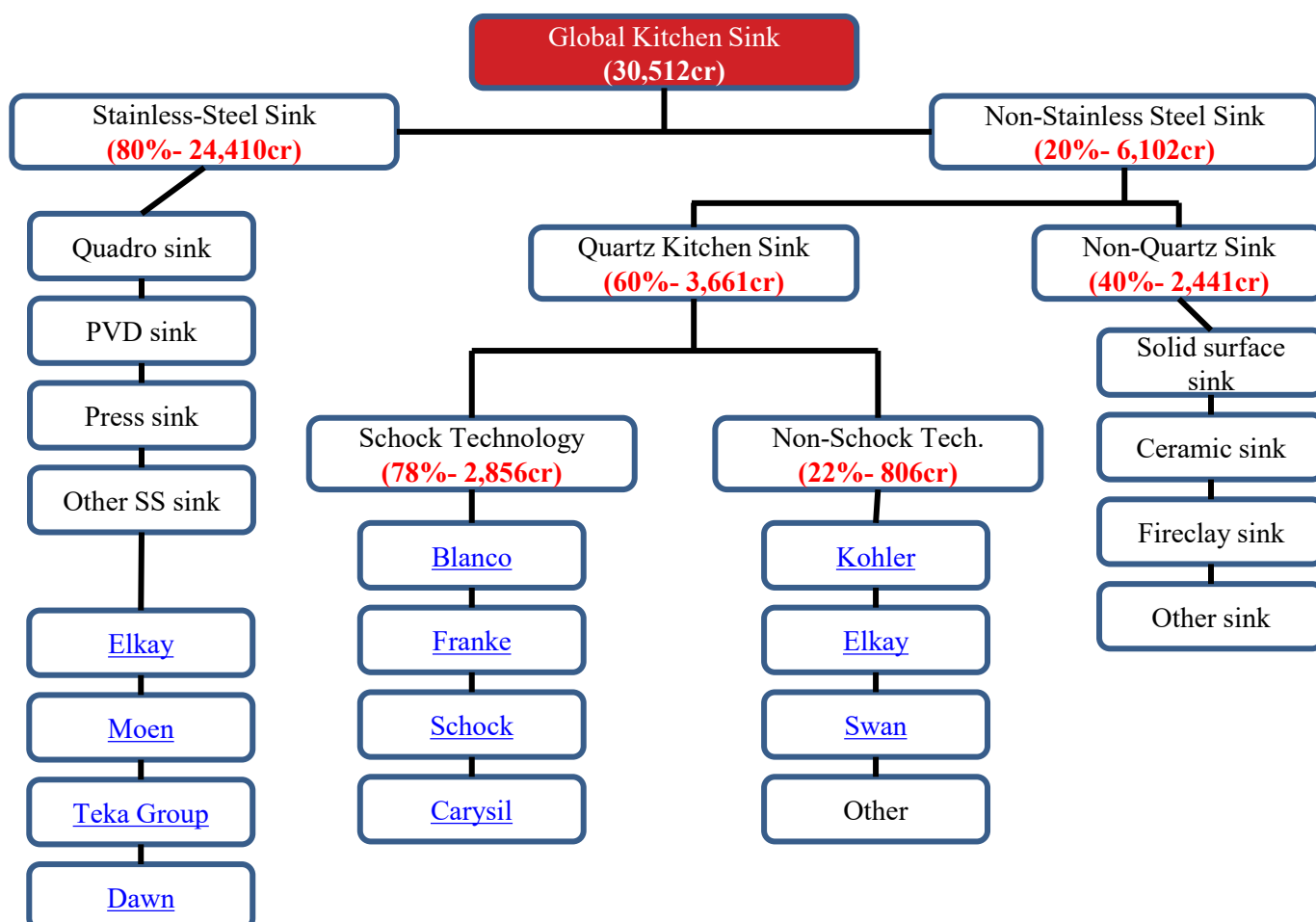
Carysil Limited, formerly Acrysil Limited, is an India-based company established in 1987 by Late Mr. Ashwin M. Parekh and currently led by Mr. Chirag A. Parekh. It specializes in manufacturing and trading kitchen sinks, bath products, and kitchen appliances under the brands “STERNHAGEN” and “Tek Carysil.” The product portfolio includes quartz and stainless steel sinks, kitchen appliances, solid surfaces, and bathroom fittings. With a strong export orientation, Carysil serves over 60 countries, including the USA, UK, Germany, and UAE, establishing itself as a significant player in the global kitchen and bath solutions market.

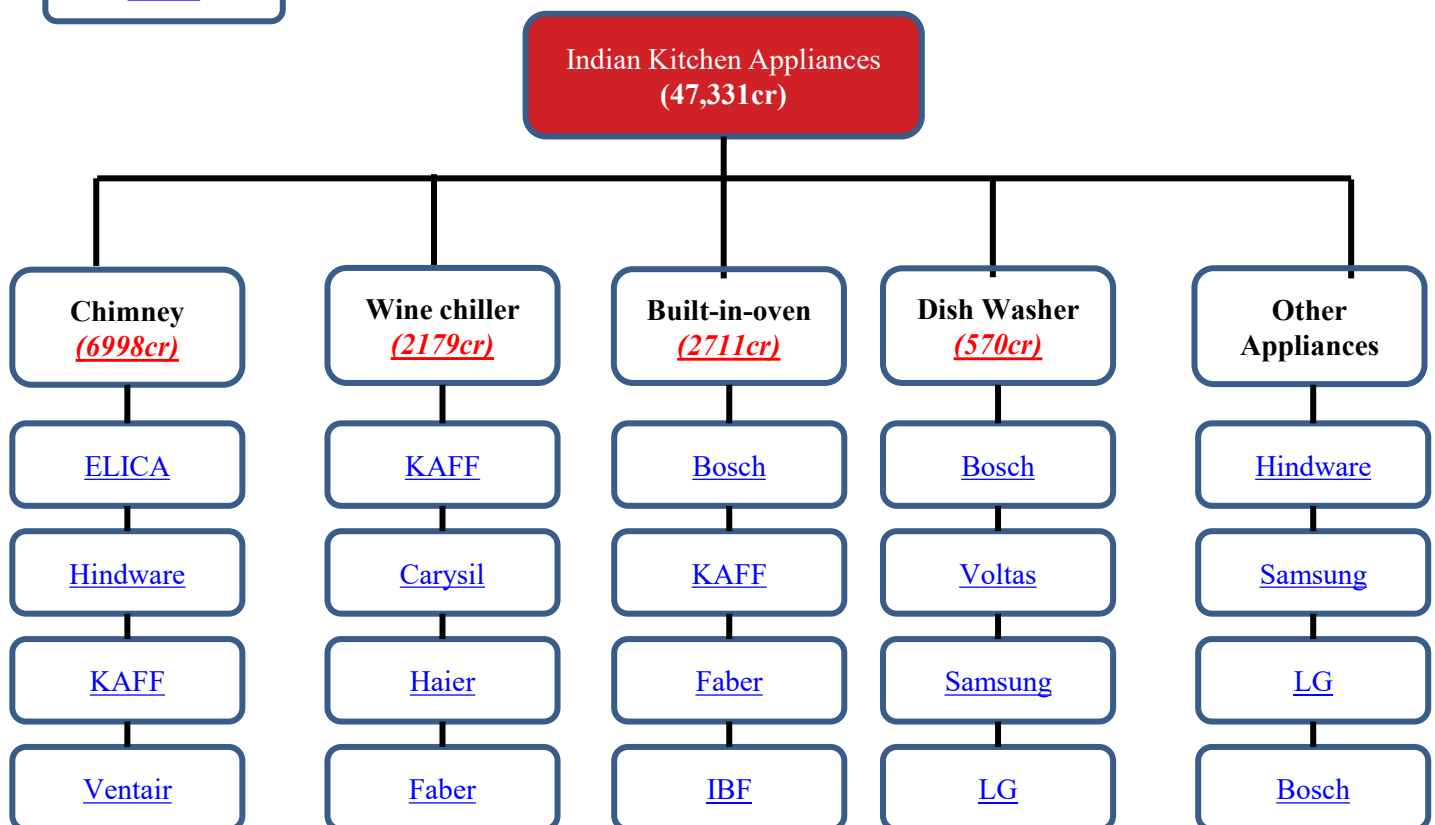
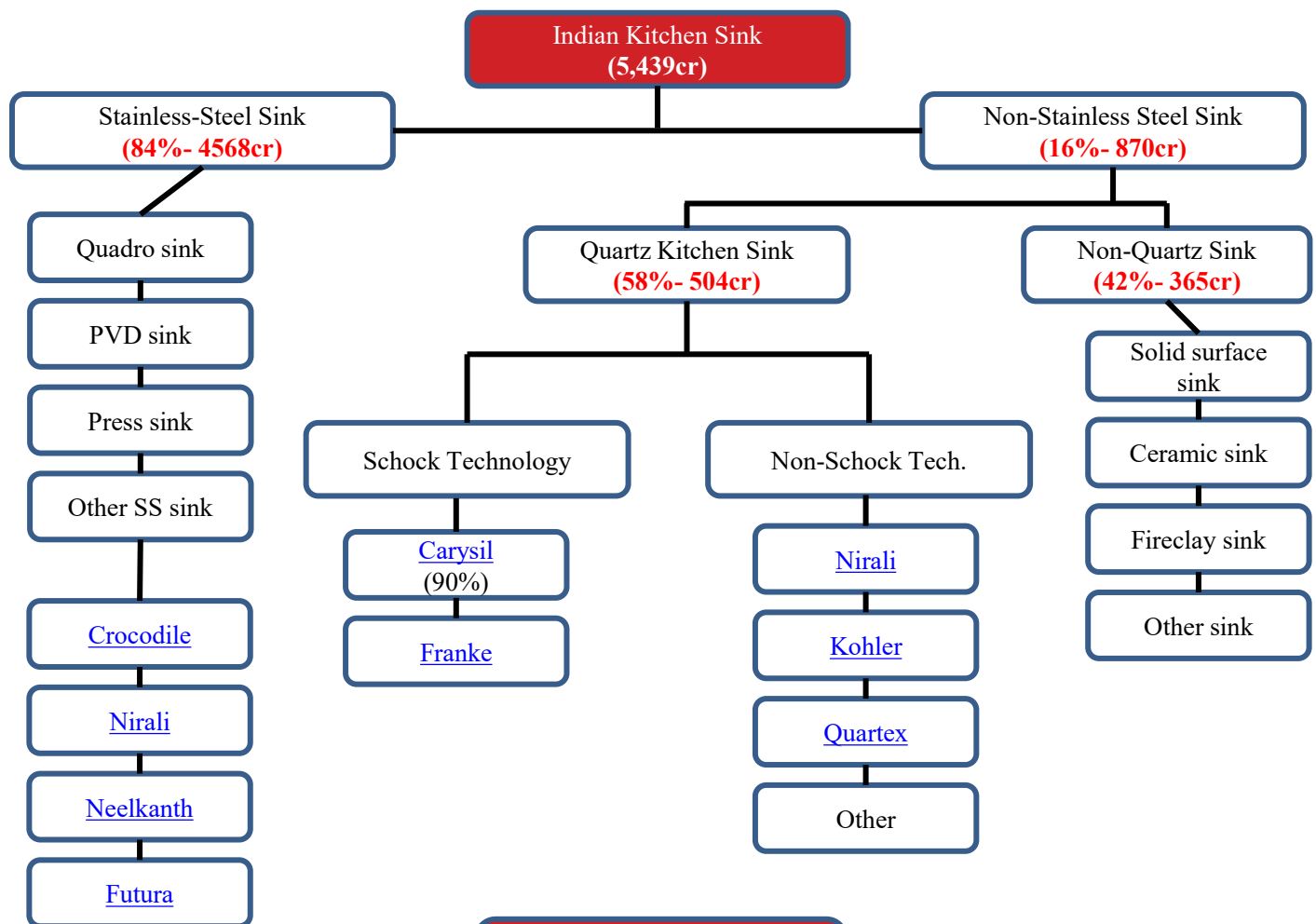
Industry overview:

The Home Improvement Sector comprises all the businesses related to the renovation, repair, and maintenance of residential properties. Under this sector, different types of industries fall such as Building Materials, Hardware, Plumbing, Electrical, Paint and Supplies, Flooring, etc. The Global Home Improvement Market is estimated to have surpassed USD 763 Billion in 2020 and is expected to grow at a CAGR of 4.3% from FY 21-27.

Carysil operates in the kitchen sinks, appliances, bathroom suites, and solid surfaces industry. They specialize in quartz and stainless steel sinks, along with a range of kitchen appliances like chimneys, dishwashers, cooktops, hobs, and wine chillers. The global kitchen sink market is growing at a 4% CAGR, while the domestic kitchen appliance market is experiencing a higher growth rate of 8.3%, reflecting strong demand and expansion for Carysil product offerings in India.

Industry segmentation:





In Million \$										
Exporters of Sinks and wash basins, stainless steel	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
China	462.0	464.0	461.0	499.0	549.0	536.0	592.0	793.0	898.0	894.0
Market share	41%	41%	41%	42%	43%	44%	47%	50%	52%	56%
Germany	113.0	101.0	103.0	109.0	117.0	104.0	93.2	91.2	76.9	74.7
Market share	10%	9%	9%	9%	9%	9%	7%	6%	4%	5%
Italy	76.5	63.5	65.0	73.9	69.3	63.3	55.5	67.9	68.7	62.0
Market share	7%	6%	6%	6%	5%	5%	4%	4%	4%	4%
Turkey	60.6	51.7	48.5	46.3	48.3	52.7	48.7	69.8	64.8	54.1
Market share	5%	5%	4%	4%	4%	4%	4%	4%	4%	3%
Malaysia	29.7	40.7	32.2	31.4	35.1	39.7	38.4	41.8	54.4	32.0
Market share	3%	4%	3%	3%	3%	3%	3%	3%	3%	2%
Mexico	45.0	48.9	55.6	54.8	54.3	50.0	58.2	81.1	77.1	61.8
Market share	4%	4%	5%	5%	4%	4%	5%	5%	4%	4%
United States	23.8	23.1	19.5	20.2	21.1	20.0	17.1	18.5	30.3	22.4
Market share	2%	2%	2%	2%	2%	2%	1%	1%	2%	1%
UK	9.5	7.6	7.3	7.5	7.6	5.8	5.9	9.6	7.3	5.5
Market share	1%	1%	1%	1%	1%	0%	0%	1%	0%	0%
India	4.9	4.3	4.9	4.7	4.8	4.5	5.3	8.5	9.0	6.5
Y-O-Y	-	-13%	16%	-5%	2%	-5%	16%	62%	6%	-28%
Market share	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%
Others	315.0	315.2	333.0	353.3	363.5	334.0	345.7	418.6	433.5	377.1
Market share	28%	28%	29%	29%	29%	28%	27%	26%	25%	24%
Total	1140.0	1120.0	1130.0	1200.0	1270.0	1210.0	1260.0	1600.0	1720.0	1590.0

Global Export Summary:

China is the dominant exporter, accounting for 56% of global exports in 2023, up from 41.0% in 2014. The rise reflects China's capacity in large-scale manufacturing and competitive pricing.

India's export share has seen growth, This is due to improving manufacturing infrastructure, government support, and increased domestic demand for high-quality sinks.

Germany holds 5% of the global share, maintaining strong export performance due to high-quality production.

Italy contributes 4%, showcasing its strong brand presence in the premium sink segment.

Other countries like the **UK**, **Australia** and **Vietnam** have stable shares, driven by increasing demand in residential and commercial markets.

In Million \$										
Importers of Sinks and wash basins, stainless steel	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
United States	228.0	255.0	278.0	293.0	344.0	285.0	327.0	441.0	504.0	340.0
Market Share	20%	23%	25%	24%	27%	24%	26%	28%	29%	21%
UK	77.8	73.4	73.3	81.1	69.1	63.0	58.4	60.4	58.2	49.2
Market Share	7%	7%	6%	7%	5%	5%	5%	4%	3%	3%
Germany	52.6	48.4	60.6	61.0	66.4	63.7	61.5	58.6	63.5	63.2
Market Share	5%	4%	5%	5%	5%	5%	5%	4%	4%	4%
France	56.1	42.4	43.4	44.6	43.3	43.2	40.1	54.8	50.6	46.8
Market Share	5%	4%	4%	4%	3%	4%	3%	3%	3%	3%
Vietnam	13.3	39.7	22.0	17.3	20.8	24.3	30.2	30.5	33.2	65.5
Market Share	1%	4%	2%	1%	2%	2%	2%	2%	2%	4%
Australia	49.6	49.8	47.6	50.9	53.5	43.9	46.1	60.7	59.3	44.1
Market Share	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Canada	36.1	41.4	40.6	46.8	45.6	42.4	45.0	68.4	64.3	48.3
Market Share	3%	4%	4%	4%	4%	4%	4%	4%	4%	3%
India	4.9	7.9	8.2	8.7	9.7	17.5	14.0	15.0	16.7	51.6
Market Share	0%	1%	1%	1%	1%	1%	1%	1%	1%	3%
Others	621.6	562.0	556.4	596.6	617.6	627.0	637.7	810.6	870.2	881.3
Market Share	55%	50%	49%	50%	49%	52%	51%	51%	51%	55%
Total	1140.0	1120.0	1130.0	1200.0	1270.0	1210.0	1260.0	1600.0	1720.0	1590.0

Global Import Summary:

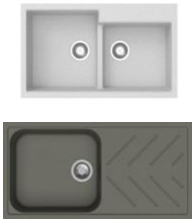
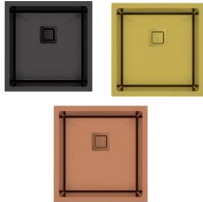
The **United States** is the largest importer, with 21% of the global import market in 2023. This growth is attributed to rising demand in both residential and commercial sectors.

India's import share in 2023 stands at 3%, reliant on some imported goods for high-end designs and features.

UK and Germany are significant importers, holding 3% and 4% shares, respectively. Both countries continue to rely on stainless steel sinks due to their high-quality standards and extensive construction projects. **France** has a smaller but steady market share, with 3% in 2023.

Other notable importers include **Australia** and **Canada**, which reflect growing consumer demand for modern kitchen solutions.

Products of Carysil Ltd.

Product	Photo	Details	Features	Price	Feedback
Quartz Sinks		Durable materials available. Quartz sinks are made with a composite of quartz and acrylic resin (generally 80% quartz and 20% acrylic resin). Carysil's Quartz sinks are made from Quartz particles coated with 5 different materials.	1) Dent-proof and resistant to heat, UV rays, stain, and scratches. 2) Highly durable 3) Completely food safe. 4) Retains its gleam, sparkle, and functionality even after years of use. 5) Sound-proof 6) Easy to clean	Range – Rs 8,000 – Rs 50,000	Positive 1) Available in many colours that match with kitchen theme and are preferred by architects. 2) Best in quality compared to others. 3) New generation making modular kitchen, are buying Quartz sinks. Negative 1) Stainless Steel sinks are more durable than Quartz sinks. 2) Tend to lose colour and can catch spots. 3) Have a chance of breaking if handled very roughly.
Stainless Steel Sink					
Quadro Sink		Quadro sinks are high fabricated sinks made by bending, cutting and welding durable stainless steel sheets.	1) Higher Durability. 2) Easy to clean. 3) Comes in different designs. 4) More thickness than press sinks. 5) Also available in Mat finish. 6) Has longer life.	Range - Rs. 8000 - Rs. 27,000	Positive 1) Quadro Steel sink are more durable than Quartz sink. 2) Have a very long life. 3) Indian consumers buy Stainless steel sinks as it has been there in markets from starting. Negative 1) Not available in many colours.
Press Sink		Press sinks are manufactured by a machine that presses a single sheet of stainless steel into a predetermined shape	1) Durable but less than Quadro sinks. 2) Easy to clean. 3) Has longer life.	Range - Rs. 4,000 - Rs. 15,000	Positive 1) Have a long life. 2) Cheaper compared to Quartz sink and Quadro sink. Negative 3) Some models can catch rust. 4) Not available in many colours. 5) Makes sound
PVD Sink		PVD sinks are basically Quadro sinks which has an extra layer on the surface giving it a premium look.	1) Higher Durability 2) Easy to clean. 3) Comes in different designs. 4) More thickness. 5) Has PVD coating making it scratch resistant and sound proof. 6) Has longer life and is available in different colors.	Range - Rs. 12,000 - Rs. 32,000	Positive 1) These sinks are more durable than Quartz sink. 2) Have a very long life. 3) Indian consumers buy Stainless steel sinks as it has been there in markets from the start. Negative 1) Available in less colours compared to Quartz sinks
Kitchen Appliances		Company's diversified portfolio of kitchen appliances include faucets, food waste disposers to built-in kitchen appliances such as chimneys, cook-tops, wine chillers, dish washer, built in ovens, micro wave ovens, ice and coffee makers and many more	1) New Chimneys have auto clean feature, oil collector and motion sensor 2) Appliances are superior in quality. 3) Made with latest technology	Chimney - Rs. 13,000 - Rs. 1,55,000 Burner - Rs. 7,000 - Rs. 48,000 Wine Chillers - Rs. 53,000 - Rs. 1,10,000 Built-in-Ovens - Rs. 50,000 - Rs. 90,000 Faucets - Rs. 3,400 - Rs. 25,000	Positive 1) Customers have started moving towards Built-in series kitchen so demand for Carysil's products is there. Negative 1) Customers have faced many problems with company's after sales services in recent 2-3 years
Bath Ware (Sternhagen)		Sternhagen's bathroom product includes premium sanitary ware, fittings, WC, highlighter wall tiles, wash basin, etc.	1) Premium Wash basins are Scratch and stain resistant and require low maintenance. 2) Products are made with latest technology.	Basins - Rs. 6,900 - Rs. 1,19,000 WC - Rs. 19,000 - Rs. 72,000 Tiles - Rs. 1,200 - Rs. 1,400	Negative 1) To expensive 2) after sales problem 3) Distributor level problem :- Inventory delivery late
Solid Surface Counter-Tops		composed of mineral dust combined with acrylic, resins, and pigments. Solid surface materials can be used for commercial or residential kitchen or bathroom countertops, as well as for desks, tables, workspaces, or bars.	1) Scratch resistant 2) Fire resistant 3) Latest technology used 4) Top quality	Range - Rs. 2,400 - Rs. 2,00,000	1) Durability resistant to stains, scratches, and heat 2) gives better look to home Negative 1) Repair Challenges 2) Fading Colours 3) Edges and corners might chip if handled roughly, which can be an issue in busy households

Top line

Revenue:

INR Crores	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Revenue from Operation	₹106	₹127	₹174	₹181	₹196	₹252	₹276	₹310	₹484	₹594	₹684	₹816
YOY (%)	-	19.81%	37.01%	4.02%	8.29%	28.57%	9.52%	12.32%	56.13%	22.73%	15.15%	19.30%
3-Yr CAGR (%)	-	-	-	19.52%	15.56%	13.14%	15.10%	16.51%	24.30%	29.11%	30.19%	19.02%
5-Yr CAGR (%)	-	-	-	-	-	18.91%	16.79%	12.24%	21.74%	24.83%	22.10%	24.21%
10-Yr CAGR (%)	-	-	-	-	-	-	-	-	-	-	20.50%	20.44%

Revenue recognition: Revenue from contract with customers is recognized when the Group satisfies performance obligation by transferring promised goods and services to the customer. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/discounts.

Revenue breakups:

Geographical Revenue	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Revenue from operations	₹131	₹177	₹180	₹196	₹251	₹276	₹309	₹479	₹589	₹680	₹816
Export sales	₹94	₹133	₹132	₹138	₹177	₹203	₹245	₹382	₹462	₹543	₹666
Contribution in Revenue	72%	75%	73%	70%	71%	74%	79%	80%	78%	80%	82%
Domestic sales	₹37	₹44	₹48	₹58	₹74	₹73	₹64	₹97	₹127	₹137	₹149
Contribution in Revenue	28%	25%	27%	30%	29%	26%	21%	20%	22%	20%	18%

The company's robust growth, with export revenues growing at a 22% CAGR and domestic revenues at 15% from FY15 to FY25, is driven by strategic expansion and favourable global dynamics. Internationally, acquisitions such as United Granite LLC in the U.S. and The Tap Factory in the UK, along with long-standing partnerships with major global retailers like IKEA and Grohe, have significantly expanded Carysil market presence and order book. The global shift under the "China+1" strategy and the European energy crisis have further enhanced India's manufacturing competitiveness, directing more demand towards Carysil export-focused offerings. Domestically, growth has been fuelled by a broadened dealer network—growing from 1,500 to over 4,000 dealers—alongside efforts to upgrade dealer categories and introduce higher-value products. E-commerce collaborations with platforms like Home Depot have also supported both international and domestic revenue traction.

Segmental Revenue	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Quartz Sinks	₹99	₹120	₹124	₹134	₹174	₹194	₹228	₹369	₹306	₹342	₹387
Contribution in Revenue	90%	88%	70%	70%	72%	73%	76%	77%	51%	50%	48%
Stainless Steel Sinks	₹4	₹8	₹28	₹34	₹36	₹43	₹42	₹67	₹76	₹75	₹86
Contribution in Revenue	3%	6%	16%	18%	15%	16%	14%	14%	13%	11%	11%
Kitchen Appliances & Others	₹7	₹8	₹25	₹23	₹31	₹29	₹30	₹43	₹65	₹74	₹110
Contribution in Revenue	7%	6%	14%	12%	13%	11%	10%	9%	11%	11%	14%
Solid Surfaces	₹0	₹0	₹0	₹0	₹0	₹0	₹0	₹0	₹147	₹187	₹232
Contribution in Revenue	0%	0%	0%	0%	0%	0%	0%	0%	25%	28%	28%
Total Segment Revenue	₹110	₹136	₹177	₹191	₹241	₹266	₹300	₹479	₹594	₹678	₹816

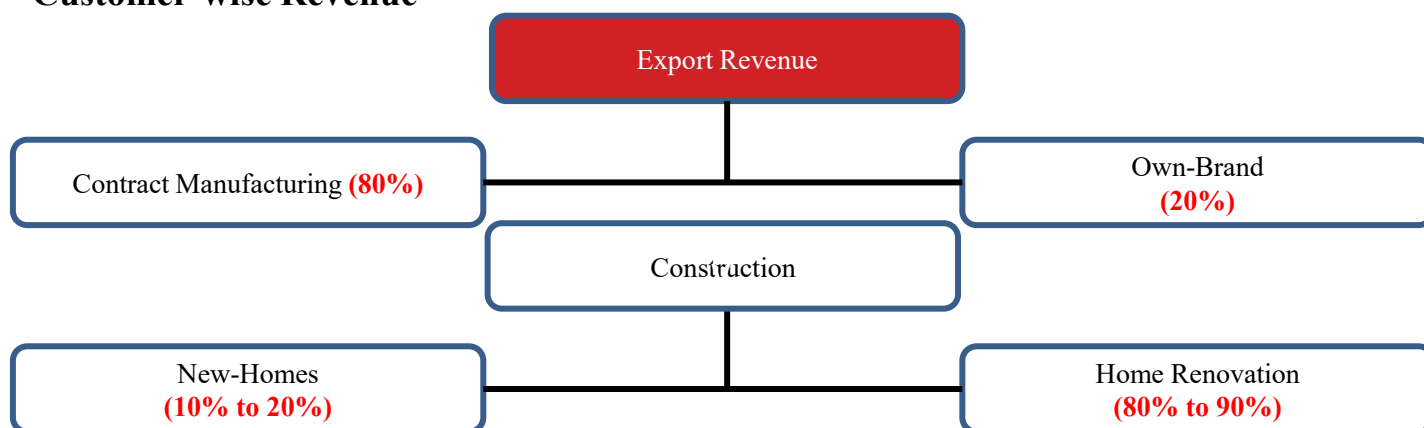
Company has shown consistent growth across its key product segments. Quartz sinks, the primary revenue contributor, grew from ₹99 crore in FY15 to ₹387 crore in FY25, driven by demand for durable and aesthetic kitchen solutions, especially in export markets. However, their contribution to total revenue declined from 90% to 48% by FY25, primarily due to the introduction of the Solid Surfaces segment in FY23. Stainless steel sinks grew steadily from ₹4 crore in FY15 to ₹86 crore in FY24, targeting cost-conscious customers. The Kitchen Appliances and Other Products segment also expanded significantly from ₹7 crore to ₹110 crore in the same period, showcasing successful diversification. The Solid Surfaces segment, contributing ₹232 crore in FY25, became a key growth driver, reflecting the company's strategic move into the premium kitchen and bath materials market. These developments collectively boosted Carysil's total revenue to ₹816 crore in FY25.

Understanding Top line

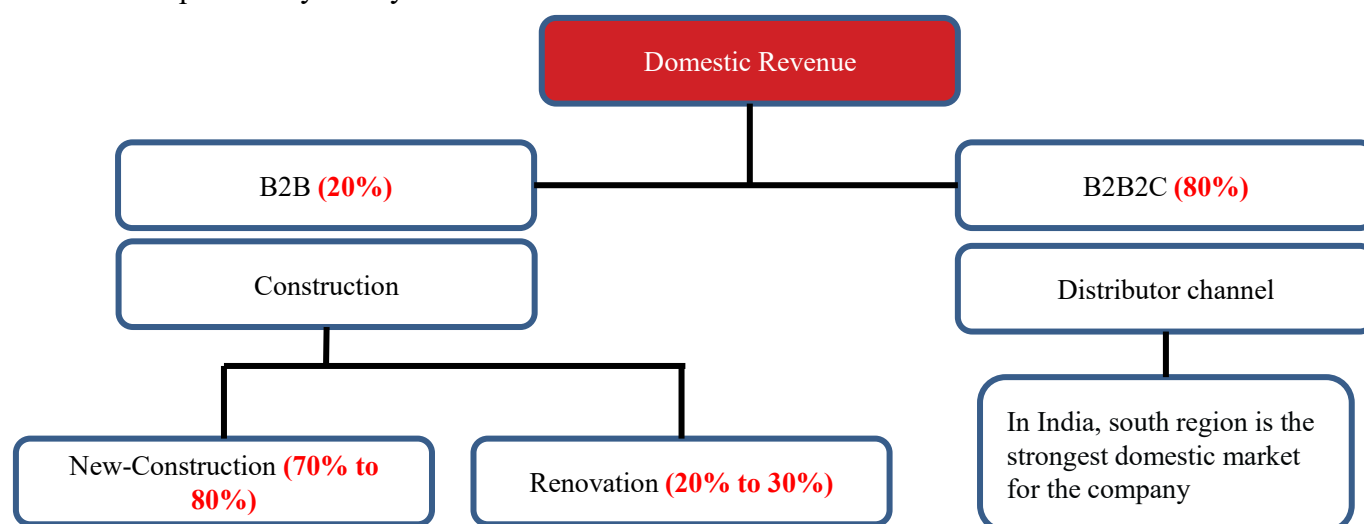
Quartz Sink	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Export	₹85.00	₹100.00	₹100.00	₹102.00	₹130.00	₹147.00	₹188.00	₹315.00	₹247.00
<i>As a % of Export Revenue</i>	90%	75%	76%	74%	74%	73%	77%	82%	53%
Domestic	₹14.56	₹20.50	₹22.30	₹28.67	₹36.53	₹34.89	₹27.92	₹57.00	₹62.00
<i>As a % of Domestic Revenue</i>	40%	47%	46%	49%	50%	48%	44%	58%	49%
Total	₹99.56	₹120.50	₹122.30	₹130.67	₹166.53	₹181.89	₹215.92	₹372.00	₹309.00
<i>As a % of Total Revenue</i>	78%	69%	68%	67%	66%	66%	70%	77%	52%

- As discussed, Quartz sinks have been a major contributor to the company's revenue. From FY15 to FY23, Quartz sinks contributed around 80% to 90% of export revenue, with a recent drop attributed to the growing Solid Surface segment. Domestically, the contribution from Quartz has remained stable at around 40-50%. In total, Quartz sinks previously contributed between 60% to 80% of the overall revenue, with the drop in FY23 primarily due to the rise of Solid Surfaces, which added ₹187 crore to the top line in FY24.

Customer-wise Revenue

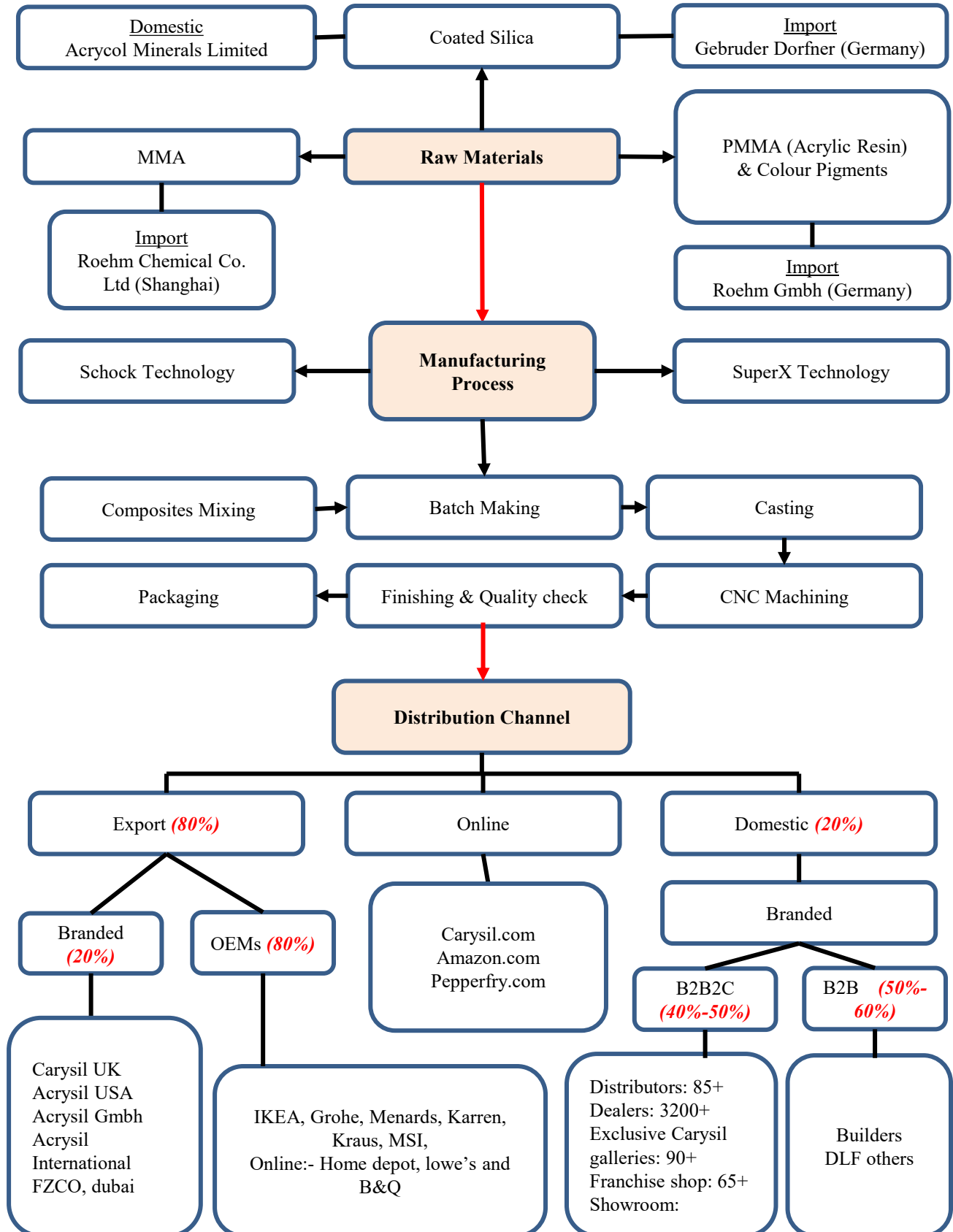


- CIF (Cost, Insurance, and Freight) and FOB (Free on Board)** are terms used in international trade to define how costs and responsibilities are shared between buyers and sellers. **In CIF**, the seller covers shipping, insurance, and freight costs until the goods reach the buyer's port, **while in FOB**, the seller's role ends once the goods are loaded onto the ship, and the buyer takes over all costs and risks. Currently, Carysil operates 90% on FOB terms and 10% on CIF terms, a significant shift from the past when CIF was more common. This change shows Carysil's effort to reduce costs, improve efficiency, and transfer more responsibility to buyers.

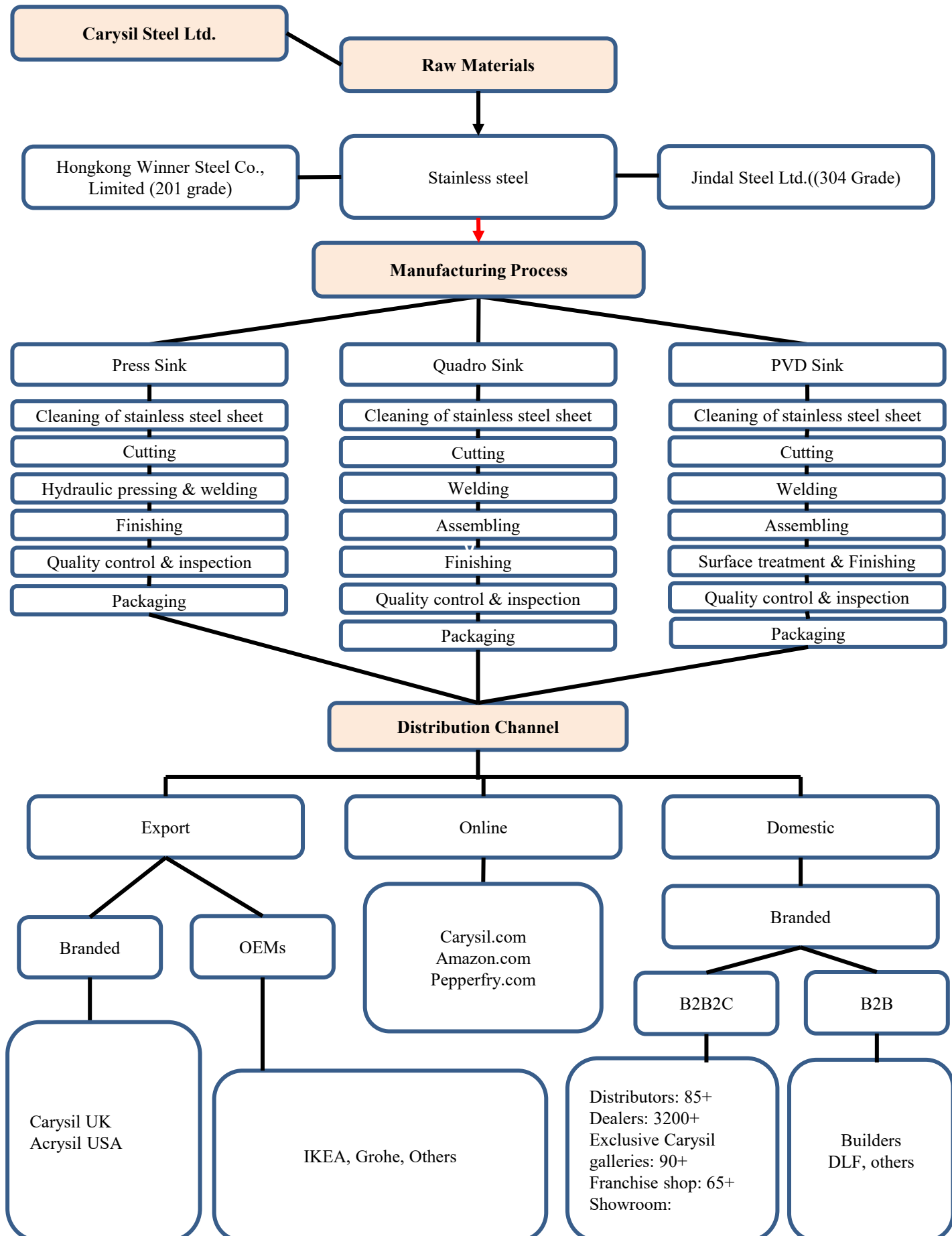


Value Chain

Quartz sink



Stainless sink



Supply Side:

Quartz Sink

The company imports raw materials as well as buys from domestic suppliers. The major raw materials are Coated Silica, Granucol (Quartz sand), Polymethyl Methacrylate, Methyl Methacrylate, and Colour Pigments. These raw materials are used in manufacturing quartz sinks.

- **Coated Silica (Quartz Sand):-** Utilizes coated silica as a key raw material in the production of its premium quartz kitchen sinks, enhancing durability, strength, and surface finish. The company sources coated silica from Acrycol Minerals Limited, a promoter-owned entity, and imports high-quality coated silica from **Gebruder Dorfner in Germany**. This dual sourcing strategy ensures a balance between cost efficiency and superior product quality.
- **Polymethyl Methacrylate (PMMA):-** A high-quality material imported from **Rohm GmbH, Germany**, is used to enhance the aesthetics and durability of quartz kitchen sinks. Its application ensures a premium finish and long-lasting performance, reflecting the company's commitment to utilizing top-grade materials for superior product quality.
- **Methyl Methacrylate (MMA):-** Imported from **Rohm Chemical Co. Ltd in Shanghai**, is a key component used in the production of Polymethyl Methacrylate (PMMA). This high-quality raw material contributes to the manufacturing of PMMA, which is essential for achieving the premium finish and durability in quartz kitchen sinks. The use of MMA ensures that the final product meets the highest standards of performance and aesthetics.
- **Colour pigments:-** Imported from **Germany** are used to enhance the aesthetic appeal and customization of quartz kitchen sinks. These high-quality pigments ensure vibrant, long-lasting colours that maintain their integrity over time, contributing to the overall durability and visual appeal of the product. The import of such premium pigments supports the company's commitment to offering a wide range of stylish and high-performance kitchen solutions.

Stainless Steel Sink

Carysil Steel Limited (ASL) is a subsidiary of Carysil Limited (AL) and manufactures stainless steel kitchen sinks. The main raw material for manufacturing Stainless steel sink is stainless steel sheets.

- The stainless steel sheets (304 grade) used are sourced domestically from **Jindal Steel, India** and (201 grade) from **Hongkong Winner Steel Co. Limited**. These sheets contain at least 10.5% chromium, less than 1.2% carbon, and other alloying elements. Known for their rust resistance, they are ideal for manufacturing cookware such as grills, sinks, pots, and cookers.

Plumbing Kit:

- Plumbing kits are imported, with the **primary supplier being ALBA S.R.L., Italy**. These high-quality kits are essential for ensuring the functionality and efficiency of the plumbing systems in kitchen sinks. The partnership with ALBA S.R.L. guarantees access to top-tier plumbing solutions for the company's products.

Raw materials	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	Dec-24
Coated Silica / Granucol	₹14	₹6	₹20	₹11	₹14	₹8	₹10	₹18	₹13	₹4	₹12	₹12
MMA	₹138	₹141	₹114	₹122	₹175	₹193	₹128	₹124	₹166	₹153	₹140	₹151
PMMA	₹140	₹145	₹142	₹135	₹164	₹191	₹151	₹141	₹197	₹196	₹176	₹205
Stainless Steel sheet (WPI) (Yearly)	111.3	117.1	104.6	105.2	116.4	120.8	114.5	118.1	154.2	157.9	146.1	145

Neutral Side:

Quartz Sink Manufacturing process:

- **Composites Mixing:** Raw materials like quartz, resins, and pigments are mixed to create a uniform composite that forms the base of the countertop.
- **Batch Making:** The mixed composite is measured and prepared in batches to ensure consistency in the material's composition.
- **Casting:** The batch is poured into moulds to shape the countertop, which is then compacted under vacuum and pressure to remove air pockets.
- **Moulding:** After casting, the material is placed in moulds where it is allowed to set and take its final shape. *(Moulds are imported from Weber Technologies, a Canadian company, which is the sole supplier to all users of Schock technology. Each mould costs around USD 100,000 and has a useful life of 15–20 years).*
- **CNC Machining:** The moulded countertop is precisely cut and shaped using CNC machines to create custom sizes, edges, and designs.
- **Finishing & Quality Check:** The countertop undergoes polishing and surface finishing, followed by a thorough quality check to ensure consistency, durability, and aesthetics.
- **Packaging:** The finished product is carefully packaged to prevent damage during transportation and storage, ready for distribution.

Years	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Quartz Capacity (Lakhs)	2.75	3.25	3.25	4.00	4.00	4.00	5.00	6.00	8.40	10.00	10.00	10.00
Quartz Volume (Lakhs)	2.11	2.27	2.63	2.67	3.00	3.46	3.87	4.13	6.50	5.14	5.64	6.45
Capacity Utilization	76.85%	69.86%	80.98%	66.76%	75.05%	86.38%	77.35%	68.86%	77.42%	51.40%	56.40%	64.50%
Realizations		4,377	4,562	4,644	4,454	5,036	5,023	5,522	5,674	5,945	₹6,068	₹6,006

- Company has significantly expanded its quartz production capacity from 2,75,000 units in FY14 to 10,00,000 units in FY25, with volumes rising from 2,11,350 to 6,45,000 units. While realizations improved from ₹4,377 to ₹6,006 per unit, capacity utilization declined from 76.9% in FY14 to 64.5% in FY25, indicating challenges in optimizing operations despite substantial capacity growth.

Stainless steel Sink Manufacturing process:

- **Press Sink:** The manufacturing of press sinks involves stamping a stainless steel sheet into a mould using high-pressure machines. The sheet is pressed into the sink shape, followed by welding the edges to form the final structure. The main advantage of press sinks is their cost-effectiveness and suitability for mass production. Their quality depends on the precision of the pressing process, ensuring smooth edges and reliable durability.
- **Quadro Sink:** Quadro sinks are made using a combination of laser cutting and advanced welding techniques. A stainless steel sheet is laser-cut to precise measurements, then welded and polished for a clean, square-edged finish. This manufacturing process allows for more complex, modern designs. Quadro sinks are known for their high-end appeal and durability, with the quality driven by the precision in the cutting and welding process, resulting in a premium finish.
- **PVD Sink:** PVD sinks are created by applying a thin, durable coating to stainless steel through the Physical Vapor Deposition (PVD) process. This involves vaporizing metal or ceramic material in a vacuum chamber and depositing it as a thin film on the sink surface. The process enhances the sink's appearance and provides resistance to scratches, corrosion, and tarnishing. The quality of PVD sinks is characterized by their high resistance to wear and a superior finish that remains aesthetically pleasing over time.
- **Mould:-** Carysil Steel Limited imports moulds for steel sinks from Foshan Xinheng Machinery Equipment Co., Ltd. to manufacture its high-quality stainless steel sinks.

Years	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Stainless steel Capacity	65,000	75,000	75,000	90,000	90,000	1,20,000	1,80,000	1,80,000	1,80,000
Stainless steel Volume	44,000	55,000	60,000	66,000	69,000	1,05,000	1,09,000	1,27,000	1,55,300
Capacity Utilization	67.70%	73.30%	80.00%	73.30%	76.70%	87.50%	60.60%	70.60%	86.28%
Realizations	6,443	6,251	6,041	6,451	6,092	6,389	7,008	5,935	5,566

Carysil has expanded its stainless steel sink production capacity from 65,000 units in FY17 to 1,80,000 units in FY25. During the same period, volumes increased from 44,000 to 1,55,300 units, reflecting steady growth in demand. However, capacity utilization peaked at 87.5% in FY22 before declining to 70.6% in FY24 again peaked at 86.28% in FY25. Realizations have fluctuated over the years, peaking at ₹7,008 per unit in FY23. However, they dropped to ₹5,566 in FY25, reflecting growing pricing pressures and challenges in the market.

Demand Side:

The company sells its products both domestically and internationally, with domestic sales contributing 20% of revenue and export sales accounting for 80%. Products are available online through the company's website, Carysilshop.com, as well as on other e-commerce platforms. This diverse sales strategy ensures broad market reach and accessibility.

Export sales (Branded-20%)

- **Acrysil Products Ltd. (100% owned)** A stepdown subsidiary of Acrysil UK Limited, acquired in FY15. It is a well-established UK-based kitchen products distribution company with a large network of distributors and retailers across the UK and Europe. Carysil sells quartz sinks, stainless steel sinks, taps, accessories, and other kitchen-related products to Acrysil Products Ltd., which distributes them in these markets.
- **Acrysil USA INC (100% owned)** Incorporated in FY20, Acrysil USA was established to enhance penetration in the North American market. It focuses on building a strong network of distributors and retailers while capitalizing on regional opportunities. Carysil supplies quartz sinks, stainless steel sinks, bathroom sinks, tiles, and other kitchen and bathroom accessories to this subsidiary for distribution in North America.
- **Tickford Orange Ltd. (100% owned)** A stepdown subsidiary of Acrysil UK Limited, Tickford Orange Ltd. serves as the holding company for Sylmar Technology Limited (STL). STL is a leading player in the UK solid surface market, holding an estimated 35% market share. Carysil offers solid surface products, quartz sinks, and premium kitchen accessories to this subsidiary, which partners with brands like Selco, Homebase, Hafele, Magnet, Moores, and Fairline to distribute these products in the UK.
- **Acrysil GmbH, Germany (100% owned)** This subsidiary owns the Sternhagen brand, specializing in premium kitchen and bathroom products. Carysil supplies quartz sinks, stainless steel sinks, bathroom accessories, and high-end products under the Sternhagen brand to Acrysil GmbH, which focuses on European distribution, particularly in Germany.
- **Acrysil International FZCO, Dubai (100% owned)** Established to serve the Middle East and North Africa (MENA) region, this subsidiary acts as a key distribution hub. Carysil provides quartz sinks, stainless steel sinks, taps, and kitchen accessories tailored to regional preferences, which are distributed across the MENA markets.

Export sales (OEMs & Retailer-80%)

- **IKEA:** A leading global home furnishings retailer, IKEA sources kitchen and bathroom sinks from Carysil as part of its product range. Carysil collaborates with IKEA to offer high-quality, functional, and durable products that align with IKEA's design and sustainability standards.
- **Menards:** One of the largest home improvement retailers in the United States, Menards sources Carysil kitchen sinks and accessories for its stores, catering to DIY enthusiasts and contractors.

- **Grohe:** A premium brand in sanitary fittings, Grohe partners with Carysil for kitchen and bathroom sinks that complement its high-end faucets and accessories. Carysil products match Grohe's reputation for quality and innovation.
- **Karren:** Known for its focus on stylish and modern kitchen solutions, Karren includes Carysil sinks in its portfolio, leveraging Carysil's expertise in quartz and stainless steel sink manufacturing.
- **Kraus:** A prominent name in kitchen and bathroom fixtures, Kraus collaborates with Carysil for high-performance sinks that enhance its product offerings in both the retail and project markets.
- **MSI (M S International):** MSI, a leading distributor of flooring, countertops, and wall tiles, includes Carysil kitchen and bathroom sinks to complement its interior design solutions.

Online Platforms

- **Home Depot:** Carysil sells its products through Home Depot's e-commerce platform, targeting customers seeking premium kitchen and bathroom sinks with convenience and ease of access.
- **Lowe's:** Another major online channel for Carysil, Lowe's offers a range of Carysil sinks and accessories to customers, catering to the home improvement segment.
- **B&Q:** A leading UK-based online and brick-and-mortar home improvement retailer, B&Q lists Carysil products, ensuring access to a wide customer base across the UK and Europe.

Domestic sales:

The company sees a synergy in the domestic distribution channel. The company uses the same distribution channel that sells sinks to sell appliances. Most of the appliances come with combo offers.

- **Distributors:** The company works with over 95 distributors who store Carysil products, including quartz sinks, stainless steel sinks, taps, and kitchen appliances, in depots or storage units. These distributors ensure quick delivery (within 2 hours) to dealers, exclusive Carysil galleries, company showrooms, and franchise shops using a Just-in-Time inventory model. Distributors earn a margin of around 10% and are incentivized with extra discounts and vacation trips for exceeding sales targets.

- **Dealers and Galleries:** The company categorizes its dealer network into three tiers:

C Category: Dealers in this category can display only one or a couple of sink models.

B Category: These dealers display at least 10 models of sinks, both granite and steel, and also carry a few built-in appliances.

A Category: Dealers in this category operate standalone showrooms ranging from 500 to 1,000 sq. ft. and follow a franchisee model. The company focuses on upgrading its dealer network from C to B and from B to A.

The major customers of dealers are architects and interior designers. Additionally, the network includes 4,000+ dealers and 110+ exclusive Carysil galleries, ensuring widespread availability of Carysil sinks, taps, accessories, and appliances in the market.

- **Franchise Shops & Shop-in-Shop:** Carysil has 65+ franchise shops along with numerous shop-in-shop setups, making its products more accessible across various regions.
- **Company-Owned Showrooms:** Carysil operates 5+ exclusive showrooms where customers can experience and purchase its range of products, including kitchen sinks, bathroom solutions, and appliances.

INR (Lakhs)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
No. of Distributors	30	45	60	65	80	82	82	82	82	82	85	95
Revenue per Distributor	₹99.46	₹81.22	₹73.18	₹74.56	₹72.48	₹89.98	₹88.63	₹77.69	₹118.85	₹154.36	₹160.89	₹157.05
No. of Dealer	400	550	800	1200	1300	1500	1500	1500	1500	3100	3200	4000
Revenue per Dealer	₹7.46	₹6.65	₹5.49	₹4.04	₹4.46	₹4.92	₹4.84	₹4.25	₹6.50	₹4.08	₹4.27	₹3.73
No. of Gelleries	40	58	-	65	65	80	80	80	94	85	90	110
Revenue per Gelleries	₹74.59	₹63.02	-	₹74.56	₹89.21	₹92.22	₹90.84	₹79.63	₹103.68	₹148.91	₹151.95	₹135.64
No. of Franchise	-	-	-	-	65	65	65	65	65	65	65	65
Revenue per franchise	-	-	-	-	₹89.21	₹113.51	₹111.81	₹98.01	₹149.94	₹194.73	₹210.39	₹229.54

Value Chain & Growth Drivers

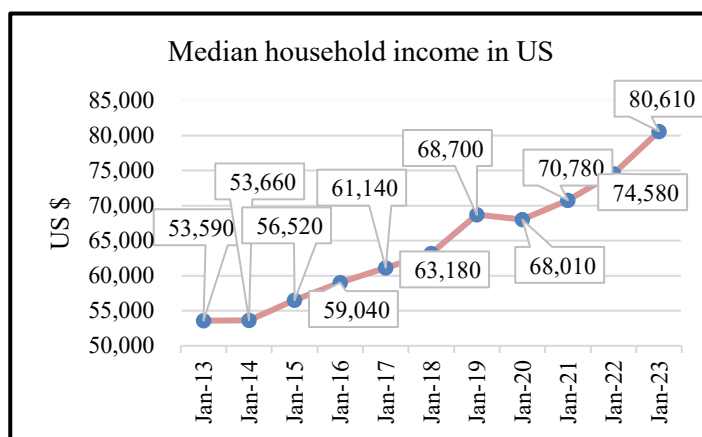
Online sales:

- Products are sold through company's website 'Carysilshop.com', Amazon.com & Pepperfry.com.

Industry growth drivers (Global):

Particular (Lakhs)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Existing House sold	59	63	65	66	64	64	68	74	61	46	40	40
New House sold	5	6	7	7	7	8	10	9	8	8	7	7
Total House sold	64	69	72	73	71	72	78	83	69	54	47	47
Mortgage Rate (%)	3.90%	4.00%	4.30%	4.00%	4.60%	3.70%	3.10%	2.70%	6.40%	6.60%	6.80%	6.64%
Unemployment Rate (%)	7.10%	5.90%	5.10%	4.80%	4.20%	3.90%	3.70%	8.70%	4.70%	3.60%	3.70%	4.20%

- **The U.S. home improvement market** demonstrated remarkable resilience and growth, fuelled by macroeconomic shifts and evolving housing trends. Total house sales, including new and existing homes, saw a peak in 2021, supported by historically low mortgage rates of below 3%, which made financing highly affordable. However, by 2024, mortgage rates surged to over 6.8%, significantly impacting housing affordability and reducing the volume of house sales.



Despite this, median household income rose steadily from \$53,590 in 2013 to over \$80,610 by 2023, boosting consumers' disposable income and enabling increased investments in home renovations. Furthermore, the unemployment rate fell sharply from 5.7% in 2014 to below 4% in 2025, reflecting a strong labour market that provided financial stability for households. Coupled with rising home prices and limited new housing supply, many homeowners shifted their focus toward enhancing their existing properties, driving demand for home improvement products and services. This interplay of rising income, employment stability, and market pressures underscores the sector's sustained expansion amidst evolving economic conditions.

- **Shift from Stainless steel sinks to Quartz Sinks**, Quartz sink being a major contributor to the top line, the change in demand from stainless steel sink to Quartz sink is one of the main drivers of revenue. In the USA/Europe/UK, Quartz used to be 15%/10%/15% respectively of the total kitchen sink industry during FY14-15. However, with growing demand and enhanced acceptance of Quartz Sinks, the share of Quartz in the USA/Europe/UK has expanded to 25%/15%/20% respectively in FY21.

A sharp rise in steel prices has hastened the shift in demand towards quartz sinks as the price difference between the two has narrowed. Quartz is gaining traction over stainless steel sinks on account of:

Aesthetic Appeal: Quartz sinks come in a wide variety of colours and finishes, offering more versatility in matching kitchen designs and trends compared to the metallic look of stainless steel. Quartz sinks provide a more contemporary and luxurious appearance, aligning with the growing preference for stylish and high-end kitchen aesthetics.

Noise Reduction: Quartz sinks are denser, absorbing sound better than stainless steel. They reduce noise from running water or dropped items. This creates a quieter and more pleasant kitchen environment.

Hygienic: Quartz sinks have a smooth, non-porous surface that resists bacteria buildup, making them a more hygienic and safer option for food preparation. They are an excellent choice for health-conscious homeowners.

Trendy and Premium: Quartz sinks cater to modern design trends and a desire for luxury. Their composition and durability appeal to eco-conscious and premium-minded consumers. This makes them a stylish and sustainable kitchen solution.

Industry growth drivers (Domestic):

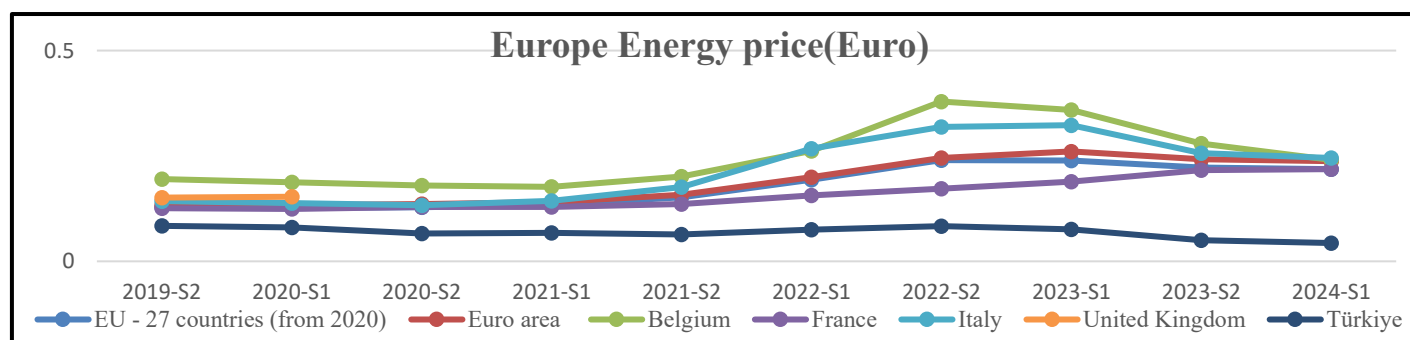
- **Anti-Dumping Duty:-** In 2018, the U.S. imposed anti-dumping duties on several Chinese products, including materials widely used in the home improvement sector, such as aluminum and steel. This led to higher costs for imported goods, increasing the prices of home improvement materials like fixtures, flooring, and appliances in the U.S. market. Domestic manufacturers benefited from reduced competition, but contractors and consumers faced elevated expenses, causing many to scale back or delay renovation projects.

Exporters of Sinks and wash basins, stainless steel	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
India	4.9	4.3	4.9	4.7	4.8	4.5	5.3	8.5	9.0	6.5
Y-O-Y	-	-13%	16%	-5%	2%	-5%	16%	62%	6%	-28%
Market share	0.43%	0.38%	0.44%	0.39%	0.37%	0.37%	0.42%	0.53%	0.52%	0.41%
Total (Million \$)	1140	1120	1130	1200	1270	1210	1260	1600	1720	1590

Globally, Chinese exporters redirected goods to other markets, intensifying competition in Europe and Asia, while countries like Vietnam, India, and Mexico capitalized on new export opportunities to the U.S. These duties reshaped supply chains, spurred innovation in material sourcing, and added inflationary pressures to global construction and home improvement industries.

Years	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Number of house sold (Lakhs)	3.64	3.48	3.59	3.10	2.79	3.31	3.39	2.98	3.72	4.88	4.93	5.00 +
Per Capita GDP (₹)	89,796	98,405	1,07,341	1,18,489	1,30,061	1,42,424	1,49,915	1,46,480	1,72,422	1,94,879	1,96,743	-
Lending Rates	10.13%	10.13%	9.50%	7.98%	7.88%	8.30%	7.68%	6.80%	6.73%	7.23%	9.20%	8.50%
Unemployment Rate	-	-	-	-	6%	5.8%	4.8%	4.2%	4.1%	3.2%	3.2%	

- **The Indian home improvement market**, supported by rising income levels and favourable lending conditions. The number of houses sold increased from 3,64,000 in 2013-14 to 5,00,000+ in 2024-25, reflecting a growing demand for modern living spaces. Simultaneously, Per Capita GDP surged from ₹89,796 to ₹1,96,743 in FY24 showcasing enhanced financial stability and purchasing power among households. Lending rates, which started at a high of 10.13% in 2013-14, fell to 6.73% by 2021-22, significantly improving affordability before stabilizing at 7.9% in 2024-25. Additionally, the unemployment rate declined from **6% in 2017-18 to 3.2% in 2023-24**, indicating economic growth and increasing household incomes. These factors collectively underline the growing aspiration for homeownership, driving associated industries like kitchen sinks, appliances, and other home improvement products to flourish in the domestic market.



- **Europe+1:-** The European energy crisis, driven by soaring gas prices, has raised production costs for European industries, especially in energy-intensive sectors like steel. While China, with its labour cost of \$16,934 annually in 2024, remains a competitive manufacturer, its rising wages and geopolitical concerns have made global buyers cautious. In contrast, India, with significantly lower labour costs at \$2,990 in FY25 annually, has become a preferred alternative. Indian sink manufacturers have successfully leveraged these cost advantages, along with stable production capabilities, to capture market share from Europe and China, benefiting from global supply chain diversification efforts.

Years	India Average Yearly Wages (USD)	China Average Yearly Wages (USD)	Euro Average Yearly Wages (USD)	US Average Yearly Wages (USD)
17	2,369	10468	22168	54,718
18	2,355	11651	22863	56,375
19	2,284	12448	23558	58,233
20	2,461	13398	23305	61,067
21	2,557	14718	24316	63,674
22	2,670	15681	25579	67,103
23	2,840	16644	27116	70,138
24	2,985	16934	35050	72,688
25	2,990	-	-	76,032

Company growth drivers:

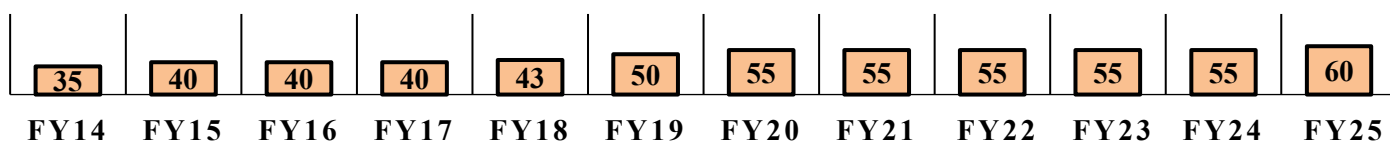
- **Inorganic growth:** The company has achieved significant growth through strategic acquisitions and incorporations, focusing on market expansion, product diversification, and technological advancement:
 - Carysil Products Limited (Homestyle Products Ltd.):** Acquired in FY18 by Carysil UK Ltd for £2.8 million (INR 28 crore) to integrate the UK sink distribution channel. Its FY24 revenue reached ₹9.3 million (INR 69.75 crore), growing at a CAGR of 10.3% since FY19.
 - Tickford Orange Limited (Carysil Surfaces Limited):** Acquired in FY22 for £11 million (INR 110 crore). Known for innovative countertop fabrication technology, it strengthened relationships with major brands like Selco and Homebase.
 - The Tap Factory Limited (Carysil Brassware Limited):** Acquired 70% equity in FY22 for £1.16 million (INR 11.6 crore). Focused on Instant Boiling Water Taps and expanded Carysil kitchen and bathroom product portfolio.
 - Acrysil Ceramic Tech Limited:** Incorporated in April 2022 to manufacture ceramic kitchen sinks and bath products, further diversifying offerings in a growing market.
 - United Granite LLC:** Acquired in FY24 for \$7.9 million (INR 64.78 crore) to enhance capabilities in kitchen top fabrication, integrating sinks, faucets, and accessories into its premium product range.
- **Tie-ups:** The company's overseas expansion strategy focuses on contract manufacturing for established global players rather than spending heavily on branding and advertising. Key partnerships include:
 - GROHE:** Began supplying quartz sinks in FY19 and expanded to stainless steel sinks in FY21 for the global leader in kitchen and bathroom fittings.
 - IKEA:** Partnered in FY21 to supply quartz sinks globally and added stainless steel sinks to the portfolio in FY23 for IKEA, a home improvement giant.
 - Menards US:** Tied up in FY21 to distribute Carysil Granite Sinks in 850 stores across the U.S. for Menards, the third-largest retail chain in America with \$10 billion in revenue.
 - Karran USA:** Renewed a contract in FY23 to supply quartz kitchen sinks worth \$68 million (INR 550 crores) over five years starting FY24.
 - Howdens UK:** Partnered in FY24 with the UK's No.1 trade kitchen supplier, which sells 500,000 kitchen units annually, generating £3.3 billion (INR 33,000 crores) in revenue.
 - Reece Australia:** Signed in FY24 with Australia's largest plumbing and bathroom supplier, generating \$100 million (INR 83 crores) in sales, and received initial orders.
- **Domestic distribution channel:** In recent years, the company has placed a strong emphasis on expanding its domestic presence by aggressively growing its dealer and distributor network. Over the past decade, the number of dealers surged from 400 in FY14 to 3,200 in FY24, with a significant leap in the last three years. Although the distributor count has seen a modest rise from 30 in FY14 to 85 in FY24, 90% of them work exclusively with Carysil, ensuring a strong distribution backbone. The number of galleries also increased steadily, reaching 90 in FY24. While franchise numbers have remained consistent at 65 since FY18.

INR (Lakhs)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
No. of Distributors	30	45	60	65	80	82	82	82	82	82	85	95
Revenue per Distributor	₹99.46	₹81.22	₹73.18	₹74.56	₹72.48	₹89.98	₹88.63	₹77.69	₹118.85	₹154.36	₹160.89	₹157.05
No. of Dealer	400	550	800	1200	1300	1500	1500	1500	1500	3100	3200	4000
Revenue per Dealer	₹7.46	₹6.65	₹5.49	₹4.04	₹4.46	₹4.92	₹4.84	₹4.25	₹6.50	₹4.08	₹4.27	₹3.73
No. of Gelleries	40	58	-	65	65	80	80	80	94	85	90	110
Revenue per Gelleries	₹74.59	₹63.02	-	₹74.56	₹89.21	₹92.22	₹90.84	₹79.63	₹103.68	₹148.91	₹151.95	₹135.64
No. of Franchise	-	-	-	-	65	65	65	65	65	65	65	65
Revenue per franchise	-	-	-	-	₹89.21	₹113.51	₹111.81	₹98.01	₹149.94	₹194.73	₹210.39	₹229.54

➤ **SKUs:** The Company offers a significantly larger variety of SKUs compared to its competitors, giving it a competitive advantage by catering to diverse customer preferences and needs across the markets (*scuttlebutt*).

➤ **Presence in countries:** The company has been gradually expanding its international presence, steadily increasing the number of export countries from 35 in FY14 to 60 in FY25. This growth in geographic reach has significantly contributed to its revenue, with export revenue rising from INR 76 crore in FY14 to INR 543 crore in FY24. Key markets such as the USA, UK, and Europe have played a pivotal role in this expansion, helping the company strengthen its global footprint and achieve remarkable growth in exports over the years.

COUNTRIES



➤ **Product diversification:** Diversification into solid surfaces, faucets, and kitchen appliances has become a key growth driver. The company started manufacturing T-shaped chimneys and select faucets, aiming to boost margins and reduce reliance on outsourcing. Notably, solid surfaces contributed more than 25% to total revenue in their very first year, showcasing the significant impact of this strategic expansion on the company's product portfolio and profitability.

➤ **Impact of Interest Rates on Mortgage Payments, Disposable Income, and Home Sales (with example)**

Higher interest rates result in a larger portion of mortgage payments being directed toward interest, reducing the amount of disposable income available to borrowers. This can negatively impact consumer spending and affordability in the housing market. For instance, in 2023, interest payments on a \$100,000 loan reached \$7,790, significantly limiting disposable income for borrowers. This increase in financial pressure contributed to a decline in new home sales during that year, as many potential buyers were deterred by the higher costs associated with homeownership.

On the other hand, lower interest rates allow borrowers to pay less toward interest and retain more disposable income, making it easier to manage other financial obligations and encouraging home purchases. For example, in 2020, interest payments on a \$100,000 loan dropped to just \$2,670, providing borrowers with greater financial flexibility. This coincided with a surge in new home sales, which rose from 7 million to 10 million as lower borrowing costs made homeownership more accessible. These shifts in interest payments highlight the broader economic effects of mortgage rate changes on disposable income and housing market activity.

Year	Loan Amount	Interest Payment	New Home Sales	Impact on Disposable Income
2020	\$1,00,000	\$2670	10 million	Higher disposable income, surge in home sales
2023	\$1,00,000	\$7790	7 million	Lower disposable income, decline in home sales

Return Matrix

Gross profit:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Cost of Goods Sold	₹49	₹69	₹70	₹83	₹129	₹137	₹142	₹210	₹303	₹315	₹377
COGS as a % of Revenue	39%	40%	39%	42%	51%	50%	46%	43%	51%	46%	46%
Y-O-Y growth rate		41%	1%	19%	55%	6%	4%	48%	44%	4%	20%
Cost of materials consumed	₹41	₹47	₹48	₹62	₹100	₹97	₹104	₹192	₹231	₹273	₹308
COMC as a % of Revenue	32%	27%	26%	32%	40%	35%	34%	40%	39%	40%	38%
Y-O-Y growth rate		15%	2%	29%	61%	-3%	7%	85%	20%	18%	13%
Purchases of Stock-in-Trade	₹15	₹26	₹28	₹29	₹34	₹42	₹31	₹56	₹62	₹70	₹95
Purchases of SIT as a % of Revenue	12%	15%	15%	15%	13%	15%	10%	12%	10%	10%	12%
Y-O-Y growth rate		73%	8%	4%	17%	24%	-26%	81%	11%	13%	36%
Changes in Inventory	(₹7)	(₹4)	(₹6)	(₹8)	(₹5)	(₹2)	₹7	(₹38)	₹10	(₹28)	(₹26)
Change in Inventory as a % of Revenue	-5%	-2%	-3%	-4%	-2%	-1%	2%	-8%	2%	-4%	-3%
Y-O-Y growth rate	17%	-39%	42%	39%	-45%	-55%	-434%	-649%	-127%	-379%	-7%
Gross Profit	₹79	₹105	₹112	₹114	₹122	₹139	₹168	₹274	₹291	₹369	₹439
Y-O-Y growth rate	21%	34%	6%	2%	7%	14%	21%	63%	6%	27%	19%
Gross profit Margin	62%	60%	62%	58%	49%	50%	54%	57%	49%	54%	54%

➤ Gross profit margin:

FY15 to FY17: Gross profit margins remained stable between 60% and 62%, primarily due to favourable raw material pricing. In FY15, the cost of coated silica—a key component in quartz sinks—declined significantly from ₹14/kg to ₹6/kg, leading to a reduction in the cost of materials consumed (COMC) as a percentage of revenue. In FY16, prices of PMMA and MMA, essential inputs for solid surface products, decreased from ₹145/kg to ₹142/kg and ₹141/kg to ₹114/kg, respectively. Despite an increase in absolute COMC, these reductions in raw material costs helped maintain gross profit margins. By FY17, although there was a slight uptick in COMC, the gross profit margin remained steady at 62%.

FY18: The gross profit margin declined by 4% compared to FY17, primarily due to significant increases in raw material costs. The price of coated silica rose from ₹11/kg to ₹14/kg, while MMA and PMMA prices escalated from ₹122/kg to ₹175/kg and ₹135/kg to ₹164/kg, respectively. These hikes were driven by global supply constraints stemming from underinvestment in MMA production, aging manufacturing facilities, and heightened demand from China, which tightened the supply chain and elevated costs. Consequently, the COMC as a percentage of revenue increased, adversely impacting the gross profit margin. ([S&P Global](#))

FY19: The gross profit margin declined due to an accounting reclassification. Previously, packaging costs were recorded under 'Other Expenses'; starting FY19, they were reclassified under COMC. This shift increased COMC as a percentage of revenue, impacting the gross profit margin.

FY20 to FY22: In FY20, the gross profit margin improved due to a decline in raw material costs; specifically, MMA prices decreased from ₹193/kg to ₹128/kg, and PMMA prices dropped from ₹191/kg to ₹151/kg, reducing the COMC as a percentage of revenue. In FY21, the margin further increased, influenced by a higher proportion of stock-in-trade purchases, which typically carry lower production costs. In FY22, although COMC as a percentage of revenue rose—driven by MMA and PMMA price increases to ₹166/kg and ₹197/kg respectively, along with capacity expansion—the gross profit margin still improved, aided by inventory accumulation as distributors maintained higher stock levels.

FY23: The gross profit margin declined due to the integration of the subsidiary Sylmar, whose margins were lower than the parent company. Additionally, distributors began destocking, leading to reduced inventory levels and impacting overall margins.

FY24 to FY25: In FY24, gross profit margins were impacted by the Red Sea crisis, which delayed shipments by 3–4 weeks. Additionally, the integration of United Granite LLC, operating at lower margins, contributed to margin compression. In FY25, margins faced further pressure from a significant rise in MMA prices, escalating from 141/kg in FY24 to 151/kg in Dec'24, and PMMA from 176/kg to 205/kg which made margin stable even after cool down at Red sea crisis.

EBITDA:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Employee Benefit Expenses	₹10	₹14	₹15	₹17	₹19	₹22	₹22	₹34	₹45	₹61	₹79
EBE as a % of Revenue	8%	8%	8%	9%	7%	8%	7%	7%	8%	9%	10%
Y-O-Y growth rate		35%	7%	14%	8%	20%	0%	51%	34%	35%	30%
Other expenses	₹45	₹61	₹70	₹71	₹63	₹70	₹80	₹138	₹139	₹180	₹222
Y-O-Y growth rate		36%	15%	1%	-11%	11%	14%	73%	1%	29%	23%
Other expenses as a % of Revenue	35%	35%	39%	36%	25%	25%	26%	29%	23%	26%	27%
EBITDA	₹24	₹29	₹26	₹26	₹40	₹46	₹66	₹103	₹107	₹128	₹137
Y-O-Y growth rate		25%	-11%	-1%	57%	15%	42%	57%	4%	20%	7%
EBITDA Margins	19%	17%	14%	13%	16%	17%	21%	21%	18%	19%	17%

➤ EBITDA Margin:

FY15 to FY16: During this period, EBITDA margins remained steady, supported by controlled operational costs and efficient scale-up. Employee benefit expenses consistently held at 8% of revenue, even as the company expanded its quartz sink capacity from 2,75,000 sinks/year to 4,00,000 sinks/year. Power and fuel costs remained aligned with capacity utilization, and export freight expenses moved proportionately with growing overseas sales. The company managed to absorb the inflationary pressures through internal efficiencies, helping maintain stable profitability.

FY17 to FY18: EBITDA margins saw mild compression as rising costs outpaced revenue growth. In FY18, employee benefit expenses increased slightly to 9% of revenue due to inflationary pressure from a surge in raw material costs. Freight and insurance expenses also rose, driven by geopolitical tensions and a spike in crude oil prices, which raised shipping costs. Despite these headwinds, the company maintained profitability through prudent expense management and a focus on high-margin segments.

FY19 to FY20: Margins improved during this phase, driven by operating leverage and favourable input costs. FY19 witnessed strong revenue growth that outpaced employee cost increases, leading to a drop in employee expenses as a percentage of revenue. In FY20, although there were new capacity additions which pushed up employee costs, the company benefited from falling MMA and PMMA prices, along with subdued freight rates due to declining crude oil prices. These tailwinds helped sustain healthy EBITDA margins.

FY21 to FY22: This was a high-margin period, with EBITDA margins expanding to 21%. In FY21, the company saw a sharp rise in realizations while input costs remained relatively benign, boosting profitability. In FY22, despite a significant increase in freight and insurance costs—largely due to the Russia-Ukraine war and a global crude oil rally—the company managed to maintain margins at 21%, helped by robust revenue growth, high-capacity utilization, and increase in workforce to meet rising demand.

FY23 to FY25: EBITDA margins gradually declined from 21% in FY22 to 17.3% in FY25. In FY23, the consolidation of Sylmar Technology and moderation in distributor restocking reduced gross margins, prompting a strategic reduction in employee benefit expenses to control overheads. FY24 faced higher logistics costs due to the Red Sea crisis, though easing crude prices softened the blow. In FY25, elevated raw material prices—especially MMA, which rose from \$1.79/kg in April 2024 to \$2.52/kg in December 2024—along with increased freight charges and higher employee costs from integrating United Granite LLC, added pressure.

Depreciation and Amortization:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Depreciation and Ammortization	₹4	₹5	₹6	₹7	₹9	₹12	₹13	₹18	₹26	₹32	₹36
D&A as a % of Revenue	3%	3%	3%	4%	3%	4%	4%	4%	4%	5%	4%
Y-O-Y growth rate		27%	4%	26%	21%	38%	6%	40%	49%	23%	13%
Total Capacity (Units/PA) (Lakhs)	3.25	3.90	4.00	4.75	4.75	5.75	6.90	9.60	11.80	11.80	11.80
Capacity Utilization	69.90%	84.20%	83.00%	79.00%	88.50%	80.30%	72.90%	80.20%	58.80%	63.10%	67.82%

➤ Depreciation and Amortization:

The Company depreciates property, plant and equipment on written down value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.

- **FY15 to FY25:** D&A expenses increased from ₹4 crore to ₹36 crore, while remaining in the range of 3% to 5% of revenue. This rise aligns with a 4.3x increase in capacity, from 2.75 lakh to 11.8 lakh units per annum. However, capacity utilization fluctuated, peaking at 88.5% in FY19 but dropping to 67.82% in FY25, indicating underutilized assets. The increasing D&A reflects higher depreciation costs from capacity expansions, highlighting the need to align production growth with infrastructure investments for optimal efficiency.

EBIT:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
EBIT	₹19	₹24	₹20	₹19	₹32	₹34	₹53	₹86	₹81	₹96	₹101
Y-O-Y growth rate		24%	-15%	-9%	72%	8%	54%	61%	-5%	18%	5%
EBIT Margins	15%	14%	11%	9%	13%	12%	17%	18%	14%	14%	12%

➤ EBIT Margin:

The only changes between EBITDA and EBIT is Depreciation and Amortization So the fluctuation in EBIT is just because of depreciation and amortization

PBT:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Finance Cost	₹7	₹8	₹10	₹6	₹10	₹9	₹7	₹10	₹15	₹21	₹23
Finance cost as a % of Revenue	5%	5%	6%	3%	4%	3%	2%	2%	2%	3%	3%
Y-O-Y growth rate		18%	28%	-39%	55%	-10%	-16%	31%	52%	44%	10%
Non-Current Liabilities	₹27	₹22	₹20	₹19	₹17	₹22	₹26	₹48	₹89	₹124	₹96
Y-O-Y growth rate		-18%	-8%	-7%	-11%	31%	21%	84%	84%	40%	-23%
Current liabilities	₹37	₹40	₹52	₹62	₹68	₹68	₹81	₹102	₹146	₹188	₹181
Y-O-Y growth rate	57%	9%	31%	19%	9%	0%	18%	26%	44%	29%	-4%
Total debt	₹63	₹62	₹72	₹81	₹85	₹90	₹107	₹150	₹235	₹312	₹277
Y-O-Y growth rate		-2%	17%	12%	5%	6%	19%	40%	57%	33%	-11%
Effective Interest Rate	11%	13%	15%	8%	12%	10%	7%	8%	8%	8%	8%
Other income (Inc. Exceptional Gain)	₹1	₹2	₹3	₹5	₹2	₹5	₹8	₹10	₹2	₹5	₹10
Y-O-Y growth rate		100%	50%	67%	-60%	150%	60%	25%	-80%	150%	100%
Other income as a % of Revenue	1%	1%	1%	2%	1%	2%	3%	2%	0%	1%	1%
Profit before Tax	₹13	₹18	₹13	₹17	₹24	₹30	₹54	₹86	₹68	₹80	₹88
Y-O-Y growth rate	27%	35%	-29%	33%	43%	26%	77%	60%	-21%	18%	10%
PBT Margins	10%	10%	7%	9%	10%	11%	17%	18%	11%	12%	11%

➤ PBT Margin:

FY15 to FY20: During this period, PBT margins moved within a moderate range of 7% to 11%, influenced by changing finance costs, foreign exchange fluctuations, and evolving capital needs. In FY15, finance costs as a percentage of revenue rose to 5% due to debt raised for working capital and the acquisition of a 75% stake in a UK-based subsidiary. Although total debt increased from ₹63 crore in FY15 to ₹90 crore by FY20, the effective interest rate declined from 11% to 10%, indicating more favourable borrowing terms. FY18 saw a drop in finance costs to 3% of revenue, driven by gains on foreign currency loans used for capex. That year also saw other income rise to 2% of revenue, aided by forex gains, in contrast to losses in the prior year caused by adverse currency movements. However, FY17 marked a dip in PBT margin to 7% due to a spike in other expenses, including one-time write-offs. By FY19, higher realizations and improved operational efficiency lifted PBT margins back to 10%.

FY21 to FY22: PBT margins peaked in this range, increasing from 11% to 18%, supported by strong revenue growth, low-cost financing, and currency gains. Finance costs remained low at 2% to 3% of revenue despite a sharp rise in total debt from ₹107 crore in FY21 to ₹150 crore in FY22, reflecting

access to affordable credit for expansion and acquisitions. The effective interest rate held steady at 7%–8%. In FY21, other income rose to 3% of revenue due to forex-related gains on pre-shipment finance, as currency depreciation led to a favourable revaluation of liabilities. Combined with strong operating performance, higher realizations, and lean cost structures.

FY23 to FY25: PBT margins declined from 18% in FY22 to around 11% by FY25, primarily due to continued margin pressure from elevated freight costs, integration of subsidiaries with lower profitability, and global supply chain disruptions. In FY23 and FY24, finance costs rose sharply due to increased borrowing, peaking at ₹312 crore in FY24. However, in FY25, total debt reduced to ₹277 crore, reflecting some repayment or deleveraging efforts. Despite this reduction, finance cost remained at 3% of revenue, suggesting that the cost of debt or interest obligations remained elevated. On the upside, other income rose significantly from ₹5 crore in FY24 to ₹10 crore in FY25, largely due to interest earned on unutilized QIP proceeds. This increase in other income provided a partial cushion, but it wasn't enough to fully offset the operating pressures, keeping PBT margins subdued.

TAX:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Tax expense	₹4	₹6	₹5	₹5	₹7	₹8	₹15	₹21	₹15	₹22	₹24
Tax as a % of Revenue	3%	3%	3%	2%	3%	3%	5%	4%	3%	3%	3%
Effective Tax Rate	32%	32%	37%	28%	28%	25%	27%	24%	22%	28%	27%

FY14 to FY25: Effective tax rate has changed because of change in corporate tax rate in FY18.

PAT:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Profit After Tax	₹9	₹12	₹8	₹12	₹17	₹23	₹39	₹65	₹53	₹58	₹64
Y-O-Y growth rate	16%	35%	-34%	54%	43%	31%	72%	66%	-19%	10%	10%
PAT Margins	7%	7%	4%	6%	7%	8%	13%	13%	9%	8%	8%

➤ **PAT Margin:**

The only difference between PBT and PAT is the impact of taxes, so any fluctuations in PAT are purely due to changes in the tax expense.

FIXED ASSETS:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Fixed Assets	₹62	₹91	₹100	₹113	₹123	₹135	₹162	₹227	₹342	₹414	₹426
Fixed Asset Turnover	2.06	1.91	1.8	1.73	2.05	2.04	1.91	2.13	1.74	1.65	1.92
Quartz Capacity (Lakhs)	3.25	3.25	4.00	4.00	4.00	5.00	6.00	8.40	10.00	10.00	10.00
Capacity Utilization	69.90%	81.00%	66.80%	75.00%	86.40%	77.40%	68.90%	77.40%	51.40%	56.40%	64.50%
Stainless Steel Sink capacity		65,000	65,000	75,000	75,000	75,000	90,000	1,20,000	1,80,000	1,80,000	1,80,000
Capacity Utilization			67.70%	73.30%	80.00%	88.00%	76.70%	87.50%	60.60%	70.60%	86.28%
Total Capacity (Lakhs)	3.25	3.90	4.00	4.75	4.75	5.75	6.90	9.60	11.80	11.80	11.80
Capacity Utilization	69.90%	84.20%	83.00%	79.00%	88.50%	80.30%	72.90%	80.20%	58.80%	63.10%	67.82%

➤ **Fixed assets turnover:**

FY15 to FY18: The company undertook significant capacity expansions, increasing its fixed assets from ₹62 crore to ₹113 crore. This period saw the quartz sink capacity grow from 3.25 lakh units to 4 lakh units and the stainless steel sink capacity rise from 65,000 to 75,000 units. Despite these expansions, fixed asset turnover declined from 2.06x to 1.73x, primarily due to underutilization of the newly added capacities. The overall capacity utilization hovered around 79% in FY18, indicating that the full potential of the expanded infrastructure was yet to be realized.

FY19 to FY20: The company focused on optimizing its operations, leading to an increase in fixed asset turnover from 1.73x to 2.04x. This improvement was driven by enhanced capacity utilization, which rose to 88.5% in FY19. The strategic emphasis on operational efficiency allowed the company to better leverage its existing assets, resulting in higher revenue generation relative to its fixed asset base.

FY21 to FY22: The onset of the COVID-19 pandemic in FY21 posed significant challenges, causing a dip in fixed asset turnover to 1.91x due to disruptions in operations and supply chains. However, in FY22, the company demonstrated resilience, with fixed asset turnover rebounding to 2.13x. This recovery was attributed to a combination of factors, including increased capacity utilization, which rose to 80.2%, and improved realizations. The company's ability to adapt to the changing environment and maintain operational efficiency was evident during this period.

FY23 to FY24: The company continued its expansion trajectory, with fixed assets increasing from ₹342 crore to ₹414 crore. However, this period also witnessed a decline in fixed asset turnover from 2.13x to 1.65x. The drop was primarily due to lower capacity utilization, which fell to 63.1% in FY24, and the integration of newly acquired subsidiaries that operated at different margin levels. Additionally, global challenges such as the Red Sea crisis impacted supply chains, leading to inventory build-up and affecting overall asset efficiency.

FY25: The increase in fixed asset turnover in FY25 was primarily due to higher capacity utilization, which rose from 63.10% in FY24 to 67.82% in FY25. This improvement was driven by a significant uptick in stainless steel sink utilization, escalating from 70.60% to 86.28%. The surge in utilization stemmed from robust international demand, particularly in the U.S. and European markets, where substantial orders were secured from major clients like IKEA and Karran USA. Additionally, the company expanded its dealer network from 1,500 to over 3,500, bolstering domestic market reach. Operational efficiencies and a strategic focus on high-margin products further amplified production output without significant capital expenditure, culminating in enhanced revenue generation from existing assets and, consequently, a higher fixed asset turnover ratio.

TRADE RECEIVABLE:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Trade Receivable	₹32	₹40	₹38	₹48	₹54	₹62	₹83	₹100	₹103	₹138	₹146
As a % of Revenue	25%	23%	21%	25%	22%	23%	27%	21%	17%	20%	18%
Trade Receivable days	93	84	77	89	79	82	98	76	63	74	65
Trade Receivable Turnover	3.93	4.35	4.74	4.08	4.63	4.44	3.73	4.82	5.76	4.96	5.59

➤ **Trade Receivable Turnover:**

FY15 to FY18: During this period, trade receivable turnover showed fluctuations linked to changing business focus and global trade disruptions. In FY15, the turnover decreased as the company expanded into the kitchen appliances segment, which involved offering higher credit limits to customers, thereby increasing receivables. However, from FY16 to FY17, turnover improved significantly due to increased domestic sales of stainless steel sinks and kitchen appliances, strengthening collections. In FY18, turnover declined again because of external challenges such as the China-US trade war, which caused longer shipment durations and delayed collections, thereby increasing receivable days.

FY19 to FY21: In FY19, trade receivable turnover improved as revenue growth outpaced the rise in receivables, aided by better realizations. However, FY20 and especially FY21 saw a decline in turnover, largely due to the COVID-19 pandemic, which disrupted exports—the company's primary revenue source—and led to slower collections and higher outstanding receivables.

FY22 to FY24: The company implemented new customer tie-ups and credit policies in FY22 and FY23, which significantly improved receivable management. Key customers' receivables were reduced by around 30%, and domestic payment terms were shortened from 90 to below 45 days, resulting in a higher turnover ratio and lower receivable days. However, in FY24, trade receivable turnover decreased again because of the Red Sea crisis, which caused shipment delays and consequently increased receivable days.

FY25: Trade receivable turnover improved once more, rising to 5.59 times, supported by better shipment regularity and continued strict credit control. Although receivables increased in absolute terms, they grew at a slower pace compared to revenue, and efficient collection practices brought down receivable days to 65, reflecting healthier working capital management compared to FY24.

INVENTORY:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Inventory	₹32	₹35	₹41	₹48	₹54	₹60	₹55	₹104	₹131	₹173	₹221
As a % of Revenue	25%	20%	23%	25%	21%	22%	18%	22%	22%	25%	27%
Inventory days	91	73	83	89	78	79	64	79	80	92	99
Inventory Turnover	4	5	4.41	4.08	4.69	4.62	5.68	4.64	4.55	3.95	3.69

➤ **Inventory Turnover:**

FY15 to FY18: The company expanded its product portfolio to include kitchen appliances, a segment characterized by trading activities. This shift led to an increase in inventory levels, as trading segments typically require holding more stock to meet customer demand promptly. Consequently, inventory turnover decreased from 4.00 in FY15 to 4.08 in FY18. Additionally, global challenges, including a spike in raw material prices and international trade tensions, contributed to longer inventory holding periods, further impacting turnover rates.

FY19 to FY21: The company focused on enhancing operational efficiency, resulting in improved inventory turnover ratios of 4.69 and 4.62, respectively. This improvement was driven by better demand forecasting and streamlined inventory management practices. However, in FY21, the onset of the COVID-19 pandemic disrupted supply chains and affected demand patterns, leading to a temporary dip in inventory turnover to 5.68. Despite these challenges, the company managed to maintain relatively efficient inventory levels through proactive measures.

FY22 to FY24: The period from FY22 to FY24 saw a decline in inventory turnover from 4.64 to 3.95. This decrease was primarily due to the consolidation of inventory following the acquisition of subsidiaries, which led to higher inventory levels. Additionally, external factors such as the Red Sea crisis in FY24 disrupted supply chains, causing delays in shipments and resulting in increased inventory holding periods. The integration of United Granite in FY24 also contributed to the rise in inventory levels as the company adjusted to new operational dynamics.

FY25: The company continued to face challenges related to high inventory levels, with inventory turnover further decreasing to 3.69. This decline was attributed to ongoing adjustments following recent acquisitions and the need to maintain higher inventory levels to meet anticipated demand.

TRADE PAYABLE:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Trade Payable	₹16	₹33	₹26	₹38	₹31	₹29	₹42	₹79	₹78	₹87	₹80
As a % of Revenue	13%	19%	15%	19%	12%	11%	13%	16%	13%	13%	10%
Trade payable days	46	69	53	70	45	38	49	60	48	46	36
Trade payable turnover	7.95	5.28	6.89	5.18	8.06	9.52	7.41	6.09	7.57	7.88	10.2

➤ **Trade Payable Turnover:**

Trade payable turnover has changed according to company performance that state company has bargaining power over their suppliers.

WORKING CAPITAL:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Working capital	₹49	₹45	₹55	₹61	₹81	₹96	₹100	₹126	₹161	₹228	₹287
As a % of Revenue	39%	26%	30%	31%	32%	35%	32%	26%	27%	33%	35%
Working capital days	141	94	111	113	117	127	118	95	99	122	128
Working Capital Turnover	2.6	3.9	3.3	3.2	3.1	2.9	3.1	3.8	3.7	3.6	2.8

➤ **Working Capital Turnover:**

FY15 to FY16: In FY15, the working capital turnover ratio declined to 2.6 due to increased investments in receivables and inventory, as the company expanded its focus on kitchen appliances, necessitating higher credit limits and stock levels. However, in FY16, the ratio improved significantly to 3.9, driven by enhanced inventory management and better receivable collections.

FY17 to FY20: Between FY17 and FY20, the working capital turnover ratio experienced a gradual decline from 3.3 to 2.9. This period was marked by stabilization efforts amidst fluctuating market conditions, including variations in raw material prices and demand patterns. The company maintained a balance between sustaining sales growth and managing working capital, though the slight decrease in turnover ratio indicated room for further efficiency improvements.

FY21: The working capital turnover ratio remained steady at 3.1. Despite the challenges posed by the COVID-19 pandemic, the company managed to maintain its operational efficiency. However, disruptions in the supply chain and changes in customer payment behaviours led to cautious working capital management, preventing significant improvements in the turnover ratio.

FY22 to FY23: The company implemented strategic initiatives in FY22 and FY23, including new customer tie-ups and revised credit policies, which enhanced receivable collections and optimized inventory levels. These measures led to an increase in the working capital turnover ratio to 3.8 in FY22 and a slight dip to 3.7 in FY23, reflecting improved efficiency in utilizing working capital to generate sales.

FY24 to FY25: In FY24, the working capital turnover ratio declined to 3.6, influenced by external disruptions such as the Red Sea crisis and the integration of subsidiaries, which led to increased inventory levels and receivables. In FY25, the ratio further decreased to 2.8, as the company allocated significant working capital towards supporting the expanded operations of newly acquired subsidiaries and managing higher inventory levels to mitigate supply chain uncertainties.

ROIC:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
NOPAT (EBIT*1-T)	₹13	₹16	₹13	₹13	₹23	₹26	₹39	₹65	₹63	₹69	₹73
Invested capital (Working cap + Fixed assets)	₹111	₹136	₹155	₹174	₹204	₹232	₹262	₹353	₹503	₹642	₹713
ROIC	12%	12%	8%	8%	11%	11%	15%	18%	12%	11%	10%

➤ **ROIC:**

FY15 to FY16: In FY15, the company's ROIC declined from 15% to 12%, primarily due to its strategic expansion into the kitchen appliances segment. This new venture required substantial capital investments in working capital and fixed assets, leading to an increase in the invested capital base. While this expansion aimed to diversify revenue streams, the initial returns were modest, resulting in a lower ROIC. In FY16, the ROIC remained steady at 12%, as the company continued to stabilize its operations and integrate the new segment into its core business.

FY17 to FY18: During FY17 and FY18, the ROIC further declined to 8%. This period was marked by increased capital expenditures to support growth initiatives, leading to a rise in invested capital. However, the company's Net Operating Profit After Tax (NOPAT) did not grow proportionally, partly due to global challenges such as rising raw material prices and trade uncertainties. The combination of higher capital deployment and subdued profitability exerted pressure on the ROIC.

➤ **FY19 to FY20:** In FY19 and FY20, the company witnessed an improvement in ROIC, rising to 11%. This enhancement was driven by operational efficiencies and better demand forecasting, which led to improved profitability. While invested capital continued to grow to support business expansion, the rate of increase in NOPAT outpaced that of invested capital.

➤ **FY21 to FY22:** The ROIC experienced a significant uptick during FY21 and FY22, reaching 15% and 18% respectively. This surge was attributed to strong demand across key markets, leading to higher sales volumes and improved margins. The company effectively leveraged its existing capital base to generate superior returns, reflecting optimal capital utilization and strategic investments that aligned well with market opportunities.

➤ **FY23 to FY24:** In FY23 and FY24, the ROIC declined to 12% and 11% respectively. This downturn was primarily due to substantial capital expenditures aimed at capacity expansion and the integration of newly acquired subsidiaries. While these investments increased the invested capital base, the corresponding growth in NOPAT was not immediate, leading to a temporary compression in returns.

Additionally, external factors such as global supply chain disruptions impacted operational efficiency, further affecting profitability.

FY25: The ROIC further decreased to 10%. The company continued its investment trajectory to support long-term growth, including modernization of facilities and expansion into new markets. While these initiatives are expected to yield benefits in the future, the immediate impact was an increase in invested capital without a proportional rise in NOPAT.

RE-INVESTMENT:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Purchase of Assets	12	8	13	20	18	20	37	77	58	93	47
changes in working capital	15	13	15	6	9	14	20	46	26	59	127
Re-investment	27	21	28	26	27	34	57	123	84	152	174
CFO before Working capital	23	28	26	27	40	52	78	116	111	136	140
Re-investment Rate (Purchase of Asset + Working Capital Changes)/ CFO before WC	117%	75%	108%	96%	68%	65%	73%	106%	76%	112%	124%

➤ **Re-investment Rate:**

Being an asset-intensive business, has a high reinvestment rate, indicating its dependence on consistent capex for growth. In years like FY14, FY15, FY17, FY22, FY24 and FY25, reinvestment rates exceeded 100%, showing the company used not only retained earnings but also raised funds through debt and equity to meet its capex and working capital needs.

RETURN ON EQUITY (DU-PONT):

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
PAT Margins	7%	7%	4%	6%	7%	8%	13%	13%	9%	8%	8%
Total Asset Turnover	0.87	0.79	0.78	0.76	0.87	0.85	0.79	0.87	0.83	0.81	0.83
Fixed Asset Turnover	2.06	1.91	1.8	1.73	2.05	2.04	1.91	2.13	1.74	1.65	1.92
Working Capital Turnover	2.6	3.9	3.3	3.2	3.1	2.9	3.1	3.8	3.7	3.6	2.8
Financial leverage	3.52	2.11	2.08	2.2	2.19	2.07	2.04	2.18	2.35	2.39	1.85
Total assets	₹146	₹219	₹233	₹260	₹291	₹326	₹391	₹553	₹712	₹844	₹985
Equity	₹42	₹104	₹112	₹118	₹133	₹158	₹191	₹254	₹303	₹354	₹531
RETURN ON EQUITY	21%	12%	6%	10%	13%	14%	21%	25%	18%	15%	12%

➤ **ROE:**

FY15: The company maintained an ROE of 21%, primarily driven by high financial leverage 3.52x and robust fixed asset turnover 2.06x. This performance was supported by the company's strategic expansion into the kitchen appliances segment, which, while requiring substantial capital investments, contributed positively to returns.

FY16: ROE declined to 12%. This drop was mainly due to a significant decrease in financial leverage to 2.11x, following a preferential issue of shares to investors such as Bengal Finance & Investment Pvt. Ltd, Ashish Kacholia, and Varun Daga. The infusion of equity capital expanded the equity base, which in turn lowered the equity multiplier and ultimately led to a drop in ROE.

FY17: ROE further declined to 6%, primarily due to a decrease in PAT margins to 4%. This reduction in profitability was attributed to a one-time expense recorded under other expenses, leading to a write-off that impacted net income.

FY19: ROE increased to 13%, driven by an improvement in PAT margins to 7% and a rise in total asset turnover to 0.87x. This period saw better demand forecasting and operational efficiencies, leading to enhanced profitability.

FY21 to FY22: The company achieved its highest ROE levels during FY21 and FY22, recording 21% and 25% respectively. This remarkable performance was underpinned by significant improvements in PAT margins, which rose to 13%, and an increase in total asset turnover to 0.87x in FY22. The company's strategic initiatives, including new tie-ups and revised credit policies, enhanced operational efficiency and profitability, leading to superior returns on equity.

FY23 to FY24: In FY23, ROE declined to 18%, followed by a further decrease to 15% in FY24. These reductions were primarily due to a drop in PAT margins to 9% and 8% respectively, influenced

by external factors such as the Red Sea crisis and the integration of subsidiaries. Additionally, the total asset turnover decreased to 0.81x in FY24, reflecting challenges in asset utilization amidst global disruptions.

FY25: ROE further declined to 12%. This decrease was attributed to a reduction in financial leverage to 1.85x, as the company raised funds through a QIP.

LEVERAGE (D/E):

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
leverage	1.69	0.65	0.72	0.77	0.73	0.65	0.56	0.59	0.77	0.88	0.52
Debt	₹70	₹67	₹80	₹92	₹97	₹102	₹107	₹150	₹235	₹312	₹276
Equity	₹42	₹104	₹112	₹118	₹133	₹158	₹191	₹254	₹303	₹354	₹531

➤ **Leverage:**

FY15 to FY16: In FY15, the company's leverage ratio increased to 1.69x due to raising ₹70 crore in debt to finance capacity expansion. However, in FY16, the leverage ratio dropped significantly to 0.65x following a preferential equity allotment to investors such as Bengal Finance & Investment Pvt. Ltd, Ashish Kacholia, and Varun Daga. This equity infusion strengthened the balance sheet by reducing reliance on debt.

FY21 to FY22: In FY21, the leverage ratio declined to 0.56x, attributed to increased retained earnings driven by higher realizations and volume growth, coupled with lower raw material costs. This trend continued into FY22, with the leverage ratio slightly increasing to 0.59x, reflecting the company's strategy of funding growth through internal accruals rather than additional debt.

FY23 to FY24: The leverage ratio rose from 0.59x in FY22 to 0.88x in FY24, as the company raised debt to finance the acquisition of a subsidiary.

FY25: the leverage ratio decreased to 0.52x, following a QIP that raised ₹125 crore in equity.

RETURN ON EQUITY (LEVERAGE CONSTANT):

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Return on Equity (Leverage Constant)	18%	16%	10%	14%	17%	20%	29%	34%	21%	20%	19%
Asset Turnover	0.87	0.79	0.78	0.76	0.87	0.85	0.79	0.87	0.83	0.81	0.83
Leverage	2.87	2.87	2.87	2.87	2.87	2.87	2.87	2.87	2.87	2.87	2.87
Net Profit Margin	7%	7%	4%	6%	7%	8%	13%	13%	9%	8%	8%

While keeping leverage constant over the year at 2.87 times ROE would look better than the original ones instead of Equity company could grow more by debt.

RETURN ON EQUITY (ASSETS TURNOVER CONSTANT):

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Return on Equity (Asset Turnover Constant)	28%	16%	10%	15%	17%	19%	29%	32%	23%	22%	16%
Asset Turnover	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Leverage	3.52	2.11	2.08	2.2	2.19	2.07	2.04	2.18	2.35	2.39	1.85
Net Profit Margin	7%	7%	4%	6%	7%	8%	13%	13%	9%	8%	8%

While keeping assets turnover constant over the year at 1.10 times ROE would look different from original but if we think practical this is not possible because a growing business need to expand its capacity and as we see company has raised capacity whenever it was close to 70%-80%.

CASH CONVERSION

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
CFO Before Working Capital Changes/ Revenue	18%	16%	14%	14%	16%	19%	25%	24%	19%	20%	17%
Working Capital/ Revenue	39%	26%	30%	31%	32%	35%	32%	26%	27%	33%	35%
CFO After Working Capital Changes/ Revenue	6%	9%	6%	11%	13%	14%	19%	15%	14%	11%	2%
CFO Before taxes/ EBITDA	34%	51%	43%	84%	79%	81%	88%	68%	79%	60%	10%
ΣCFO Before taxes/ ΣEBITDA (5-Years)				52%	60%	70%	78%	78%	78%	73%	75%
FCFF	(₹5)	₹2	(₹7)	(₹4)	₹5	₹10	₹10	(₹21)	₹13	(₹34)	(₹54)

Return Matrix & Fund Flow

➤ CFO Before WC Changes/Revenue

From FY15 to FY25, this ratio exhibited fluctuations, starting at 18% in FY15 and peaking at 25% in FY21. The peak in FY21 indicates strong operational cash generation, due to increased profitability and efficient cost management. However, the decline to 17% by FY25 suggests rising operational costs, impacting the company's ability to convert revenue into cash before accounting for working capital changes.

➤ Working Capital / Revenue

The working capital to revenue ratio decreased from 39% in FY15 to 26% in FY22, reflecting improved efficiency in utilizing working capital to support revenue generation. This trend indicates better management of current assets and liabilities. However, the ratio increased to 35% by FY25, suggesting higher investments in inventory due to expansion strategies.

➤ CFO After WC Changes/Revenue

The CFO after working capital changes as a percentage of revenue improved from 6% in FY15 to a high of 19% in FY21, reflecting strong cash generation after accounting for working capital needs. This improvement could be attributed to effective working capital management and operational efficiency. Nonetheless, the ratio declined to 2% by FY25, indicating that increased working capital requirements or operational challenges have constrained cash flows.

➤ Cash Conversion

The 5-year average of CFO before taxes to EBITDA improved from 52% in the FY15–FY19 period to 78% in the FY20–FY24 period, reflecting sustained enhancements in cash flow generation relative to earnings. This improvement suggests consistent operational efficiency and effective cash management over time. In FY24, the metric stood at 73%, and it further increased to 75% in FY25, indicating continued strength in converting EBITDA into cash. The slight uptick in FY25 attributed to improved working capital management and operational efficiencies, despite ongoing investments in capacity expansion.

➤ Free Cash Flow to Firm (FCFF)

Frequent negative FCFF reflects ongoing investments in capacity expansion, signaling the company's focus on growth despite short-term cash flow challenges.

FUND FLOW

Consolidated Fund Flow					
Inflows	FY14-FY25		Outflows	FY14-FY25	
Operating profit before working capital changes	₹795	67%	Net Working Capital	(₹358)	32%
Interest received	₹13	1%	Net addition to fixed Assets	(₹406)	36%
Proceeds from issue of share capital	₹164	14%	Purchase of equity in subsidiary	(₹90)	8%
Net debt addition	₹211	18%	Interest paid	(₹118)	10%
Total Inflow	₹1,183	100%	Dividend paid	(₹42)	4%
			Income tax paid	(₹121)	11%
			Total Outflow	(₹1,135)	100%

➤ Inflows

Operating Profit Before Working Capital Changes: Business operations generated the majority of inflows, contributing 67% to the total inflows over 11 years.

Debt Raised: Debt accounted for 18% of total inflows, with 76% of this raised in the period of FY22 to FY24 showcasing aggressive borrowing.

Equity Dilution: Equity raised through share issuance contributed 14% of the total inflows over the period.

➤ Outflows

Capex 39% of total outflows were allocated toward capital expenditures, highlighting the business's focus on capacity expansion.

Working Capital Requirements Around 32% of outflows were tied to working capital needs, reflecting operational requirements.

Fund Flow & Debt table

Inorganic Growth 8% of outflows were used for acquisitions and other investments.

Interest Payment 10% of outflows went toward servicing debt due to significant leverage.

Taxes 11% of outflows were spent on income tax payments over the decade.

Dividends 4% of total outflows were distributed as dividends to shareholders.

Standalone Fund Flow					
Inflows	FY14-FY25		Outflows	FY14-FY25	
Operating profit before working capital changes	₹558	68%	Net working Capital	(₹275)	34%
Interest received	₹21	3%	Net addition of Assets	(₹300)	37%
Issue of share capital	₹163	20%	Purchase of investment	(₹17)	2%
Net debt	₹81	10%	Interest and borrowing costs paid	(₹85)	10%
Total Inflow	₹823	100%	Dividend paid	(₹42)	5%
			Income tax paid	(₹89)	11%
			Miscellaneous	(₹6)	1%
			Total Outflow	(₹814)	100%

➤ Inflows

Operating Profit Before Working Capital Changes The majority of inflows (68%) are generated from business operations, indicating strong operational performance over the past decade.

Debt Raised contributed 10% of total inflows, indicating a significant reliance on borrowings to support business activities.

Equity Raised Equity issuance accounted for 20% of the total inflows, reflecting a reliance on shareholder funding.

➤ Outflows

Capex 37% of the total outflows were allocated towards capital expenditures, highlighting a focus on increasing capacity and expanding the business.

Working Capital Requirements 34% of outflows were directed towards funding working capital, reflecting the business's operational needs.

Interest Payments 10% of the outflows were used to service debt, which is significant given the business's reliance on debt financing.

Taxes 11% of total outflows were allocated for income tax payments, a normal operational expense.

Dividends 5% of outflows were paid as dividends, reflecting the company's return to shareholders.

DEBT TABLE

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Borrowings / Debt	₹64	₹62	₹72	₹81	₹85	₹89	₹108	₹151	₹236	₹313	₹276
Y-O-Y Growth		-3%	16%	13%	5%	5%	21%	40%	56%	33%	-12%
Total Long Term Debt	₹27	₹22	₹20	₹19	₹17	₹21	₹27	₹49	₹89	₹125	₹96
Y-O-Y Growth		-19%	-9%	-5%	-11%	24%	29%	81%	82%	40%	-23%
Total Short Term Debt	₹37	₹40	₹52	₹62	₹68	₹68	₹81	₹102	₹147	₹188	₹180
Y-O-Y Growth		8%	30%	19%	10%	0%	19%	26%	44%	28%	-4%
Interest on Loans	₹ 7	₹ 8	₹ 10	₹ 6	₹ 10	₹ 9	₹ 7	₹ 10	₹ 15	₹ 21	₹ 23
Average Cost of Debt	14%	13%	15%	8%	12%	10%	7%	7%	8%	8%	8%
Loans as a % of Total Asset	44%	28%	31%	31%	29%	27%	28%	27%	33%	37%	28%
D/E	1.69	0.65	0.72	0.77	0.73	0.65	0.56	0.59	0.77	0.88	0.52
Interest Coverage Ratio	2.7	3.0	2.0	3.2	3.2	3.8	7.6	8.6	5.4	4.6	4.4
Debt/EBITDA	2.7	2.1	2.8	3.1	2.1	1.9	1.6	1.5	2.2	2.4	2.0
Debt/CFO before taxes	8.07	4.13	6.40	3.76	2.66	2.37	1.87	2.14	2.78	4.08	19.71

➤ The company has more short-term debt than long-term debt, which means the company has raised more debt for its short-term fulfillment (working capital).

FY15: Raised ₹31 crore in debt, allocating ₹12 crore towards fixed assets—primarily moulds and dies—and ₹16 crore for acquiring a 74% stake in the UK-based Homestyle Products Ltd. This strategic move aimed to enhance manufacturing capabilities and expand international distribution channels. Consequently, the D/E ratio surged to 1.69, and the Interest coverage ratio (ICR) stood at 2.7.

Debt table & Equity table

FY16 to FY21: The company focused on maintaining operational stability, primarily utilizing short-term debt to support working capital needs. The D/E ratio declined from 1.69 in FY15 to 0.56 in FY21, indicating a conservative approach to leverage. The ICR improved significantly, reaching 7.6 in FY21, showcasing enhanced profitability and efficient debt management. The debt-to-EBITDA ratio also decreased to 1.6, underscoring the company's ability to generate earnings relative to its debt obligations.

FY22: The company raised ₹36 crore in debt, channelling funds into fixed assets, including plant and equipment, as well as moulds and dies. This investment aimed to bolster production capacity and support future growth. The D/E ratio modestly increased to 0.59, while the ICR peaked at 8.6, reflecting strong earnings before interest and taxes. The debt-to-EBITDA ratio remained stable at 1.5, indicating balanced leverage relative to earnings.

FY23 TO FY24: The company undertook significant expansion efforts during these years. In FY23, it raised ₹84 crore in debt, investing ₹58 crore in fixed assets, and acquiring Tickford Orange Limited (TOL), the UK-based parent company of Sylmar Technology Limited (STL), for £11 million. This acquisition aimed to strengthen the company's presence in the UK market. In FY24, another ₹77 crore was raised, facilitating the acquisition of United Granite LLC in the USA for \$7.9 million, further expanding the global footprint. These strategic moves led to an increase in the D/E ratio to 0.88 in FY24, while the ICR decreased to 4.6, reflecting higher interest obligations. The debt-to-EBITDA ratio rose to 2.4, and debt to CFO before taxes escalated to 4.08, indicating increased leverage and potential strain on cash flows.

FY25: The company focused on consolidating its acquisitions and improving financial metrics. It reduced its borrowings by 12%, bringing the total debt down to ₹276 crore. The D/E ratio improved significantly to 0.52, demonstrating effective deleveraging. The ICR remained healthy at 4.4, and the debt-to-EBITDA ratio decreased to 2.0, indicating better earnings relative to debt. However, the debt to CFO before taxes spiked to 19.71, suggesting that while earnings improved, cash flow generation lagged, potentially due to integration costs and working capital adjustments following recent acquisitions.

EQUITY TABLE

Equity	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Shareholders Fund	₹41	₹80	₹112	₹118	₹133	₹158	₹191	₹253	₹303	₹354	₹527
No. of shares (lakhs)	46.58	51.89	51.89	51.89	259.45*	266.95	266.95	266.95	267.72	268.16	284.16*
Equity Capital	₹5	₹5	₹5	₹5	₹5	₹5	₹5	₹5	₹5	₹5	₹6
Reserves	₹36	₹75	₹107	₹113	₹128	₹153	₹186	₹248	₹298	₹349	₹521

*There was a STOCK SPLIT in the ratio of 1:5, in FY19. * Fund raised via QIP in FY25

EQUITY SOURCE TABLE

Year	Mode of issue	Issued to	Amount Received	Purpose	Details
FY14	Warrants issued	Acrycol Minerals Limited	0.88 cr		Warrant of 2,00,000 shares @ 100rs. So, as per the rule company has received 25% (50,00,000rs) and out of , 2,00,000 shares, 50,000 shares were converted, which accounts for 37,50,000rs which sum overall is 87,50,000rs
FY15	Warrants converted	Acrycol Minerals Limited	1.13 cr		Warrant which was issued last year and some got converted last year itself 50,000 shares so remaining 1,50,000 shares has converted this year and money received was 1,12,50,000rs
FY16	Preferential allotment	Bengal Finance & Investment Pvt. Ltd. Ashish Kacholia Varun Daga	30.37 cr		Company has made preferential allotment of 5,30,976 shares @ 572 which amounts 30,37,15,984rs
FY19	Warrants issued	Mr. Chirag A. Parekh Mrs. Sheetal C. Parekh Acrycol Minerals Limited	2.06 cr	We have invested substantial amount of investment CAPEX in terms of developing new moulds with export customers	Warrant of 7,50,000 shares @ (Post-split 1:5) 110rs as per rule company has received 25% (2,06,25,000rs)
FY20	Warrants converted	Mr. Chirag A. Parekh Mrs. Shetal C. Parekh Acrycol Minerals Limited	6.19 cr		Warrant which was issued last year got converted this year 7,50,000 shares and money received was 6,18,75,000rs
Jul-24	QIP	DSP small cap fund (50%) Ohana India Growth Fund (20%) Societe Generale-ODI (12%) LC Pharos Multi Strategy Fund (11.20%)	125 cr	These funds will be allocated towards expanding capacity and acquiring moulds for our quartz sinks business, as well as for the manufacturing and assembly lines of appliances and faucets	15,70,351 shares has been allotted @ 796rs which amount 1,24,99,99,396rs

Acquisition table & Shareholding pattern

MAJOR ACQUISITION TABLE

Year	Acquisition	Type	Purpose of Acquisition	Cost	Source of Fund
13-11-2014 (FY 15)	Homestyle Products Limited (Carysil Products Ltd)	Forward Integration	Homestyle Products Ltd is importing and marketing kitchen Sinks primarily in the UK market and also deals in faucets. The acquisition will open up the UK market for Carysil in a big way not only for its own line of products but also products that it can outsource from quality third-party vendors and supply to the UK market	28cr	Debt & Internal Accruals
01-04-2022 (FY 23)	Tickford Orange Limited (Carysil Surfaces Limited)	Strategic Integration	The acquisition of TOL, alongside its subsidiary CSL, presents an invaluable opportunity for Carysil UK to increase its presence and market share within the UK. A strategic move enhances Carysil's offerings in the kitchen segment and also in the bathroom segment. By tapping into CSL's loyal customer base, Carysil UK gets access to new sales channels for its existing products and also helps in entering in new product category i.e., Surfaces, thus expanding its reach and boosting revenue streams.	110cr	Debt & Internal Accruals
03-04-2023 (FY 24)	The Tap Factory Ltd (Carysil Brassware Ltd)	Strategic Integration	A unique range of fully certified instant hot water taps, and kitchen mixer taps will open new markets for prospective buyers. The company has e-commerce capabilities and can handle B2C sales. The customer base ranges from Major Online Retailers, Kitchen distributors, Kitchen & Bathroom studios and Property Developers. Company has started its sales in Faucets.	Equity Shares are acquired for Rs. 11.75 Crores (i.e. 70% of Total Enterprise Value of Rs. 16.7 Crores). The Company has the option to buy a balance of 30% at an Enterprise value based on 6 times multiple of EBITDA of next two years.	Internal Accruals
20-10-2023 (FY 24)	United Granite LLC	Strategic Integration	The object of acquiring this company is to get access to the kitchen top fabrication market and extend existing marketing capabilities in Kitchen segments in the USA. This acquisition will help the company to develop new products and strengthen its position in the USA Kitchen segment	64.78cr	Debt & Internal Accruals

SHAREHOLDING PATTERN

YEAR	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Chirag A. Parekh	35.66%	32.01%	32.01%	32.01%	32.01%	32.33%	32.34%	32.34%	32.25%	32.20%	30.38%
Pushpa R. Parekh	3.15%	2.83%	2.83%	2.83%	2.83%	2.75%	2.75%	2.75%	-	-	-
Shetal C. Parekh	2.15%	1.93%	1.93%	1.93%	1.93%	2.06%	2.06%	2.06%	2.05%	2.05%	1.94%
Jatin R. Parekh	1.80%	1.62%	1.62%	1.62%	1.62%	1.57%	1.57%	1.57%	4.31%	4.30%	4.06%
Acrycol Minerals Limited	4.32%	3.88%	3.88%	3.88%	3.88%	5.18%	5.18%	5.18%	5.16%	5.15%	4.86%
Mala M. Sanghrajka	0.16%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.13%
Ashwin M. Parekh	0.02%	0.01%	0.01%	0.01%	0.01%	0.01%	-	-	-	-	-
Promoters & Promoter Group	47.26%	42.42%	42.42%	42.42%	42.42%	44.04%	44.04%	44.04%	43.91%	43.84%	41.37%
FII's	-	-	-	-	-	-	0.03%	0.36%	0.28%	0.87%	1.27%
DII's	-	-	-	-	-	1.73%	6.66%	6.24%	6.41%	7.32%	11.56%
Public	52.74%	57.58%	57.58%	57.58%	57.58%	54.23%	49.27%	49.36%	49.40%	47.97%	45.80%
Schock & Co. Gmbh	9.71%	8.72%	8.72%	8.72%	8.72%	8.47%	-	-	-	-	-
Ashish Agarwal	-	-	8.53%	4.26%	4.26%	3.23%	-	-	-	-	-
Ashish kacholia	-	4.26%	4.26%	4.26%	4.26%	4.14%	3.75%	3.75%	3.74%	3.73%	3.52%
Piyush Vrajlal Mehta	5.30%	3.38%	3.38%	3.31%	1.89%	-	-	-	-	-	-
Varun Daga	-	2.73%	2.73%	2.73%	2.73%	2.65%	2.31%	1.05%	-	-	-
Vijaya S	-	-	-	-	1.12%	2.22%	2.18%	-	-	-	-
S. Shyam	-	-	-	1.38%	2.09%	-	-	-	-	-	-
Investor Education & Protection Fund	-	-	-	-	-	1.32%	1.44%	1.63%	1.63%	-	1.65
Vinithra Sekhar	-	-	-	-	1.46%	1.42%	1.35%	-	-	-	-

Management Team (Director's)

DIN	Name	Date of Appointment	Remuneration	Directorship in other Companies	Qualifications
298807	Mr. Chirag Ashwin Bhai Parekh (Chairman And Managing Director)	02/11/02	4,80,00,000	Huueves Design Private Limited Cp Sports Ventures Private Limited Silver Spur Wellness Private Limited	He holds a BBA Degree from premier European University. After joining the company in 1993, he successfully steered it to become one of the leading brands increasing the turnover from Rs. 3.5 Crores in 1993 to Rs. 310 crores in 2021. He heads the company as the managing director since 2008
255426	Mr. Anand Sharma (Executive Director & Group CFO, COO)	01/02/24	83,94,924 Performance Bonus : 16,05,076	Only Carysil	He is a fellow member of ICAI, CS and Cost Accountant having more than 25 years of experience in the field of Finance, Accounts, Auditing, Taxation, Risk Management, Cross Border Acquisitions, Investor Relationship, Cost control and cost optimization, Business Strategy & transformation, Corporate Governance, Secretarial and statutory compliances.
30172	Mr. Jagdish Naik* (Independent Director)	29/03/89	3,20,000	Kutch Crop Services Limited Ecel Investments And Finance Limited Divakar Techno Specialities & Chemicals Private Limited Anshul Specialty Molecules Private Limited Agrocel Industries Private Limited	A Chartered Accountant was a partner of a reputed Accounting firm - M/s S.V. Ghatalia & Associates for more than 9 years . Presently, he advises many companies on corporate matters. He is a Corporate Advisor to Excel Industries Limited, Transpek Silox Industry Limited and Shah Granites Group of Companies
2404841	Dr. Sonal Ambani (Independent Director)	23/05/16	4,20,000	Action Exports LLP Anjali Fiscal Pvt Ltd. Fairchem Organics Limited Vimjas Multitrade LLP Elecon Engineering Company Limited	A Ph.D in business management and an MBA in Marketing and Finance She also holds two patents granted in the US, namely, 'Systems and Method for providing Financial Services to children and teenagers' and ' Purchase management system and electronic receipts'
3022804	Mr. Pradeep Gohil* (Independent Director)	28/01/13	4,05,000	Only Carysil	A highly qualified professional, has been associated with various organisations. He is also associated with the Rotary Club, Bhavnagar. He has experience in the field of chemical engineering for more than 35 years
340809	Mr. Ajit Sanghvi* (Independent Director)	31/01/00	4,00,000	Harileela Investrade Private Limited Sterling Consultancy Services Private Limited Mss. Securities Private Limited. Hrisal Investment Advisors Private Limited	A Chartered Accountant, has extensive experience in financial service industry and stock broking. He serves as a director of Sterling Consultancy Services Pvt. Ltd., Hrisal Investment Advisors Pvt. Ltd., MSS Securities Pvt. Ltd. And Harileela Investrade Pvt. Ltd.
328070	Mr. Rustom Mulla (Independent Director)	17/03/20	3,30,000	Noshill Estates Private Limited Katie And Navel Foundation. Nagarwalla Estates Private Limited	LLB, Advocate and he has been involved in a wide spectrum of legal practice over the last 20 years. He is a Founding Partner at M/s Desai Carrimjee & Mulla (DDCM)-Advocates & Solicitors, Mumbai. His core areas of practice are corporate Law, Property & Realty Laws, Dispute Resolution, arbitration, and commercial Litigation.
2359563	Mr. Pradyumna Vyas (Independent Director)	11/08/23	2,40,000	Jkm Erla Automotive Limited Dynamatic Technologies Limited Dynamatic Manufacturing Limited Titan Company Limited	M. Des from IIT Bombay and awarded Honorary Master of Arts degree from the University for the Creative Arts in Farnham, United Kingdom in 2010. Former director of NID (National Institute of Design). Currently Senior Advisor for Design Promotion and Innovation at the CII and Director on the board of the World Design Organization
10289955	Ms. Katja Larsen (Independent Director)	20/03/24	50,000	Asia Spoon Consultants Private Limited	Ms. Katja Larsen has a Master's degree in International Marketing and Economics with Technology and Science and Global Business Engineer from Denmark Technical University (DTU). She is having over 20 years of strategic consultancy experience in Europe and Asia Pacific driving initiatives in sales and services across various commercial industries.
544948	Mr. Prabhakar Dalal (Independent Director)	20/03/24	50,000	E-NXT Financials Limited Ajanta Pharma Limited Poonawalla Fincorp Limited	He has worked with EXIM Bank of India for more than 31 years. He held various senior management positions with EXIM Bank and was Executive Director of the Bank for over 3 years before retirement. His core competencies include corporate finance, international trade finance, overseas projects finance, human resources management, and institutional and international relations.

Management Team (Leadership)

Name	Designation	Date of Joining	Previous Background
Mr. Chirag Parekh	Chairman & MD	Nov-02	He graduated from European University. After joining the Company in 1993, he successfully steered it to become one of the leading brands, increasing the turnover from ₹ 3.5 Crore in 1993 to ₹ 684 Crore in 2024. He heads the Company as the Managing Director since 2008
Mr. Anand Sharma	Executive director -CFO & COO	Nov-15	He is a B.com, CA, CS, CMA, finance professional with more than 24 years of experience in Finance & Accounts, Compliance and Business Strategy joined carysil in november 2015.
Ms. Reena Shah	CS & CO	Nov-22	Previously, she worked as a Secretary & Compliance Officer at Everest Kanto Cylinder Ltd. from 2021 to 2022, Control Print Ltd. from 2017 to 2021, and IITL Projects Ltd. She graduated from the University of Mumbai with a degree.
Mr. Manish Thakkar	Sr. VP Operations	Dec-96	He completed his B.Com in 1991 and is serving company since 1996 started as a Manager Accountant.
Mr. Mitesh Chauhan	VP (International Sales)	May-05	He completed his bachelor in B.Sc., Physics and joined Ess Bathroom Products as a Marketing Executive in 2002 and joined carysil as a General manager in 2005 and finally promoted to VP of International Sales in 2017
Mr. Shrenik Chopra	VP (International Sales)		
Mr. Jairaj Nair	VP (Sales & Marketing) Domestic Business	Jun-21	He has a previous sales experience from the Campo Furniture Concepts Pvt. Ltd. where he worked as a sales director.
Mr. Pradeep Trivedi	HR -Head	Apr-20	He did his education in Masters of social work, Human Resource Management.
Ms. Aishwarya Srivastava	Corporate HR Manager	Dec-22	She completed her M.Tech in 2019 from Vellore Institute and has prior HR experience with WIPRO and Abacus Consultants. She joined Carysil in December 2022 as a Corporate Human Resource Manager.
Mr. Priyatham Vivek	DGM -Product Development		
Mr. Charlie Chu	Sales Operations - China		
Mr. Marcus Smyth	MD - UK Operations	Dec-14	He previously served as Sales & Marketing Director at Homestyle Products Ltd., which was later acquired by Carysil, and subsequently became the Managing Director of Carysil Products Limited.
Mr. Julian Annison	MD - Carysil Surfaces Limited	May-18	Before the acquisition, he was working as a Commercial Director at Sylmar Technology Ltd. for about 14 years.
Mr. Stuart Greenwood	MD - Carysil Brassware Limited	Jan-13	Has been working in this field for 11 years
Ms. Louise Carpenter	Director of Sales - UK	Aug-19	She completed her education in Business Management and also has experience as a development manager at Samsung Mobile and a sales manager at Sherwin-Williams
Ms. Merle Wigger	Business Development & Sales Head -Germany	Sep-17	She completed her education in Bachelor of Arts in 2012 and previously worked at some of the prominent brands including Mercedes and Chanel as Marketing and Product manager respectively.

Management Commitment Table

Year	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
	The Company currently has a presence of over 43 countries and the Company aspires to increase it in the coming years.	Global Expansion: Acrysil is committed to spreading its presence across 70 countries. They currently have a presence in over 50 countries	Launching the Sternhagen brand in the US market	Global Reach: Acrysil is focused on expanding its global presence. They currently supply to over 55 countries and aim to reach 75 to 80 countries in the next few years.	Strengthening relationships with existing customers and forming new partnerships. This includes large retail chains like IKEA, GROHE, Menards, Lowe's, and Home Depot.	Revenue Target of ₹1000 Crores: Carysil is aiming to reach ₹1000 crores in sales, with a revised timeline of within the next 2 to 3 years. The management is confident that they will achieve this target.	Carysil is focused on expanding its dealer network and opening more galleries to increase brand visibility. They had opened about 80 galleries and aimed to reach 100 by the end of the year.	Capacity expansion for stainless steel sinks from 1.8 lakhs to 2.5 lakhs units is planned and is expected to finish by the end of Q2 FY26
Remark	Yes	Not yet	Not yet	Not yet	Yes	Period is still going on	Achieved in FY25	Period is still going on
	In export market we have crossed already 50 countries. We are targeting 75 countries in the next two years'	Domestic Market Growth: The company aims to grow its domestic business and increase its market share. It has expanded its dealer and distributor networks and intends to achieve a dominant market position in the coming years.	Achieving a medium-term target of Rs. 500 crores in sales, with a timeline of three to four years.		Controlling costs and maintaining healthy profit margins. They have been taking measures to review costs, control expenses, and pass on price increases to customers.	Growth in Other Product Categories: Carysil is committed to expanding into new product categories, including kitchen appliances and faucets. The company plans to produce 200,000 built-in kitchen appliances. There are also plans to expand into the bathroom products market.		They plan to achieve 200 galleries from the current 140 by the end of FY25.
Remark	Not yet	Yes	Yes		Margins were not maintained because of the acquisition and the global crisis	has started increasing capacity for same		Period is still going on
	we do not have any no immediate plan. There is a warrant already issued to the company, promoter is putting their money, so our target is reach 300 crore and then we will think on that side we do not have any immediate plan.	Capacity Expansion: The company is committed to increasing its manufacturing capacity to meet customer demand. This includes a 25% increase in quartz sink capacity, and they are also looking to expand their Quadro sink capacity.			Improving operational efficiency, including the reduction of receivable cycles and better inventory management.	Backward Integration: The company has plans for backward integration in the worktop business.		Achieving the ₹300 crore domestic target is a vision, and the current run rate could reach ₹200 crore by next year (FY26), creating strong optimism about reaching ₹300 crore within five years..
Remark	They have raised fund in FY19	Yes			Has improved but increased in FY24 due to Red sea crisis	Yes		Period is still going on
	we see in the next midterm at about 500 crore revenue							US subsidiary (United Granite LLC) was subdued but is turning around by cutting exotic, high-value-added granites and stones, improving gross margins. Optimistic and confident it will turn to profitability in FY26.
Remark	Not achieved in 2-3 years (Achieved in FY22)							Period is still going on

The management's **strike rate of 58%**, reflects its consistent efforts to achieve strategic objectives, particularly in areas like capacity expansion and operational efficiency. However, the remaining **42% highlights delays or unmet targets**, including the ₹500 crore mid-term revenue goal, which experienced a delay in completion. Similarly, the aggressive target of ₹1,000 crore set for 2-3 years also faced delays, demonstrating a tendency for over-optimistic forecasting. While the company has shown progress in some areas, these delays in revenue milestones indicate the need for more realistic goal-setting and stronger execution to ensure sustained growth and credibility.

Competitive advantage

- **Schock Technology (Mould):** The nickel-based mould, exclusive to Schock Technology licensees, creates a high entry barrier. Only four players globally have access to this technology, and new entrants require their consent. This exclusivity strengthens market dominance and competitive advantage.
- **Industry size:** The quartz sink industry is relatively small, with most of the market already captured by SCHOCK manufacturers. This limits opportunities for new or smaller players, and due to the limited market size, larger players are generally not inclined to invest heavily in this segment. As a result, there is little competition, giving Carysil and other existing players a significant competitive advantage.
- **Low manufacturing cost and Tie-ups:** The company benefits from low-cost manufacturing compared to other Schock players and the countries they cater to. They are (20%–30%) cheaper than competitors, as discussed in the growth drivers, which has enabled them to secure tie-ups with major retail giants.
- **Distribution Channel:** The Company has significantly expanded its domestic distribution network from 1,500 to over 4,000 dealers and distributors, while increasing its presence through showrooms and galleries across major Indian cities. Renowned for its innovative sink designs and luxurious offerings, Carysil is a favourite among architects and widely featured in upscale building projects. By consistently introducing fresh designs, colours, and styles, and enhancing brand visibility through celebrity endorsements.

Risk

Factor	Explanation	Impact	Revival time	Mitigation
Raw Material	Key raw material prices are highly volatile, as the company relies on imports from other countries.	Drop in GPM	N/A	Passing price to customers in tranches (lagging effect)
Currency Risk	As the company is 80% export-oriented, any fluctuation in USD, EURO, or GBP will impact the company	TOP-line and borrowing	N/A	Hedge currency (It is mostly naturally hedged, as raw materials are imported and finished products are exported).
Natural Calamities	All the company's plants are located in Bhavnagar, which is near the coast and prone to cyclones, floods, etc.	The entire manufacturing will be impacted	N/A	Insurance
Real Estate	The company's sales is driven by new construction in the Indian real estate sector and renovation demand	Overall business growth	3 to 5 year	Diversification
Geo-Political	As the company is export-oriented, any geopolitical issues that arise will impact like the recent Red Sea crisis & War	Working capital and growth will be impacted	N/A	Focus domestically

Industry Master-sheet

GLOBAL INDUSTRY MASTERSHEET:

YEARS	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
REVENUE FROM OPERATIONS											
CARYSIL	₹127	₹174	₹181	₹196	₹252	₹276	₹310	₹484	₹594	₹684	₹816
SCHOCK	₹475	₹620	₹691	₹703	₹791						
FRANKE	₹19,008	₹19,008	₹19,958	₹20,148	₹23,000	₹20,719	₹24,330	₹24,140	₹22,962		
BLANCO	₹3,103	₹3,183	₹3,333	₹3,464	₹3,477	₹3,582	₹4,249				
GROSS PROFIT MARGIN											
CARYSIL	62%	60%	62%	58%	49%	50%	54%	57%	49%	54%	54%
SCHOCK	69%	70%	68%	68%	70%						
EBITDA MARGIN											
CARYSIL	19%	17%	14%	13%	16%	17%	21%	21%	18%	19%	17%
SCHOCK	16%	18%	10%	13%	15%						
EBT MARGIN											
CARYSIL	10%	10%	7%	9%	10%	11%	17%	18%	11%	12%	12%
SCHOCK	10%	13%	5%	6%	7%						
PAT MARGIN											
CARYSIL	7%	7%	4%	6%	7%	8%	13%	13%	9%	8%	8%
SCHOCK	8%	12%	4%	5%	6%						
ROIC											
CARYSIL	12%	12%	8%	8%	11%	11%	15%	18%	12%	11%	10%
SCHOCK	13%	22%	7%	7%	9%						
TOTAL ASSET TURNOVER											
CARYSIL	0.87	0.79	0.78	0.76	0.87	0.85	0.79	0.87	0.83	0.81	0.83
SCHOCK	1.33	1.32	1.21	1.16	1.35						
LEVERAGE (ASSETS/EQUITY)											
CARYSIL	3.52	2.11	2.08	2.2	2.19	2.07	2.04	2.18	2.35	2.39	1.85
SCHOCK	2	2.61	3.17	3.37	3.27						
RETURN ON EQUITY											
CARYSIL	22%	12%	7%	10%	13%	14%	21%	26%	17%	16%	12%
SCHOCK	21%	43%	16%	20%	27%						

Schock: Founded in 1924 and based in Germany, Schock invented the quartz composite sink over 40 years ago and continues to innovate in this material technology. The company produces its granite sinks exclusively in Germany, emphasizing sustainability and quality. Schock's CRISTADUR® premium quality sinks are a testament to their commitment to material innovation.

Franke: Founded in 1911 and headquartered in Aarburg, Switzerland, Franke is a leading provider of kitchen systems, including sinks, faucets, and accessories. The company is renowned for its high-quality stainless steel and granite sinks, emphasizing innovation and design. Franke operates globally, serving both residential and commercial markets.

Blanco: Established in 1925 in Oberderdingen, Germany, Blanco specializes in high-end kitchen sinks and faucets. The company is particularly known for its SILGRANIT® composite sinks, which offer durability and a variety of colour options. Blanco has a strong presence in both European and North American markets, focusing on premium kitchen solutions.

Revenue Growth

Carysil: The company has shown steady growth in its revenue, rising from ₹127 crore in FY15 to ₹816 crore in FY25. However, its growth is limited compared to competitors like Schock, Franke, and Blanco, which have higher revenue due to their strong presence in global markets.

Schock: Started at ₹475 crore in FY15 and grew to ₹791 crore by FY19, indicating better market expansion and brand establishment. Schock benefits from its unique proprietary technology and diversified product segments.

Franke & Blanco: These companies dominate the segment with revenues in the thousands of crores. Franke, for example, consistently achieved revenue exceeding ₹20,000 crore, benefiting from global market penetration and diversified product lines.

Gross Profit Margins

Schock: Maintains superior gross profit margins (70%), attributed to stronger price negotiations. **Carysil:** Margins fluctuate between 49%-62% and are relatively lower due to limited pricing power and dependency on imports or a smaller supply chain network.

Trend Impact (FY17): A noticeable drop in margins occurred across all companies in FY17, potentially due to macroeconomic disruptions like Brexit, which affected supply chains and costs.

EBITDA Margins

Carysil's EBITDA margins (17% in FY24) are similar to **Schock's** (15%-16%). **Carysil** maintains margins through efficient contract manufacturing (OEM model), while competitors rely on direct branding and marketing efforts, adding to their costs.

PAT Margins

Schock's PAT margins (6%-12%) consistently outperform **Carysil's** (4%-9%), reflecting operational efficiency, localized sourcing, and stronger negotiation capabilities.

ROIC (Return on Invested Capital)

Carysil: ROIC ranged from (8%-18%), showcasing moderate operational efficiency.

Schock: Higher ROIC (7%-22%) suggests better utilization of capital, enhanced productivity, and efficient cost management.

Asset Turnover

Schock demonstrates a higher total asset turnover (1.33-1.35), indicating efficient asset utilization to generate revenue. **Carysil** lags slightly (0.76-0.87), reflecting higher working capital requirements and a relatively slower inventory cycle.

Leverage (Assets/Equity)

Carysil maintains moderate leverage (2.07-2.39), whereas **Schock** operates at higher leverage levels (2.00-3.37), likely indicating more aggressive debt utilization for expansion and investment.

Return on Equity (ROE)

Both **Carysil** and **Schock** display fluctuating ROEs, influenced by broader economic conditions like changes in the mortgage rate. Schock's ROE (20%-43%) outperforms Carysil's (7%-26%), primarily due to its better margins and revenue scale.

Working Capital Intensity

Carysil appears more working capital-intensive, with higher working days than Schock. This could be due to its relatively weaker distribution network and a more lenient credit period to attract distributors.

DOMESTIC KITCHEN SINK INDUSTRY MASTERSHEET:

YEARS	FY19	FY20	FY21	FY22	FY23	FY24	FY25
REVENUE FROM OPERATIONS							
Carysil	₹252	₹276	₹310	₹484	₹594	₹684	₹816
Jyoti Kitchen Sink		₹4.72	₹34.03	₹47.71	₹48.94	₹51.36	
Futura Kitchen Sink India Pvt. Ltd.		₹43.54	₹36.15	₹58.32	₹69.80	₹74.21	
Neelkanth	₹118.24	₹92.72	₹66.65	₹134.22	₹223.75		
GROSS PROFIT MARGIN							
Carysil	49%	50%	54%	57%	49%	54%	54%
Jyoti Kitchen Sink		27%	47%	50%	51%	46%	
Futura Kitchen Sink India Pvt. Ltd.		31%	31%	25%	25%	27%	
Neelkanth	17.00%	22.30%	26.00%	24.90%	16.70%		
EBITDA MARGIN							
Carysil	16%	17%	21%	21%	18%	19%	17%
Jyoti Kitchen Sink		13%	27%	26%	29%	23%	
Futura Kitchen Sink India Pvt. Ltd.		13%	12%	9%	8%	10%	
Neelkanth	1.80%	1.80%	-8.50%	2.00%	0.20%		
EBT MARGIN							
Carysil	10%	11%	17%	18%	11%	12%	12%
Jyoti Kitchen Sink		13%	22%	21%	25%	21%	
Futura Kitchen Sink India Pvt. Ltd.		10%	9%	8%	7%	7%	
Neelkanth	0.70%	0.20%	-9.80%	2.40%	0.30%		
PAT MARGIN							
Carysil	7%	8%	13%	13%	9%	8%	8%
Jyoti Kitchen Sink		9%	17%	16%	18%	16%	
Futura Kitchen Sink India Pvt. Ltd.		7%	7%	6%	5%	5%	
Neelkanth	0.50%	0.30%	-8.90%	2.50%	0.20%		
ROIC							
Carysil	11%	11%	15%	18%	12%	11%	10%
Jyoti Kitchen Sink		8%	38%	28%	38%	29%	
Futura Kitchen Sink India Pvt. Ltd.		18%	12%	14%	13%	9%	
Neelkanth	3%	0%	-99%	8%	-4%		
TOTAL ASSET TURNOVER							
Carysil	0.87	0.85	0.79	0.87	0.83	0.81	0.83
Jyoti Kitchen Sink		0.38	1.39	1.47	1.68	1.52	
Futura Kitchen Sink India Pvt. Ltd.		1.77	1.3	1.64	1.82	1.29	
Neelkanth	3.62	2.34	1.64	2.09	3.19		
LEVERAGE (ASSETS/EQUITY)							
Carysil	2.19	2.07	2.04	2.18	2.35	2.39	1.85
Jyoti Kitchen Sink		28.4	4	2.4	1.3	1.1	
Futura Kitchen Sink India Pvt. Ltd.		1.74	1.67	1.79	1.64	2.12	
Neelkanth	3.05	2.15	3.28	4.08	4.35		
RETURN ON EQUITY							
Carysil	13%	14%	21%	26%	17%	16%	12%
Jyoti Kitchen Sink		98%	93%	55%	40%	26%	
Futura Kitchen Sink India Pvt. Ltd.		22%	15%	16%	15%	14%	
Neelkanth		2%	-48%	21%	2%	0%	

Jyoti Kitchen Sinks (Nirali): Established over 30 years ago, Jyoti Kitchen Sinks (branded as Nirali) is India's largest manufacturer of stainless steel kitchen sinks, headquartered in Mumbai, India. The company is known for its innovative designs and robust quality. Nirali serves both the domestic and export markets with a diverse product range, offering durability and elegance in its sink designs. It is a market leader in stainless steel kitchen solutions, focusing on premium quality and advanced manufacturing technology.

Futura Kitchen Sinks India Pvt. Ltd: Founded in 1997 and headquartered in Bengaluru, India, Futura Kitchen Sinks India Pvt. Ltd. is a prominent name in the kitchen sink industry. The company offers a wide range of stainless steel and quartz kitchen sinks, catering to residential, commercial, and

institutional needs. Futura is recognized for its designer sink series and innovative offerings, which include faucets and plumbing accessories. It has a significant domestic presence and exports to several global markets, with a focus on quality and customer satisfaction.

Tropical Industries International Pvt. Ltd: Tropical Industries International Pvt. Ltd. is an Indian manufacturer specializing in stainless steel kitchen sinks. The company is known for providing cost-effective, high-quality kitchen solutions. Though it primarily serves the domestic market, Tropical Industries is gradually expanding its footprint with a focus on durability and practical design. It caters to both residential and commercial sectors, emphasizing affordability without compromising on quality.

Revenue Growth

Carysil: Continues to lead in revenue among the listed companies, growing from ₹252 crore in FY19 to ₹816 crore in FY25. This reflects strong brand recognition and distribution expansion.

Jyoti Kitchen Sink: Significant revenue growth, from ₹4.72 crore in FY19 to ₹51.36 crore in FY24, suggesting improving market penetration and operational scale.

Futura: Modest but steady revenue growth highlights its stability in a trading-oriented model.

Neelkanth: Revenue growth is inconsistent, peaking at ₹223.75 crore in FY23 but showing slower progress compared to Carysil and Jyoti.

Gross Profit Margins

Carysil & Jyoti Kitchen Sink: Both maintain high gross profit margins (Carysil: 49%-54%, Jyoti: 46%-51%) due to their manufacturing capabilities. Owning plants enables better cost control.

Futura & Neelkanth: Lower gross margins (Futura: 27%-31%, Neelkanth: 16.7%-26%) are tied to their trading-based models, which reduce control over costs.

EBITDA Margins

Carysil & Jyoti Kitchen Sink: Lead in EBITDA margins, with Carysil maintaining (18%-21%) and Jyoti improving from 13% in FY19 to 29% in FY24, reflecting efficient cost management and operational scale.

Futura & Neelkanth: Futura's EBITDA margins (12%-13%) remain steady but are comparatively lower. Neelkanth struggles with extremely low or negative margins in earlier years, reflecting inefficiencies and higher expenses.

PAT Margins

Jyoti Kitchen Sink: Achieves the highest PAT margins (22%-26%), benefiting from direct dealer relationships that eliminate intermediary costs.

Carysil: Consistent PAT margins (7%-16%), driven by OEM manufacturing and effective distribution strategies.

Futura & Neelkanth: Futura has stable but modest PAT margins (5%-7%), while Neelkanth's margins are weak or negative, reflecting cost and efficiency challenges.

ROIC (Return on Invested Capital)

Jyoti Kitchen Sink: Stands out with superior ROIC, peaking at 29% in FY24, reflecting efficient capital utilization and high profitability.

Carysil: Delivers consistent ROIC (11%-18%), showing efficient use of capital and investments.

Futura & Neelkanth: Futura's ROIC (9%-18%) is stable, while Neelkanth's earlier negative ROIC highlights inefficiencies in capital allocation.

ROE (Return on Equity)

Jyoti Kitchen Sink: Leads with impressive ROE, peaking at 40% in FY24. This reflects its profitability and effective equity utilization, driven by its direct dealer model.

Carysil: Maintains strong ROE, improving steadily from 13% in FY19 to 26% in FY24, supported by growing revenue and stable margins.

Futura & Neelkanth: Futura's ROE is consistent (~10%-14%), while Neelkanth's ROE is volatile, with negative or minimal values in earlier years, highlighting challenges in profitability and equity efficiency.

Working Capital (WC) Intensity

Jyoti Kitchen Sink: High working capital days due to flexible credit policies tailored for dealers. This approach fosters dealer loyalty but increases WC intensity.

Carysil: Maintains lower WC days, reflecting efficient cash flow management via wholesalers and strict credit policies.

Futura & Neelkanth: Likely face challenges in WC management due to weaker distribution systems and reliance on trading.

Distribution and Market Reach *(Scuttlebutt)*

Carysil: Its robust distribution network (dealers, distributors, and outlets) provides a significant edge, allowing better market penetration.

Jyoti Kitchen Sink: Relies on direct dealer relationships, ensuring profitability but limiting scalability.

Futura & Neelkanth: Struggle with weaker distribution systems, impacting competitiveness.

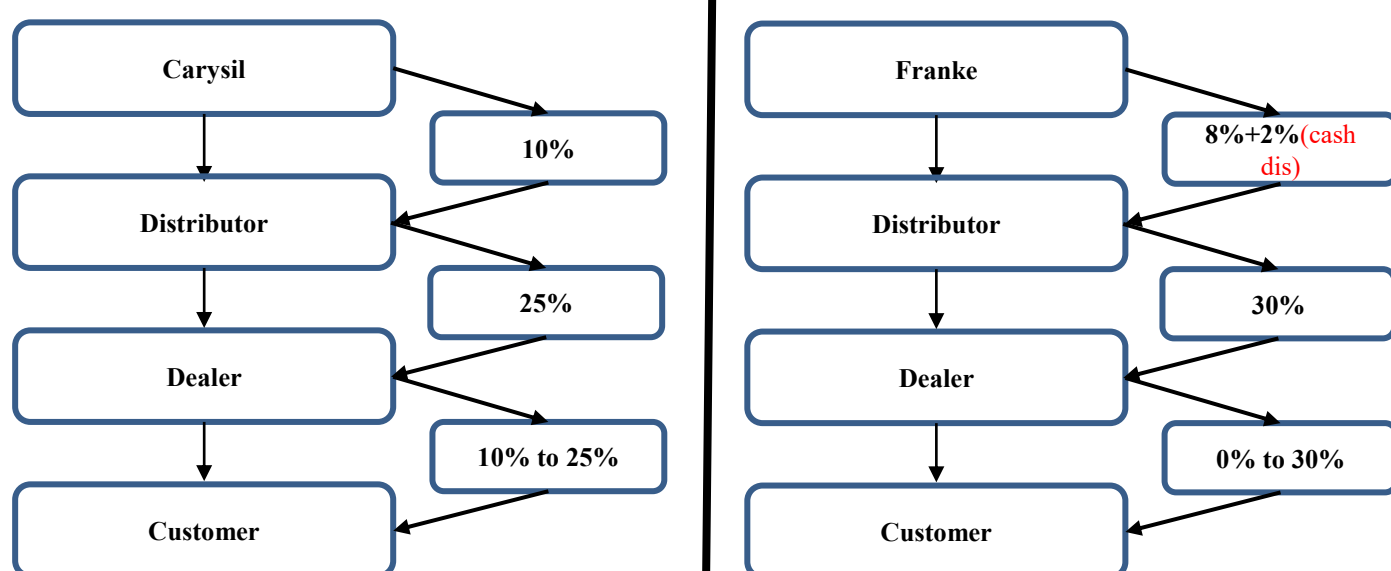
Threats and Opportunities *(Scuttlebutt)*

Carysil: Faces risks from global players in the domestic market but benefits from its manufacturing focus on quartz sinks, which are imported by competitors.

Jyoti Kitchen Sink: Has growth potential through network expansion and brand building.

Futura & Neelkanth: Need to invest in operational efficiency, distribution, and branding to remain competitive.

Discount Chain *(Scuttlebutt)*



DOMESTIC KITCHEN APPLIANCES INDUSTRY MASTERSHEET:

YEARS	FY19	FY20	FY21	FY22	FY23	FY24	FY25
REVENUE FROM OPERATIONS							
Carysil	₹252	₹276	₹310	₹484	₹594	₹684	₹816
Elica PB India Pvt. Ltd	₹244.95	₹283.06	₹309.07	₹374.93	₹458.93		
Franke Faber India Pvt. Ltd	₹270.97	₹334.21	₹371.47	₹614.30	₹779.29		
KAFF Appliances (INDIA)	₹154.74	₹148.99	₹168.98	₹215.25	₹233.16		
GROSS PROFIT MARGIN							
Carysil	49%	50%	54%	57%	49%	54%	54%
Elica PB India Pvt. Ltd	49%	48%	45%	43%	45%		
Franke Faber India Pvt. Ltd	42%	39%	37%	38%	38%		
KAFF Appliances (INDIA)	59%	55%	47%	52%	54%		
EBITDA MARGIN							
Carysil	16%	17%	21%	21%	18%	19%	17%
Elica PB India Pvt. Ltd	12%	19%	22%	17%	16%		
Franke Faber India Pvt. Ltd	1%	2%	7%	11%	9%		
KAFF Appliances (INDIA)	6%	6%	7%	11%	11%		
EBT MARGIN							
Carysil	10%	11%	17%	18%	11%	12%	12%
Elica PB India Pvt. Ltd	11%	17%	20%	15%	14%		
Franke Faber India Pvt. Ltd	0%	1%	5%	9%	9%		
KAFF Appliances (INDIA)	5%	4%	6%	10%	11%		
PAT MARGIN							
Carysil	7%	8%	13%	13%	9%	8%	8%
Elica PB India Pvt. Ltd	7%	13%	15%	12%	11%		
Franke Faber India Pvt. Ltd	0%	1%	5%	9%	8%		
KAFF Appliances (INDIA)	4%	3%	4%	7%	8%		
ROIC							
Carysil	11%	11%	15%	18%	12%	11%	10%
Elica PB India Pvt. Ltd	11%	9%	10%	13%	16%		
Franke Faber India Pvt. Ltd	-6%	-1%	27%	58%	69%		
KAFF Appliances (INDIA)	22%	45%	67%	48%	50%		
TOTAL ASSET TURNOVER							
Carysil	0.87	0.85	0.79	0.87	0.83	0.81	0.83
Elica PB India Pvt. Ltd	1.72	1.72	1.29	1.4	1.43		
Franke Faber India Pvt. Ltd	1.5	1.82	1.42	1.67	1.69		
KAFF Appliances (INDIA)	1.58	1.55	1.91	1.98	1.94		
LEVERAGE (ASSETS/EQUITY)							
Carysil	2.19	2.07	2.04	2.18	2.35	2.39	1.85
Elica PB India Pvt. Ltd	2.36	1.7	1.68	1.43	1.36		
Franke Faber India Pvt. Ltd	2.79	2.73	3.06	2.25	2.06		
KAFF Appliances (INDIA)	2.42	2.13	1.71	1.61	1.41		
RETURN ON EQUITY							
Carysil	13%	14%	21%	26%	17%	16%	12%
Elica PB India Pvt. Ltd	30%	38%	32%	23%	21%		
Franke Faber India Pvt. Ltd	-2%	4%	21%	36%	27%		
KAFF Appliances (INDIA)	13%	10%	13%	23%	21%		

Elica PB India Pvt. Ltd: Established in 2010 as a joint venture between Elica, a leading Italian kitchen appliances manufacturer, and the Indian partner, Elica PB India Pvt. Ltd., is headquartered in Pune, India. The company specializes in kitchen hoods, chimneys, hobs, and other cooking appliances, offering cutting-edge Italian designs combined with advanced technology. Elica PB is renowned for its sleek and energy-efficient products, which cater to both functional and aesthetic needs. With a strong distribution network, the company has a significant presence across India and emphasizes premium kitchen solutions for modern households

Franke Faber India Pvt. Ltd: Franke Faber India Pvt. Ltd. is a subsidiary of the global Franke and Faber groups, established to cater to the Indian market, headquartered in Pune, India. The company is a leader in premium kitchen appliances, including chimneys, hoods,

and hobs. It is known for blending Swiss and Italian engineering excellence, and Franke Faber delivers innovative and efficient products with a focus on durability and aesthetic appeal. It operates extensively in India, offering a diverse portfolio of kitchen solutions tailored for Indian cooking styles and preferences.

KAFF Appliances (India): KAFF Appliances is an Indian brand offering a comprehensive range of kitchen solutions, including chimneys, built-in ovens, hobs, and sinks. Based in Gurugram, India, KAFF is known for its focus on affordability, energy efficiency, and sleek designs that cater to contemporary kitchens. The company has a widespread presence in India, providing products that are engineered to withstand the rigors of Indian cooking. KAFF emphasizes innovation and accessibility, making premium kitchen appliances available to a wider audience.

Revenue Growth

Carysil: Strong growth trajectory from ₹252 crore in FY19 to ₹816 crore in FY25. The significant capex in manufacturing appliances, with a capacity of 2 lakh units, indicates strategic expansion to meet rising demand.

Elica: Revenue has steadily increased, reflecting strong market presence in the premium segment with the support of Whirlpool's distribution channel.

Franke Faber: A preferred brand due to its affordability, leading to consistent revenue growth, although slower compared to peers.

KAFF: As a newer entrant, KAFF's revenue is lower but growing steadily due to aggressive marketing efforts and market expansion.

Gross Profit Margins

Elica: Leads in gross margins (48%-55%) due to premiumization and leveraging Whirlpool's distribution. This premium positioning gives Elica a strong market share.

Carysil: Maintains solid gross margins (49%-54%) driven by its integrated manufacturing and focus on kitchen appliances.

Franke Faber: Margins (37%-42%) are stable but lower, reflecting its strategy of affordability and targeting price-sensitive customers.

KAFF: Margins (6%-7%) are the lowest, largely due to higher marketing costs as it establishes its market presence.

EBITDA Margins

Carysil: Strong EBITDA margins (16%-19%) due to efficient cost structures and the benefits of scaling its appliance manufacturing operations.

Elica: Moderate margins (12%-22%) supported by its premium positioning and strong market demand.

Franke Faber: Struggles with lower margins (5%-9%) due to its affordability focus, which pressures profitability.

KAFF: Low EBITDA margins (6%-7%), primarily due to significant marketing investments and high initial costs.

PAT Margins

Elica: Consistently achieves the highest PAT margins (12%-13%) among competitors, reflecting its premium pricing and operational efficiency.

Carysil: Stable PAT margins (7%-9%), indicating profitability while expanding its operations.

Franke Faber: Faces challenges with lower PAT margins (5%-6%), reflecting cost pressures and competition.

KAFF: Matches Carysil in PAT margins (~7%-8%) but struggles to achieve the efficiency of established players.

ROIC (Return on Invested Capital)

KAFF: Leads with ROIC (45%-69%), driven by focused investments in growth markets despite low profitability margins.

Carysil: Consistent ROIC (11%-18%), reflecting efficient capital allocation, especially in its manufacturing segment.

Elica & Franke Faber: Moderate ROIC, with Elica slightly better due to its premium pricing strategy.

ROE (Return on Equity)

Franke Faber: Leads in ROE (32%-40%), benefiting from its relationship with its Italian supplier (Faber Spa) and efficient working capital management.

Elica: Strong ROE (21%-32%) supported by premiumization and effective equity utilization.

Carysil: Maintains competitive ROE (13%-26%) while scaling its manufacturing and distribution.

KAFF: ROE (23%) reflects its initial success in penetrating the market, but is limited by its lower margins.

Working Capital

Franke Faber: Best working capital management, leveraging its Italian supplier for cost efficiency and reducing inventory cycles.

Elica: Moderate WC days due to its balanced approach between premium pricing and operational efficiency.

KAFF: High WC days reflect its market penetration efforts, including extended credit periods for new customers.

Carysil: Moderate WC days, benefiting from a growing distribution network and stringent credit policies.

Distribution and Market Reach (Scuttlebutt)

Carysil: Leveraging its growing distribution network, Carysil is well-positioned to expand its market reach and compete effectively.

Elica: Benefits from Whirlpool's distribution network, ensuring strong market penetration in the premium segment.

Franke Faber: Relies on a well-established manufacturing and distribution system to maintain its market share.

KAFF: As a new entrant, KAFF focuses on aggressive marketing and flexible credit policies to establish its presence.

FAUCET:

The **global faucet market** is valued at a massive **₹1,96,800.59 crore**, with the **Indian faucet market** contributing **₹10,147.06 crore** to this total. Globally, **Masco Corporation** leads the industry with renowned brands like **Delta Faucet**, **Hansgrohe**, and **Brizo**, known for their innovative designs and quality. In India, the **Jaquar Group** dominates the market, offering a comprehensive product range and

leveraging a robust distribution network, with its luxury brand **Artize** catering to the premium segment. Amidst this competitive landscape, **Carysil** is poised to make its mark by entering the **kitchen faucet segment**, leveraging its strong distribution network and growing brand presence to tap into this lucrative and expanding market. This move aligns with Carysil's strategy to diversify its product portfolio and strengthen its foothold in the kitchen solutions space.

SOLID SURFACE:

The **Global Countertops Market** is valued at **12,53,748.55cr**, showcasing strong demand driven by residential and commercial applications. In India, the market size stands at **1,00,254.24cr**, reflecting the growing urbanization, real estate development, and evolving lifestyle trends. Countertops play a crucial role in kitchens, bathrooms, and other spaces, offering both functionality and aesthetic appeal.

Pokarna Ltd. is a leading Indian company in natural and engineered stone surfaces, operating in the Granite and Quartz segments. It's **Quantra Quartz**, crafted with Italian **Bretonstone®** technology, offers durable, eco-friendly, and aesthetically premium products for high-end residential and commercial uses. Renowned for its integrated operations, innovation, and sustainability, Pokarna exports globally, with strong market presence in the U.S. and Europe, positioning it as a global leader in the stone surfaces industry.

Pacific Industries Ltd., based in India, Pacific Industries specializes in natural granite and engineered stone surfaces, primarily targeting export markets like the U.S., Europe, and the Middle East. The company is known for its premium natural stone products, sourced from its own quarries, and has been gradually diversifying into engineered stone surfaces to capture emerging market opportunities. However, it faces significant challenges in achieving profitability and scaling its engineered stone operations, given the high competition and capital-intensive nature of the industry.

Caesarstone Ltd., Headquartered in Israel, Caesarstone is a prominent global player in the engineered quartz surface industry, operating in over 50 countries, with North America, Europe, and Australia as its key markets. Renowned for high-quality quartz surfaces used in countertops, flooring, and wall cladding, the company caters to both residential and commercial spaces. Despite being an early innovator in the quartz surface industry, Caesarstone has recently struggled with declining profitability, increased competition, and operational inefficiencies, impacting its overall performance.

YEARS	FY23	FY24	FY25
REVENUE FROM OPERATIONS			
Carysil Surface	₹142	₹152	₹232
Pokarna	₹725	₹688	
Pacific Industries	₹187	₹190	
Caesarstone	₹4,777		
GROSS PROFIT MARGIN			
Carysil Surface	35%	36%	
Pokarna	58%	64%	
Pacific Industries	42%	47%	
Caesarstone	16%		
EBITDA MARGIN			
Carysil Surface	16%	16%	
Pokarna	23%	30%	
Pacific Industries	4%	6%	
Caesarstone	-7%		
EBT MARGIN			
Carysil Surface	14%	14%	
Pokarna	13%	20%	
Pacific Industries	4%	7%	
Caesarstone	-15%		
PAT MARGIN			
Carysil Surface	11%	10%	
Pokarna	9%	13%	
Pacific Industries	3%	6%	
Caesarstone	-19%		
ROIC			
Carysil Surface	42%	39%	
Pokarna	9.80%	11%	
Pacific Industries	-2%	0%	
Caesarstone	-27%		
TOTAL ASSET TURNOVER			
Carysil Surface	1.94	2.01	
Pokarna	1.52	1.77	
Pacific Industries	0.36	0.34	
Caesarstone	0.97		
LEVERAGE (ASSETS/EQUITY)			
Carysil Surface	2.15	2.12	
Pokarna	2.18	2.05	
Pacific Industries	1.23	1.28	
Caesarstone	1.84		
RETURN ON EQUITY			
Carysil Surface	46%	42%	
Pokarna	13%	15%	
Pacific Industries	2%	3%	
Caesarstone	-34%		

Revenue Growth

Carysil surface limited: Revenue grew from ₹141.99 crore in FY23 to ₹152.06 crore in FY24, marking a steady 7% growth, driven by better market reach and strong operations.

Pokarna: Stable revenue growth from ₹725.32 crore in FY23 to ₹687.61 crore in FY24, reflecting strong performance in both granite and engineered quartz segments.

Pacific Industries: Revenue increased slightly from ₹187.42 crore in FY23 to ₹190.00 crore in FY24, with steady but slower growth.

Caesarstone: Revenue stood at ₹4,777.33 crore in FY23, reflecting a challenging market environment and pressure on overall sales.

Gross Profit Margins

Pokarna: Highest gross margin at 58% in FY23 and 64% in FY24, supported by its premium quartz products.

Carysil surface limited: Maintained stable gross margins of 36% in both FY23 and FY24, indicating effective cost management and profitability.

Pacific Industries: Margins improved from 42% in FY23 to 47% in FY24, though still trailing behind Pokarna.

Caesarstone: Gross margin in FY23 was 16%, the lowest among peers, indicating high production costs or pricing pressures.

EBITDA Margins

Pokarna: Strong EBITDA margin, increasing from 23% in FY23 to 30% in FY24, thanks to operational efficiency.

Carysil surface limited: EBITDA margins held steady at 16% in both FY23 and FY24, indicating well-managed operating costs and consistent performance.

Pacific Industries: Low EBITDA margin, improving from 4% in FY23 to 6% in FY24, but still underperforming.

Caesarstone: EBITDA margin was -7% in FY23, reflecting severe operational inefficiencies and negative profitability.

PAT Margins

Pokarna: Improved PAT margin from 9% in FY23 to 13% in FY24, driven by strong product sales and better cost management.

Carysil surface limited: PAT margin slightly declined from 11% in FY23 to 10% in FY24, reflecting consistent profitability despite some operational pressures.

Pacific Industries: PAT margin improved from 3% in FY23 to 6% in FY24, reflecting better cost management, though still low.

Caesarstone: PAT margin was -19% in FY23, indicating significant losses due to weak operational performance and rising costs.

ROIC (Return on Invested Capital)

Pokarna: ROIC improved from 9.8% in FY23 to 11.1% in FY24, reflecting efficient capital use and growing profitability.

Carysil surface limited: ROIC remained strong at 42% in FY23 and 39% in FY24, reflecting efficient capital utilization and strong returns from operations.

Pacific Industries: ROIC remains negative at -2% in FY23, improving slightly to 0% in FY24, indicating minimal returns.

Caesarstone: ROIC stood at -27% in FY23, signalling highly inefficient capital allocation and negative returns on investment.

ROE (Return on Equity)

Pokarna: Strong ROE, increasing from 13% in FY23 to 15% in FY24, driven by growing profitability in its core operations.

Carysil surface limited: ROE remained high at 46% in FY23, declining slightly to 42% in FY24, driven by strong earnings generation.

Pacific Industries: ROE improved from 2% in FY23 to 3% in FY24, but remains low compared to peers.

Caesarstone: ROE was -34% in FY23, highlighting poor financial performance and shareholder value erosion.

Working Capital

Pokarna: Moderate working capital days due to efficient operations and strong distribution channels.

Carysil: Moderate working capital days, benefiting from efficient credit policies and a growing distribution network, supporting liquidity.

Pacific Industries: High working capital days due to the slow-moving inventory and low turnover.

Caesarstone: High working capital days in FY23 pointed to inefficiencies in inventory management and slower turnover, adding strain to the company's liquidity.

Distribution and Market Reach

Pokarna: Strong market reach, supported by its vertically integrated operations and established reputation in granite and engineered quartz.

Carysil: Expanding its distribution network and well-positioned to further scale its solid surface business.

Pacific Industries: Established presence but with limited expansion, largely focusing on its existing market.

Caesarstone: Struggling with market reach due to its revenue decline and competitive pressures in the stone countertop sector.

Additional points

Industry and Market Conditions:

- **Raw Material Supply:** Companies like **Pokarna** and **Carysil** that have vertically integrated operations are benefiting from better control over their supply chains. This reduces vulnerability to price fluctuations and supply shortages. **Caesarstone**, however, might face challenges due to its dependency on third-party suppliers.
- **Global Demand for Quartz:** The global shift towards engineered quartz surfaces, due to their durability and eco-friendly properties, continues to benefit companies like **Pokarna** and **Carysil**. However, this is putting pressure on companies like **Caesarstone**, which once dominated the market but now faces increased competition from local manufacturers and lower-priced alternatives.

Consumer Preferences: (*Scuttlebutt*)

Increasingly, consumers are prioritizing eco-friendly and durable materials for countertops and kitchen surfaces. Companies focusing on sustainable practices, such as using recycled materials, could benefit in the long run. This is an area where **Pokarna** is positioning itself well with its product innovations.

Competitive Landscape:

Pokarna and **Carysil** are investing heavily in branding and distribution, whereas **Pacific Industries** has been slow to differentiate itself in the market. **Caesarstone** is losing its market leadership position, facing strong competition from both global and local players who are offering more affordable options.

Forensic Checklist's

Cash flow from operation vis-à-vis Operating profit:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
CFO Before Working Capital Changes/ Revenue	18%	16%	14%	14%	16%	19%	25%	24%	19%	20%	17%
Working Capital/ Revenue	39%	26%	30%	31%	32%	35%	32%	26%	27%	33%	35%
CFO After Working Capital Changes/ Revenue	6%	9%	6%	11%	13%	14%	19%	15%	14%	11%	2%
CFO Before taxes/ EBITDA	34%	51%	43%	84%	79%	81%	88%	68%	79%	60%	10%
ΣCFO Before taxes/ ΣEBITDA (5-Years)				52%	60%	70%	78%	78%	78%	73%	75%
FCFF	(₹5)	₹2	(₹7)	(₹4)	₹5	₹10	₹10	(₹21)	₹13	(₹34)	(₹54)

The company's cash conversion factor is quite good; it is above the benchmark (60%).

Debt service obligation and Free cash flows:

Particulars	Mar'15	Mar'16	Mar'17	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22	Mar'23	Mar'24	Mar'25
FCFF	-4.6	2.2	-7.5	-3.9	5.4	10.2	9.5	-21.5	13.4	-34.5	-54
FCFF as % of Revenue	-	1%	-	-	2%	4%	3%	-	2%	-	
Interest Coverage Ratio (EBIT/Interest)	2.8	3.0	2.0	3.0	3.3	4.0	7.3	8.9	5.6	4.6	4.4
Debt/EBITDA	3.0	2.3	3.1	3.6	2.4	2.2	1.6	1.5	2.2	2.4	2.0
DEBT/CFO Before Taxes	8.9	4.5	7.1	4.3	3.0	2.7	1.9	2.1	2.8	4.1	19.7

Debt/CFO before tax is high, which means the company will require an external source of funds to repay its debt. On the other hand company has a margin of safety on the interest side as the ICR is high.

FCFF is negative, which means the company requires high reinvestment, as Carysil is a growing business.

ROE-DU PONT analysis:

Particulars	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
PAT Margins	7%	7%	4%	6%	7%	8%	13%	13%	9%	8%	8%
Total Asset Turnover	0.87	0.79	0.78	0.76	0.87	0.85	0.79	0.87	0.83	0.81	0.83
Fixed Asset Turnover	2.06	1.91	1.8	1.73	2.05	2.04	1.91	2.13	1.74	1.65	1.92
Working Capital Turnover	2.6	3.9	3.3	3.2	3.1	2.9	3.1	3.8	3.7	3.6	2.8
Financial leverage	3.52	2.11	2.08	2.2	2.19	2.07	2.04	2.18	2.35	2.39	1.85
Total assets	₹146	₹219	₹233	₹260	₹291	₹326	₹391	₹553	₹712	₹844	₹985
Equity	₹42	₹104	₹112	₹118	₹133	₹158	₹191	₹254	₹303	₹354	₹531
RETURN ON EQUITY	21%	12%	6%	10%	13%	14%	21%	25%	18%	15%	12%

Financial leverage is driving the ROE.

Management Claims:

Management has made several claims, as explained in detail above. Among these are consistently stating targets such as reaching over 70 countries, while currently catering to more than 60 countries, and achieving ₹1,000 crore in revenue.

Sources of funds and application of funds:

Management has sourced its fund from raising equity and debt both which has explained above in detail and has allotted in capacity expansion and inorganic growth *(One thing to check management has commented that they won't repay debt from QIP money but there is a chunk of debt repayment and not getting entire account of QIP money).*

Related party transactions:

The company has a strong dependency on its promoter-owned firm (Acrycol Minerals Limited) for Raw material *(50% of coated silica).*

Acquisitions:

The company frequently pursues acquisitions, which, as a strategic management decision to grow inorganically, cannot be considered inherently wrong.

Working capital:

In FY22, management stated their intention to reduce working capital, which subsequently declined; however, it increased again in FY24 due to the Red Sea crisis.

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