

TVS Motor Company

Estimate change



TP change



Rating change



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Bloomberg	TVSL IN
Equity Shares (m)	475
M.Cap.(INRb)/(USD\$b)	412.9 / 5.2
52-Week Range (INR)	898 / 495
1, 6, 12 Rel. Per (%)	-1/45/43
12M Avg Val (INR M)	1518

Financials & Valuations (INR b)

Y/E March	2022E	2023E	2024E
Sales	207.7	258.1	288.5
EBITDA	19.4	27.5	31.6
Adj. PAT	9.0	14.8	17.3
EPS (INR)	18.9	31.2	36.4
EPS Gr. (%)	46.9	65.0	16.6
BV/Sh (INR)	101.5	127.2	158.1

Ratios

RoE (%)	20.0	27.3	25.5
RoCE (%)	23.1	31.6	31.8
Payout (%)	23.5	17.6	15.1

Valuations

P/E (x)	45.9	27.8	23.9
P/BV (x)	8.6	6.8	5.5
Div. Yield (%)	0.5	0.6	0.6
FCF Yield (%)	1.9	4.0	4.3

Shareholding pattern (%)

As On	Jun-22	Mar-22	Jun-21
Promoter	50.8	50.8	52.3
DII	30.7	28.5	24.3
FII	9.9	12.0	14.0
Others	8.6	8.7	9.5

FII Includes depository receipts

CMP: INR869
TP: INR820 (-6%)
Neutral
In-line operating performance led by improved realizations
Near-term stress in exports | EVs to ramp up to 25k/month

- TVSL's operating performance was in line with estimates driven by better realizations in 1QFY23. However, higher other income due to sale of investments led to a beat in adj. PAT. Demand recovery in the domestic market is likely to be offset by potential stress in the export market. Further product launches in EV, however, could help in gaining market share in e-2W segment.
- We raise our FY23E/FY24E EPS by 12%/4% driven by: a) increase in volumes on supply-side improvement, b) favorable Fx and c) higher other income (for FY23E). **Maintain Neutral with a TP of INR820**, as valuations fairly capture the expected strength in earnings growth and risk of an EV disruption to its Scooter business.

Tight cost control measures support margins

- TVSL's revenue/EBITDA/adjusted PAT grew 53%/119%/3.25x YoY in 1QFY23 to INR60.1b/INR6b/INR3.2b, respectively.
- Net sales grew 53% YoY to INR60.1b (est. INR59.3b). Realizations improved 11% YoY (3% QoQ) to INR66.3k (est. INR65.4k) propelled by price hikes and favorable Fx.
- Gross margin was stable QoQ (-40bp YoY) to 23.9% (est. 23.5%). RM basket was up 2% QoQ and the company took a price hike of 1.5%. EBITDA margin expanded 3pp YoY (flat QoQ) to 10% owing to operating leverage.
- Higher other income due to profit of ~INR219m on sale of investment led to a beat in adj. PAT, which surged 3.25x YoY/ 17% QoQ to INR3.2b in 1QFY23.
- Net contribution of subs/associate was a net loss of INR152m for 1QFY23 (v/s profit of INR30m in 4QFY22 and loss of INR859m in 1QFY22).

Key takeaways from the management interaction

- **Domestic demand:** Management expects the festival season sales to be better than the last two years aided by: a) opening up of the economy post-Covid, b) normal monsoons supporting rural markets, and c) resolving chip issues due to sourcing from alternate supplier. Newly launched Ronin (modern retro offering) has been well received by the customers.
- **Export demand:** The company is seeing stress in some export markets due to depreciation of the currency in some economies and stress in Nigeria as well as other African countries.
- **EVs:** TVS iQube has 20k bookings (and has sold ~20k units so far) with presence in 85 cities. Production was ramped-up to ~4.5k units in Jun'22 and would be further ramped-up to 10k units/month in near future and further to 25k/month.
- Chip shortage is easing a bit as supplies are improving MoM due to sourcing from alternate supplier. Raider/Apache wholesales were affected adversely by chip shortages in 1QFY23, but expects improvement from 2QFY23 onwards.
- RM cost inflation in 1QFY23 was at 2%. Management expects some minor RM cost inflation in 2QFY23 with some cooling-off from 2HFY23.

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Valuation and view

- TVSL's volume growth is likely to be driven by new products (Raider and Ronin) in the domestic market as well as a ramp-up in exports. It is enjoying the benefits of economies of scale and operating leverage, resulting in sustenance of EBITDA margin at double-digit level. However, TVSL earns ~40% of its overall EBITDA from the domestic Scooter business, making it vulnerable to an EV disruption in the listed 2W space.
- Valuations at 27.8x/23.9x FY23E/FY24E EPS largely reflect TVSL's strong earnings growth as well as increasing risk of EVs. We maintain our Neutral rating with a TP of ~INR820 (premised on ~20x Sep'24E EPS + INR40/share for the NBFC).

S/A Quarterly Performance

Y/E March (INR m)	FY22				FY23E				FY22	FY23E	FY23E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			
Vols ('000 units)	657.8	916.7	878.7	856.5	906.8	1,032.1	950.8	986.3	3,309	3,876	906.8
Growth (%)	146.4	5.6	(11.2)	(7.7)	37.9	12.6	8.2	15.2	8.4	17.1	37.9
Realn (INR '000/unit)	59.8	61.1	64.9	64.6	66.3	66.8	67.1	66.2	62.8	66.6	65.4
Growth (%)	11.5	15.0	19.2	12.5	10.8	9.3	3.3	2.6	14.3	6.1	9.3
Net Sales	39,344	55,969	57,064	55,303	60,087	68,901	63,792	65,335	2,07,680	2,58,115	59,285
Growth (%)	174.8	21.5	5.8	3.9	52.7	23.1	11.8	18.1	24.0	24.3	50.7
RM (% of sales)	75.7	76.2	76.3	76.2	76.1	76.0	75.3	75.1	76.1	75.6	76.5
Emp cost (% of sales)	6.6	5.3	5.2	5.1	5.3	4.7	4.9	5.0	5.5	5.0	5.1
Other exp (% of sales)	10.7	8.8	8.6	8.6	8.6	8.8	8.8	8.8	9.1	8.8	8.6
EBITDA	2,738	5,404	5,683	5,568	5,995	7,223	7,025	7,247	19,392	27,489	5,834
EBITDA Margin (%)	7.0	9.7	10.0	10.1	10.0	10.5	11.0	11.1	9.3	10.7	9.8
Interest	300	350	279	330	376	350	350	342	1,259	1,418	350
Depreciation	1,431	1,544	1,546	1,593	1,520	1,585	1,640	1,664	6,114	6,409	1,615
Other Income	16	35	57	82	222	50	60	48	190	380	40
PBT before EO Exp	1,023	3,544	3,915	3,727	4,321	5,338	5,095	5,288	12,209	20,042	3,909
EO Exp	302	-225	0	0	0	0	0	0	77		0
PBT after EO Exp	722	3,769	3,915	3,727	4,321	5,338	5,095	5,288	12,132	20,042	3,909
Tax rate (%)	26.4	26.3	26.3	26.3	25.8	26.0	26.0	26.1	26.3	26.0	26.0
Adjusted PAT	754	2,610	2,883	2,745	3,205	3,951	3,771	3,907	8,992	14,835	2,893
Growth (%)	(154.2)	33.0	8.5	(5.1)	325.3	51.4	30.8	42.3	46.9	65.0	283.8

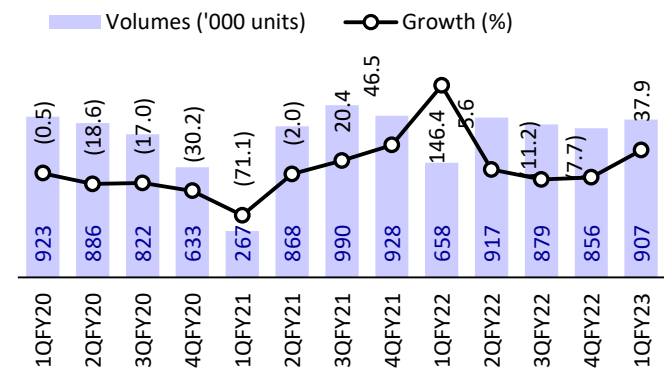
E: MOFSL Estimates

Key performance indicator

Y/E March (INR m)	FY22E				FY23E				FY22E	FY23E	FY21E
	1Q	2Q	3QE	4QE	1Q	2Q	3Q	4Q			
Volumes ('000 units)	657.8	916.7	878.7	856.5	906.8	1,032.1	950.8	986.3	3,309.2	3,876	906.8
Growth (%)	146.4	5.6	-11.2	-7.7	37.9	12.6	8.2	15.2	13.4	11.8	37.9
Dom. 2W Mkt Sh (%)	13.7	14.6	16.2	16.1	15.2				15.2		14.9
Net Realization	59.8	61.1	64.9	64.6	66.3	66.8	67.1	66.2	62.8	67	65.4
Growth YoY (%)	11.5	15.0	19.2	12.5	10.8	9.3	3.3	2.6	14.3	6.1	9.3
Cost Break-up											
RM Cost (% of sales)	75.7	76.2	76.3	76.2	76.1	76.0	75.3	75.1	76.1	75.6	76.5
Staff Cost (% of sales)	6.6	5.3	5.2	5.1	5.3	4.7	4.9	5.0	5.5	5.0	5.1
Other Cost (% of sales)	10.7	8.8	8.6	8.6	8.6	8.8	8.8	8.8	9.1	8.8	8.6
Gross Margins (%)	24.3	23.8	23.7	23.8	23.9	24.0	24.8	24.9	23.9	24.4	23.5
EBITDA Margins (%)	7.0	9.7	10.0	10.1	10.0	10.5	11.0	11.1	9.3	10.7	9.8
EBIT Margins (%)	3.3	6.9	7.2	7.2	7.4	8.2	8.4	8.5	6.4	8.17	7.1

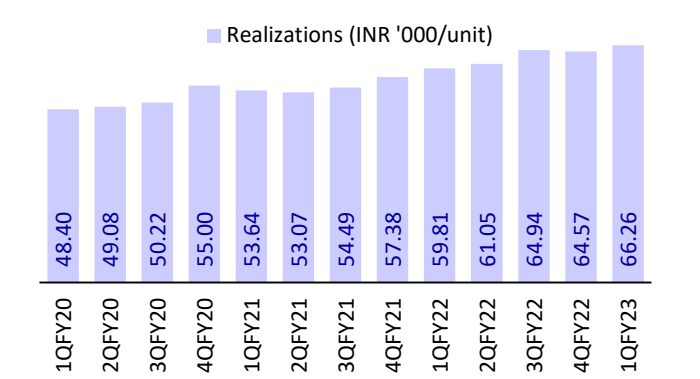
E:MOFSL Estimates

Exhibit 1: Trends in volume and volume growth



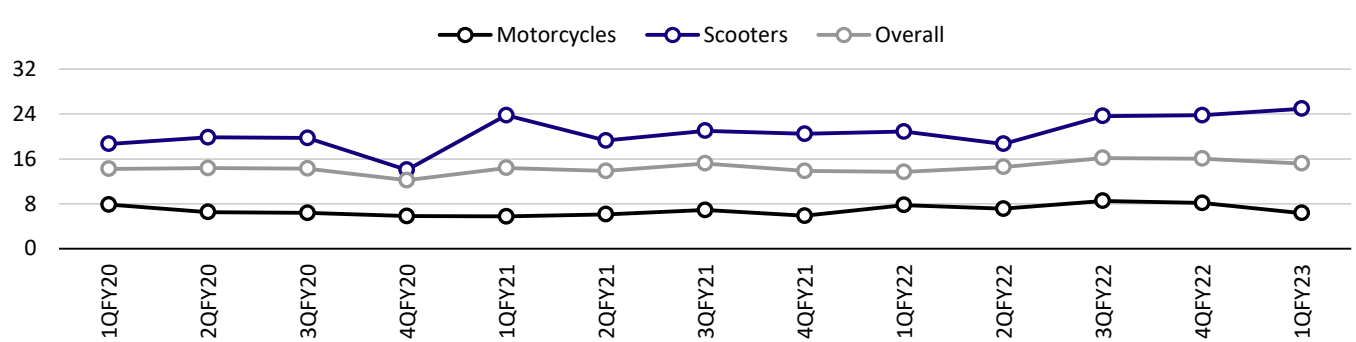
Source: Company, MOFSL

Exhibit 2: Trend in blended realizations



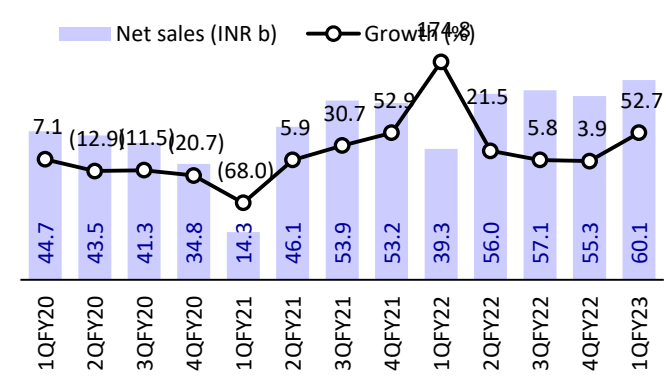
Source: Company, MOFSL

Exhibit 3: Domestic motorcycle, scooter, and overall market share trends for TVSL



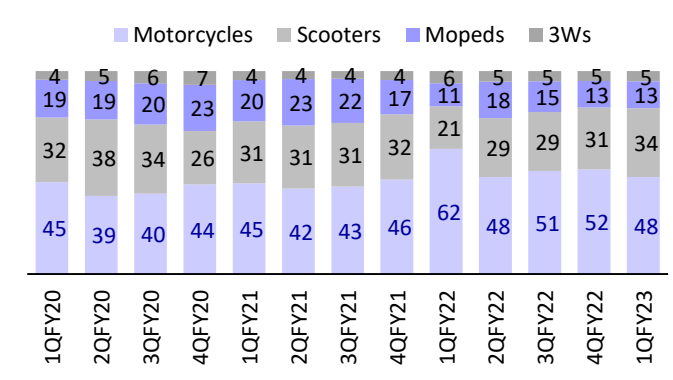
Source: Company, MOFSL

Exhibit 4: Net sales and growth trends



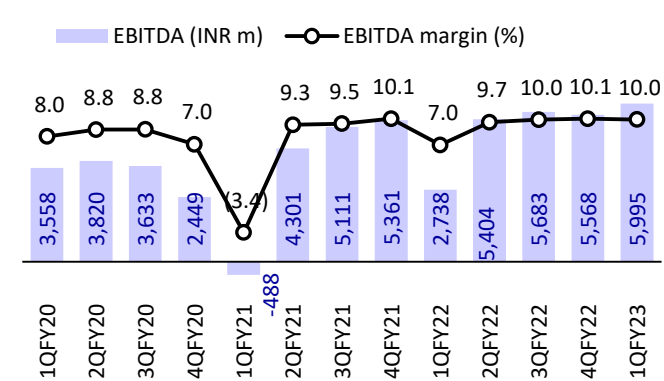
Source: Company, MOFSL

Exhibit 5: Contribution of different segments in volume mix



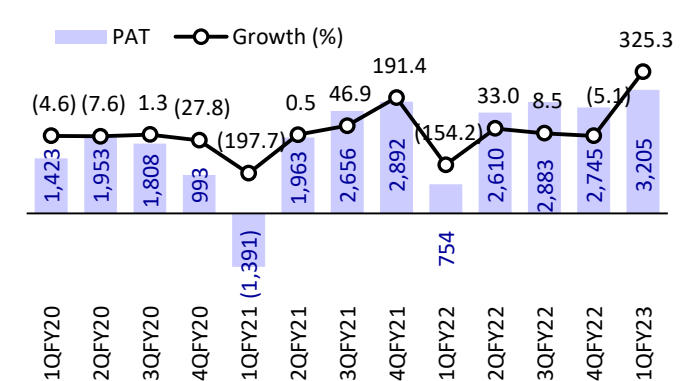
Source: Company, MOFSL

Exhibit 6: EBITDA and EBITDA margin trends



Source: Company, MOFSL

Exhibit 7: PAT and its growth trajectory



Source: Company, MOFSL

Key takeaways from the management interaction

- **Domestic demand:** Company expects the festival season sales to better than the last 2 years on the back of a) opening up of economy post Covid, b) normal monsoons aiding rural markets, and c) chip issues resolving due to sourcing from alternate supplier. Newly launched Ronin (modern retro offering) has been well received by the customers. Inventory in the system stands <30days.
- **Export demand:** It is seeing stress in some export markets due to depreciation of currency in some economies and stress in Nigeria and other African countries. It is confident of doing better than the industry in exports by offering wide range of products to these markets. Raider has been well accepted in the export markets.
- **EVs:** TVS iQube has 20k bookings (and has sold ~20k units so far) with presence in 85 cities. It would be launching range of products in the 5-25Kw battery capacity range catering to wide variety of customers. Production was ramped-up to ~4.5k units in Jun-22 and would be further ramped-up to 10k units/month in near future and further to 25k/month. It would launch an e-3W soon with the company focusing on the TCO of the users.
- Mopeds sales are still below the pre-Covid levels due to stress in the income level of the customers who are bottom of the pyramid. This is expected to reverse in FY23 as the economy has fully opened up.
- Chip shortage is seeing some bit of easing as supplies are improving MoM due to sourcing from alternate supplier. Raider/Apache wholesales got affected due to chip shortages in 1QFY23, but expects improvement from 2QFY23.
- RM cost inflation in 1QFY23 was at 2%, for which it took price hike of 1.5% and 0.5% remain uncovered. It expects some minor RM cost inflation in 2QFY23 with some cooling from 2HFY23.
- TVS Credit had book size of INR154b and a PBT of INR1.1b with a NPA ratio of 3.1%. Collection efficiency has reached the pre-Covid levels.
- Capex & Investments: It would invest ~INR7.5b in capex and ~INR3-4b in investment in subsidiaries. It invested ~INR1.54b in a) ~INR1.14b for 1.81% stake in Rapido taxi app company and b) ~INR396m in its Singapore SPV.
- There is proposal to divest investment in material subsidiary Sundaram Holding USA (SHUI), which is 50.35% subsidiary of Sundaram Auto Components (wholly owned subsidiary of TVSLs). Sundaram Auto Components plans to sell its 50.35% stake to Sundaram Clayton (holding company of TVSL) for a cash consideration, making Sundaram Clayton a 100% owner of SHUI.

Valuation and view

- Volume outperformance and market share gains to slow:** We estimate TVSL's pace of volume outperformance over the domestic 2W industry to slow as the gaps in its product portfolio have largely been plugged. Volume growth is expected to be driven by new product launches (Raider, Ronin) in the domestic market as well as a ramp-up in exports. We estimate TVSL's 2W volume to grow at 12% CAGR over FY22-25E.
- Most vulnerable among listed 2W OEMs to EV risk:** TVSL earns ~40% of its overall EBITDA from the domestic Scooter business, making it vulnerable to an EV disruption in the listed 2W space. It is planning to ramp-up its EV business over the next six months, with a capacity expansion from current capacity of 4.5k/month to 10k/month and eventually to 25k/month with distribution at a pan-India level by end of FY23 (from 85 cities at present). Additionally, it has got orders for 2,000 e-3Ws from CESL (subsidiary of EESL). It is creating a separate subsidiary for the EV business to increase focus and flexibility. Any value discovery of its EV subsidiary can act as a re-rating catalyst.
- Scale to drive 170bp margin expansion over FY22-25E:** There are several levers to improve margin, such as: a) a better mix, b) forex benefit, c) cost-cutting initiatives, and d) operating leverage (particularly on marketing and employee cost). We estimate a 170bp EBITDA margin expansion (FY22-25E) to 11% by FY25E. This would result in a standalone EPS CAGR of ~30% over FY22-25E.
- NBFC arm to boost consolidated performance:** TVS Credit Services (TVSL holds ~85% stake) is a fast-growing NBFC with a presence in 2W, Used Car, Tractor Financing, among others. The captive NBFC arm has been particularly helpful in offsetting the impact of the liquidity crunch over the last 24 months. We value the NBFC business at ~INR40/share (post a 20% holding company discount). TVS Credit is actively searching for an external investor as its growth partner, which can unlock value.
- Valuation and view:** We increase FY23E/FY24E EPS estimates by 12%/4% driven by a) upgrade in volumes led by supply-side improvement, b) favorable Fx and c) higher other income (for FY23E). Volume growth is likely to be driven by new product launches (Raider, Jupiter 125 and Ronin) in the domestic market as well as a ramp-up in exports. It is enjoying the benefits of economies of scale and operating leverage, resulting in the EBITDA margin sustaining at double-digit level. However, TVSL earns ~40% of its overall EBITDA from the domestic Scooter business, making it vulnerable to an EV disruption in the listed 2W space. Valuations at 27.8x/23.9x FY23E/FY24E EPS largely reflect its strong earnings growth as well as increasing risk of EVs. We maintain our Neutral rating with a TP of ~INR820 (premised on ~20x Sep'24E EPS + INR40/share for the NBFC).

Exhibit 8: Revisions to our estimates

(INR M)	FY23E			FY24E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Volumes (m units)	3.88	3.77	2.9	4.24	4.15	2.2
Net Sales	2,58,115	2,47,743	4.2	2,88,476	2,78,434	3.6
EBITDA	27,489	25,889	6.2	31,588	30,488	3.6
EBITDA (%)	10.7	10.5	20bp	11.0	11.0	0bp
Net Profit	14,835	13,279	11.7	17,297	16,574	4.4
EPS (INR)	31.2	28.0	11.7	36.4	34.9	4.4

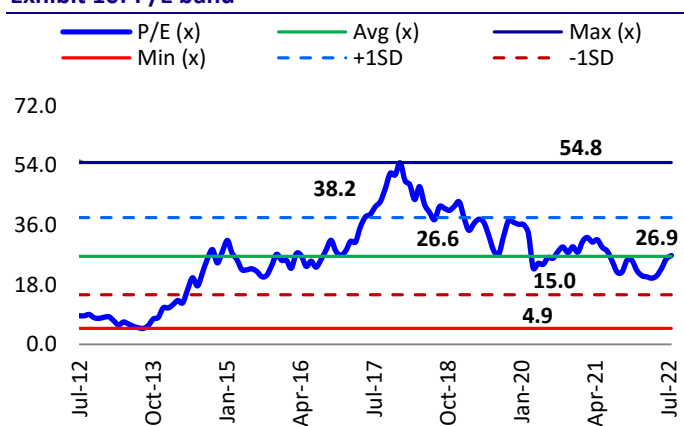
Source: MOFSL

Exhibit 9: TVS Credit Services – A valuable investment

INR M	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Loan book	39,540	50,000	61,540	83,350	92,150	1,12,020	1,39,110	1,52,333	1,67,533	1,84,386
Loan book Gr (%)	50	26	23	35	10.6	22	24	10	10	10
Leverage (x)	7.3	7.2	7.0	7.2	6.7	7.2	7.5	6.9	6.4	6.1
RoA (%)	1.3	1.7	2.2	1.8	1.6	0.9	0.9	1.2	1.5	1.5
PAT	507	870	1,384	1,483	1,505	970	1,207	1,828	2,513	2,766
Net Worth	5,410	6,980	8,834	11,511	13,720	15,637	18,636	21,964	25,977	30,243
RoE (%)	9.4	12.5	15.7	12.9	11.0	6.2	6.5	8.3	9.7	9.1
P/B (x)				1	1	1	1	1	1	1
Equity Value				11,511	13,720	15,637	18,636	21,964	25,977	30,243
TVSLs Stake (%)				84.27	84.27	84.27	84.27	84.27	84.27	84.27
Value for TVSL @ Post 20% Hold Co Discount				7760	9249	10542	12564	14808	17513	20389
Value for TVSL (INR/sh) @ 20% HoldCo				16	19	22	26	31	37	43

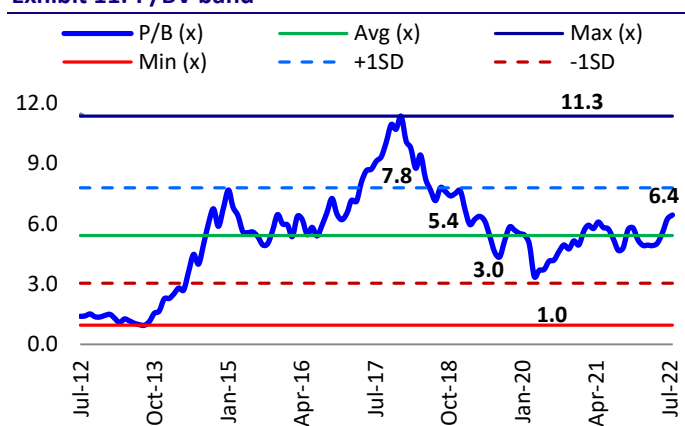
Source: Company, MOFSL

Exhibit 10: P/E band



Source: MOFSL

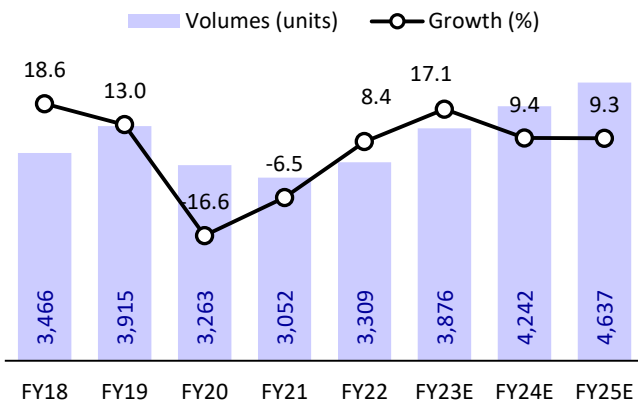
Exhibit 11: P/BV band



Source: MOFSL

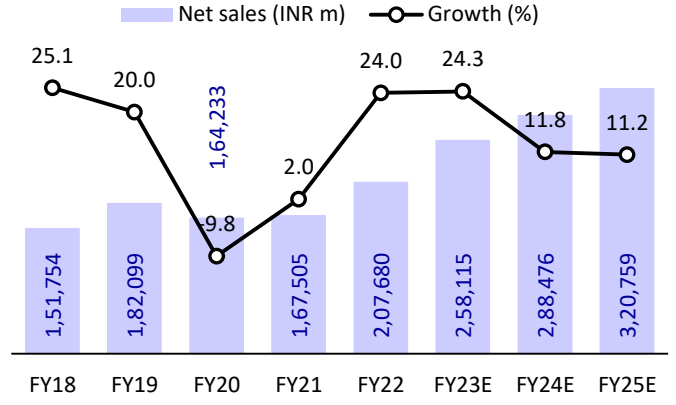
Story in charts

Exhibit 12: Volume growth trajectory



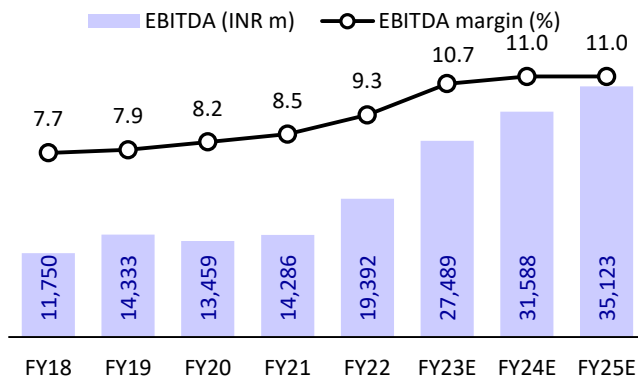
Source: Company, MOFSL

Exhibit 13: Revenue growth trend



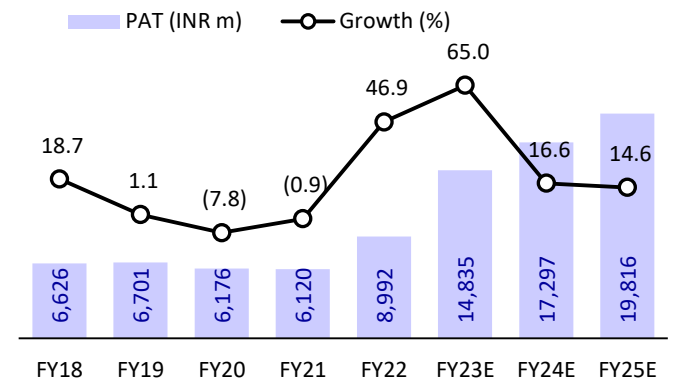
Source: Company, MOFSL

Exhibit 14: EBITDA margin trends upward



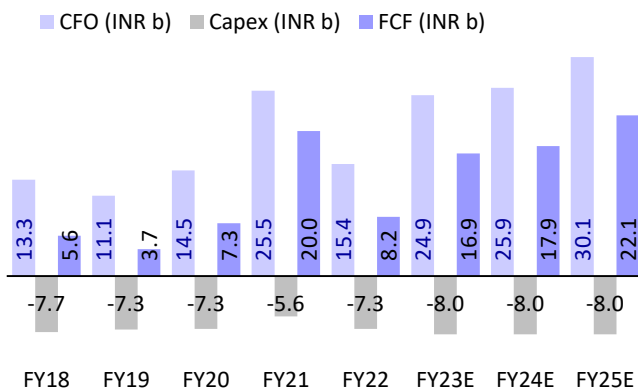
Source: Company, MOFSL

Exhibit 15: Trends in PAT and PAT growth



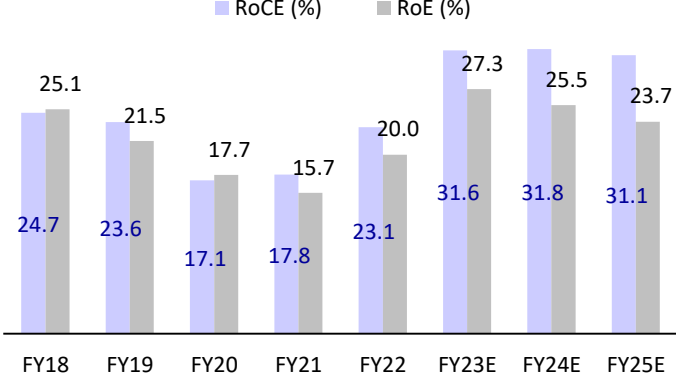
Source: Company, MOFSL

Exhibit 16: FCF to remain strong despite high capex plans



Source: Company, MOFSL

Exhibit 17: Sharp improvement in return ratios



Source: Company, MOFSL

Key operating metrics

units	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Motorcycle	15,39,226	13,48,662	13,29,213	17,13,464	18,87,481	20,96,255	23,12,022
Growth (%)	15.8	-12.4	-1.4	28.9	10.2	11.1	10.3
% of total vols	39.3	41.3	43.6	51.8	48.7	49.4	49.9
Scooter	13,01,115	10,75,203	9,60,946	9,22,578	12,47,247	13,55,041	14,83,636
Growth (%)	14.6	-17.4	-10.6	-4.0	35.2	8.6	9.5
% of total vols	33.2	32.9	31.5	27.9	32.2	31.9	32.0
Moped	8,96,917	6,50,799	6,25,560	4,83,396	5,31,223	5,57,784	5,85,674
Growth (%)	2.3	-27.4	-3.9	-22.7	9.9	5.0	5.0
% of total vols	22.9	19.9	20.5	14.6	13.7	13.2	12.6
Total 2Ws	37,58,551	30,89,581	29,28,265	31,37,298	36,84,883	40,29,148	44,02,603
Growth (%)	11.6	-17.8	-5.2	7.1	17.5	9.3	9.3
% of total vols	96.0	94.7	96.0	94.8	95.1	95.0	94.9
3Ws	1,56,434	1,73,911	1,23,596	1,71,875	1,91,095	2,12,455	2,34,513
Growth (%)	58.5	11.2	-28.9	39.1	11.2	11.2	10.4
% of total vols	4.0	5.3	4.0	5.2	4.9	5.0	5.1
Domestic	31,53,247	24,22,674	21,72,492	20,55,982	24,80,747	26,85,804	29,07,553
Growth (%)	9.0	-23.2	-10.3	-5.4	20.7	8.3	8.3
% of total vols	80.5	74.2	71.2	62.1	64.0	63.3	62.7
Exports	7,61,738	8,40,818	8,79,369	12,53,191	13,95,231	15,55,799	17,29,564
Growth (%)	32.7	10.4	4.6	42.5	11.3	11.5	11.2
% of total vols	19.5	25.8	28.8	37.9	36.0	36.7	37.3
Total volumes	39,14,985	32,63,492	30,51,861	33,09,173	38,75,978	42,41,603	46,37,117
Growth (%)	13.0	-16.6	-6.5	8.4	17.1	9.4	9.3
ASP (INR/unit)	46,513	50,324	54,886	62,759	66,594	68,011	69,172
Growth (%)	6.2	8.2	9.1	14.3	6.1	2.1	1.7
Net Sales (INR m)	1,82,099	1,64,233	1,67,505	2,07,680	2,58,115	2,88,476	3,20,759
Growth (%)	20.0	-9.8	2.0	24.0	24.3	11.8	11.2

Financials and valuations

Standalone - Income Statement

(INR M)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Volumes (units)	34,66,110	39,14,985	32,63,492	30,51,861	33,09,173	38,75,978	42,41,603	46,37,117
Growth (%)	18.6	13.0	(16.6)	(6.5)	8.4	17.1	9.4	9.3
Net Sales	1,51,754	1,82,099	1,64,233	1,67,505	2,07,680	2,58,115	2,88,476	3,20,759
Change (%)	25.1	20.0	-9.8	2.0	24.0	24.3	11.8	11.2
EBITDA	11,750	14,333	13,459	14,286	19,392	27,489	31,588	35,123
Margin (%)	7.7	7.9	8.2	8.5	9.3	10.7	11.0	11.0
Depreciation	3,387	3,993	4,890	4,937	6,114	6,409	7,640	8,340
EBIT	8,362	10,340	8,568	9,349	13,278	21,080	23,949	26,784
Int. and Finance Charges	566	806	1,022	1,416	1,259	1,418	868	358
Other Income - Rec.	990	75	321	330	190	380	289	347
PBT bef. EO Exp.	8,786	9,610	7,867	8,262	12,209	20,042	23,370	26,773
EO Expense/(Income)	0	0	323	0	-77	0	0	0
PBT after EO Exp.	8,786	9,610	7,544	8,262	12,285	20,042	23,370	26,773
Current Tax	1,971	2,768	2,339	2,034	3,000	5,207	6,073	6,958
Deferred Tax	190	141	-717	108	196	0	0	0
Tax Rate (%)	24.6	30.3	21.5	25.9	26.0	26.0	26.0	26.0
Reported PAT	6,626	6,701	5,923	6,120	9,089	14,835	17,297	19,816
PAT Adj for EO items	6,626	6,701	6,176	6,120	8,992	14,835	17,297	19,816
Change (%)	18.7	1.1	-7.8	-0.9	46.9	65.0	16.6	14.6

Standalone - Balance Sheet

(INR M)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Equity Share Capital	475	475	475	475	475	475	475	475
Total Reserves	28,329	32,998	35,706	41,234	47,745	59,967	74,651	91,854
Net Worth	28,804	33,473	36,181	41,710	48,220	60,442	75,126	92,329
Deferred Liabilities	1,482	2,126	1,581	1,955	1,979	1,979	1,979	1,979
Total Loans	11,892	14,000	20,219	10,829	16,006	11,006	6,006	1,006
Capital Employed	42,178	49,600	57,981	54,493	66,205	73,427	83,110	95,313
Gross Block	45,454	50,536	58,077	63,490	72,064	83,309	91,309	99,309
Less: Accum. Deprn.	21,736	24,743	29,077	33,387	38,998	45,407	53,047	61,386
Net Fixed Assets	23,719	25,793	28,999	30,104	33,066	37,902	38,262	37,923
Capital WIP	1,311	2,572	2,854	2,787	4,245	1,000	1,000	1,000
Total Investments	20,355	23,008	28,554	33,153	47,813	51,813	54,813	57,813
Curr. Assets, Loans&Adv.	26,177	32,320	33,204	35,931	33,354	45,986	56,718	72,451
Inventory	9,644	11,759	10,389	11,518	11,227	13,953	15,594	17,340
Account Receivables	9,684	14,141	12,814	8,700	9,507	15,558	17,388	19,333
Cash and Bank Balance	109	439	4,193	9,298	4,013	7,861	14,290	25,448
Loans and Advances	6,741	5,981	5,808	6,415	8,607	8,614	9,446	10,330
Curr. Liability & Prov.	29,385	34,094	35,631	47,482	52,273	53,374	57,782	63,973
Account Payables	28,227	32,912	33,869	45,557	49,815	50,916	55,324	61,515
Provisions & other CL	1,158	1,183	1,763	1,925	2,458	2,458	2,458	2,458
Net Current Assets	-3,207	-1,774	-2,427	-11,551	-18,919	-7,388	-1,064	8,478
Appl. of Funds	42,178	49,600	57,981	54,493	66,205	73,427	83,110	95,313

E: MOFSL Estimates

Financials and valuations

Ratios								
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Basic (INR)								
EPS	13.9	14.1	13.0	12.9	18.9	31.2	36.4	41.7
Growth (%)	18.7	1.1	-7.8	-0.9	46.9	65.0	16.6	14.6
Cash EPS	21.1	22.5	23.3	23.3	31.8	44.7	52.5	59.3
BV/Share	60.6	70.5	76.2	87.8	101.5	127.2	158.1	194.3
DPS	3.3	3.5	3.5	3.5	4.5	5.5	5.5	5.5
Payout (%)	28.4	29.8	33.8	27.2	23.5	17.6	15.1	13.2
Valuation (x)								
P/E	62.3	61.6	66.9	67.5	45.9	27.8	23.9	20.8
Cash P/E	41.2	38.6	37.3	37.4	27.3	19.4	16.6	14.7
P/BV	14.3	12.3	11.4	9.9	8.6	6.8	5.5	4.5
EV/Sales	2.8	2.3	2.6	2.5	2.0	1.6	1.4	1.2
EV/EBITDA	36.1	29.8	31.9	29.0	21.9	15.1	12.8	11.1
Dividend Yield (%)	0.4	0.4	0.4	0.4	0.5	0.6	0.6	0.6
Return Ratios (%)								
EBITDA Margins (%)	7.7	7.9	8.2	8.5	9.3	10.7	11.0	11.0
Net Profit Margins (%)	4.4	3.7	3.8	3.7	4.3	5.7	6.0	6.2
RoE	25.1	21.5	17.7	15.7	20.0	27.3	25.5	23.7
RoCE	24.7	23.6	17.1	17.8	23.1	31.6	31.8	31.1
RoIC	29.9	30.1	26.2	37.2	74.4	110.9	127.7	152.1
Operating Ratios								
Fixed Asset Turnover (x)	3.3	3.6	2.8	2.6	2.9	3.1	3.2	3.2
Inventory (Days)	23.2	23.6	23.1	25.1	19.7	19.7	19.7	19.7
Debtor (Days)	23	28	28	19	17	22	22	22
Creditor (Days)	68	66	75	99	88	72	70	70
Working Capital (Days)	-8	-4	-15	-45	-40	-22	-19	-19
Leverage Ratio (x)								
Current Ratio	0.9	0.9	0.9	0.8	0.6	0.9	1.0	1.1
Debt/Equity	0.4	0.4	0.6	0.3	0.3	0.2	0.1	0.0
Standalone - Cash Flow Statement								
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
NP/ (Loss) bef Tax and EO	8,786	9,610	7,544	8,262	12,132	20,042	23,370	26,773
Depreciation	3,387	3,993	4,890	4,937	6,114	6,409	7,640	8,340
Interest & Finance Charges	582	857	1,022	1,416	1,259	1,418	868	358
Direct Taxes Paid	2,465	2,300	1,850	2,020	3,100	5,207	6,073	6,958
(Inc)/Dec in WC	2,977	-1,097	2,926	12,918	-962	2,217	105	1,616
Others	-294	-85	-596	96	-469	-380	-289	-347
CF from Operations	12,973	10,978	13,936	25,609	14,976	24,499	25,620	29,781
(inc)/dec in FA	-7,698	-7,334	-7,267	-5,557	-7,279	-8,000	-8,000	-8,000
Free Cash Flow	5,276	3,643	6,669	20,052	7,697	16,499	17,620	21,781
CF from Investments	-11,314	-10,023	-12,889	-9,206	-21,410	-11,620	-10,711	-10,653
(Inc)/Dec in Debt	1,917	939	4,013	-10,700	1,300	-5,000	-5,000	-5,000
Interest Paid	-582	-857	-1,003	-1,129	-1,231	-1,418	-868	-358
Dividend Paid	-1,887	-2,000	-2,000	-998	-1,904	-2,613	-2,613	-2,613
CF from Fin. Activity	-747	811	2,705	-11,956	1,132	-9,031	-8,481	-7,971
Inc/Dec of Cash	912	1,766	3,753	4,447	-5,302	3,848	6,429	11,158
Add: Beginning Balance	-2,289	-1,376	390	4,143	8,590	3,287	7,136	13,564
Closing Balance	-1,376	390	4,143	8,590	3,287	7,136	13,564	24,722

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SELL	< - 10%
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