

Image Source: Company Presentation



Bank Angle Sensor

Canister

Fuel Pump Module

FIEM INDUSTRIES LTD. (FIL)
Market Cap.

Rs. 1,577 Cr

52 Week H/L

Rs. 1,344/525

CMP

Rs. 1,198

Target Price

Rs. 1,570

STOCK DATA
BUY

Reuters Code	FIEMIND.BO	
Bloomberg Code	FIEM IN	
BSE Code	532768	
NSE Symbol	FIEMIND	
Face Value	Rs. 10	
Shares Outstanding	1.32 Cr.	
Avg. Daily Vol. (6m)	1,14,308	
Price Performance (%)		
1M	3M	6M
2	5	50
200 Days EMA Rs.958		

SHARE HOLDING (%)

Promoters	66.6
FII	9.7
FI/Bank	0.4
Body Corp/Govt	-
Public & Others	23.4

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Leadership position in the Indian two-wheeler automotive lighting market to benefit going forward: The Indian 2W industry is likely to resume its long-term growth trend on account of various growth drivers such as young population, expanding middle-class and improving affordability, etc. Growing preference for electric vehicles, last mile connectivity, inclination for personal transport particularly post-pandemic and rising exports will continue to drive the Indian two-wheelers market.

New orders, rising exports and transition to LED to drive growth: FIL has bagged several new orders including Yamaha, Harley Davidson, Ola Electric, etc. During the current fiscal, the revenue from Yamaha is projected to surpass Rs.200 cr. The Management stated that there are almost seven projects under development as of now and still further scalability is possible in Yamaha's revenue. Further, FIL has recently started exporting for Harley Davidson in Thailand & US from Q2 FY22. The company has also been selected as a supplier to Ola Electric for headlamps, tail lamps, indicators, rear fender assembly and mirrors for both S1 and S1 Pro models.

Robust fundamentals to support future growth and better valuations: FIL is a leader in automotive lights and is rapidly expanding its wings with the onset of robust demand for automotive LEDs amidst growing push for electric vehicles in the industry. Apart from the strong orders, diversified portfolio and robust clientele the company's overall financial profile has been improving over the last few years. The company's debt has consistently reduced over the last few years and as on September 30, 2021, FIL stood virtually debt-free and the company's investments have grown to Rs.111 cr over the last couple of years.

OUTLOOK & VALUATION

FIL is a leading auto-ancillary player engaged in manufacturing of automotive lights, mirrors and LEDs. The company supplies to all the leading OEMs and derives more than 95% of its turnover from two-wheelers. With growing push for electric vehicles, the demand for LED lamps is also rapidly rising. This transition from conventional lights to LED lights is leading to an increase in the kit value of the company's products. The Management expects the share of LED products to further increase over the next couple of years. The company stands virtually debt-free and has negative cash conversion cycle and consistently generates good operating cashflow. **We expect FIL to deliver an EPS of Rs.78.5 in FY23; assigning a target multiple of 20x we arrive at a target price of Rs.1,570 showcasing an upside potential of ~31% from current levels with an investment horizon of 12-18 months.**

Y/E Mar	Revenue (Rs. Cr)	EBITDA (Rs. Cr)	EBITDA Margin (%)	PAT (Rs. Cr)	NPM (%)	A-EPS (Rs.)	P/E (x)	P/S (x)	P/B (x)
FY20	1,379.4	156.9	11.4%	75.4	5.5%	57.3	20.9	1.1	3.0
FY21	1,221.2	133.8	11.0%	49.9	4.1%	37.9	31.6	1.3	2.8
FY22 E	1,463.4	175.0	12.0%	88.3	6.0%	67.1	17.9	1.1	2.5
FY23 E	1,609.0	198.2	12.3%	103.3	6.4%	78.5	15.3	1.0	2.2

COMPANY OVERVIEW



Founded by first-generation entrepreneur, Mr. J K Jain in 1989 as Rahul Auto Private Ltd., the company changed its name to Fiem Industries Ltd. (FIL) in 1992. The company started manufacturing rear view mirrors for two, three and four wheelers at their Sonapat facility (Haryana) and over the next couple of decades expanded their product portfolio to include automotive lighting and signaling equipment such as head lamp, tail lamp, blinker lamps, side indicator lamp, reflex reflector, fog lamp, canisters, etc. along with non-automotive led luminaires for indoor and outdoor lighting by adding facilities in Karnataka, Tamil Nadu, Himachal Pradesh, Rajasthan and Gujarat.

During this period, the company collaborated with several Japanese companies including Aisan Industry Co. Ltd., Japan, Toyota Tsusho India Pvt. Ltd., Toyodenso Co. Ltd., Japan and Kyowa Co., Ltd., Japan to expand their offerings. The company also set up a wholly owned subsidiary in Japan as an extended arm of the company for liaison with Japanese customers like Honda, Suzuki and Yamaha etc., support in designing, R&D and new business development. Further, another wholly-owned subsidiary was incorporated in Italy and a design centre was set-up in Turin, Italy to further strengthen the designing and R&D capabilities of the company and to design and develop next generation automotive lighting solutions.

The company's clientele include Honda, TVS, Suzuki, Yamaha, Royal Enfield, Piaggio, Harley Davidson, Mahindra, Hero, LML, Hero, etc. in two wheelers; In the recent times, FIL has added Ola Electric, Tork, Ampere & Revolt as its EV two-wheelers customers. Tata, Force, Honda, Maruti, Hyundai, GM, Skoda, Volkswagen, Ashok Leyland-Nissan, Daimler, Bharat Benz, Swaraz Mazda, Volvo, JCB, Sonalika, etc in four wheelers. Further, the LED customers include Indian Railways, Samsung, Honda, Suzuki, Indian Oil, Ministry of Shipping, Uflex, RCF, etc.

During FY21, the company reported a top-line, an EBITDA and a net profit of Rs.1,221 cr, Rs.134 cr and Rs.47 cr, respectively. In the recent years, the peak turnover achieved by the company was Rs.1,449 cr (FY19) and the net profit Rs.75 cr (FY20). Further, if we break-down FIL's turnover, less than 1% of the turnover came from Integrated Passenger Information Systems (IPIS) and LED Luminaires while little more than 99% of the above turnover came from auto segment which also includes Auto LED lamps. The replacement market contributed 6.6%, the exports consisted 2.2% while the remaining 91.2% came from domestic OEMs. Two wheelers' contribution stood at ~96% while the four-wheelers' consisted the remaining ~4%.

As on September 30, 2021, the promoters held 66.6% stake in the company while FIIs and DIIs held 9.7% and 0.4%, respectively leaving 23.4% of the float with the public. The company is virtually debt-free and has a strong balance sheet. The company has not missed out on dividend at least since 2007. For the year ended March 31, 2021, the company paid a dividend per share of Rs.16 (160% of FV of Rs.10) as compared to Rs.13 (130% of FV of Rs.10) in FY20.

BUSINESS OVERVIEW

AUTOMOTIVE LAMPS



REAR VIEW MIRRORS



PLASTIC PARTS



OTHERS



IPIS



LED LUMINAIRES



BUSINESS OVERVIEW

Segment	Products	Facilities	Clientele	Remarks
Automotive Lights	FIL makes various types of Head lamps, Tail Lamps, Blinker lamps, Fog lamps, Warning triangles, Interior lamps and Beacon lights etc. for 2Ws and 4Ws	Unit 1 - Kundli, Sonapat, Haryana Unit 2 - Hosur, Tamil Nadu Unit 5 - Hosur, Tamil Nadu Unit 6 - Nalagarh, Himachal Unit 7 – Rai, Sonapat, Haryana Unit 8 – Tapukara, Rajasthan Unit 9 – Ahmedabad, Gujarat	Honda, TVS, Yamaha, Suzuki, Royal Enfield, Harley Davidson, Mahindra, Honda, Hyundai, Mahindra Reva, Force, Renault Nissan, Ashok Leyland, Volkswagen, Tata, Volvo, etc	Contributed nearly 67% of the total turnover in FY21 (27% were LED lamps & 40% were conventional lamps)
Rear View Mirrors	Mirror Plate Making: Profile cutting, Washing, Grinding, Convexing, Cleaning, Aluminum Coating/Chrome coating and finally back side painting followed by Plastic Housing, Rod Making & Final Assembly	Unit 1 - Kundli, Sonapat, Haryana Unit 2 - Hosur, Tamil Nadu Unit 5 - Hosur, Tamil Nadu Unit 6 - Nalagarh, Himachal Unit 8 - Tapukara, Rajasthan	Honda, TVS, Yamaha, Suzuki, Royal Enfield, Harley Davidson, Mahindra, GM, Nissan, Force Motors, Tata, Ashok Leyland	Contributed 12% of the total turnover in FY21
Plastic Moulded Parts	FIL has installed world class > 450 latest injection moulding machines ranging from 50 tonnes to 1400 tonnes capable of making parts weighing 20 gms to 2.5 kgs. These machines can easily make even big products of two wheelers like front fender, floor panel, side cover, rear fender, handle bar, seat base etc.	Unit 2 - Hosur, Tamil Nadu Unit 8 - Tapukara, Rajasthan Unit 9 – Ahmedabad, Gujarat	Honda, TVS, Suzuki	Contributed ~10% of FY21 turnover
Others	Fabrication items, Canister, Bank Angle Sensor, etc	Unit 3 - Hosur, Tamil Nadu Unit 6 - Nalagarh, Himachal Unit 8 – Tapukara, Rajasthan	TVS, Honda, Royal Enfield, Mahindra Reva	Contributed ~10% of FY21 turnover

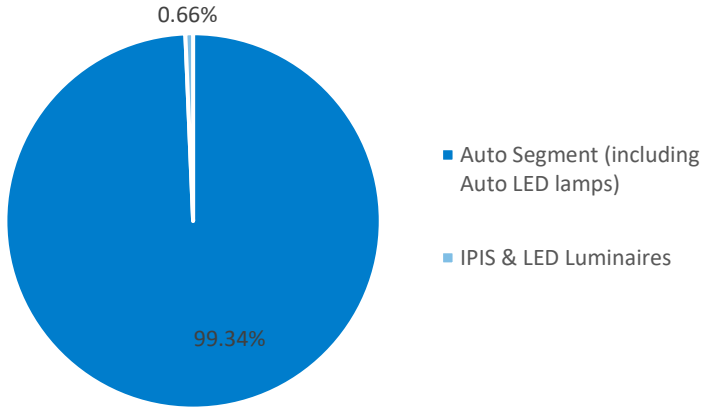
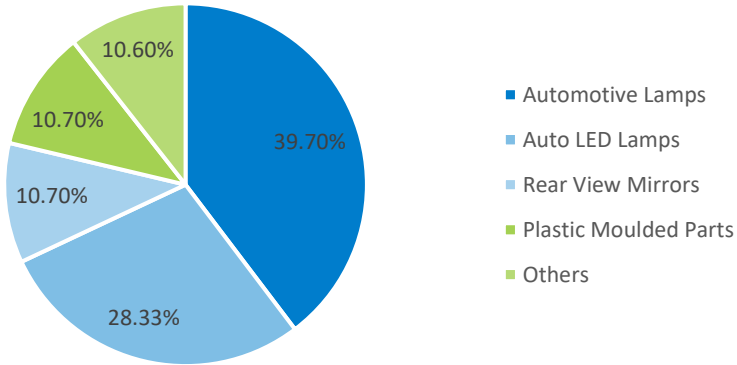
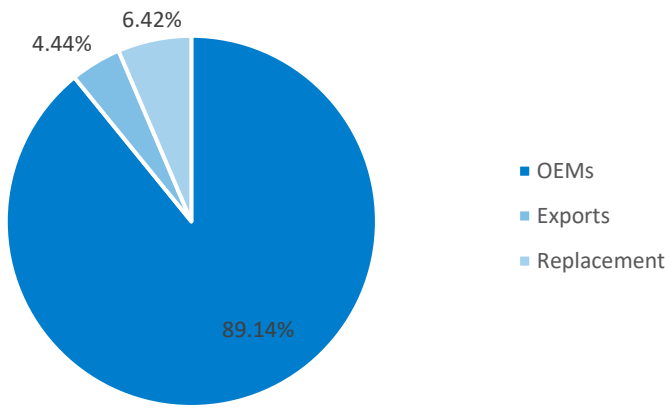
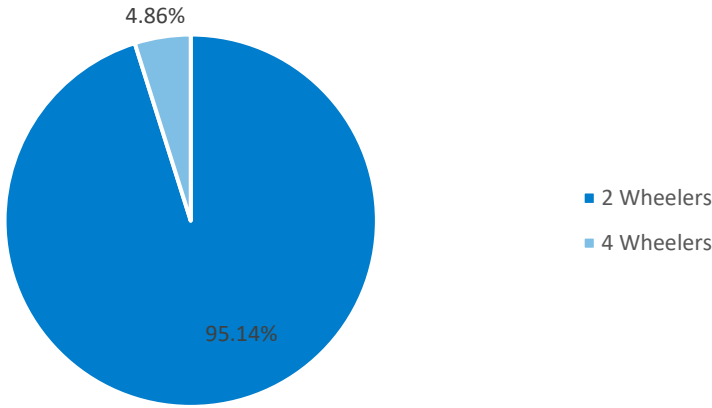
Source: Company Data, Sushil Finance

BUSINESS OVERVIEW

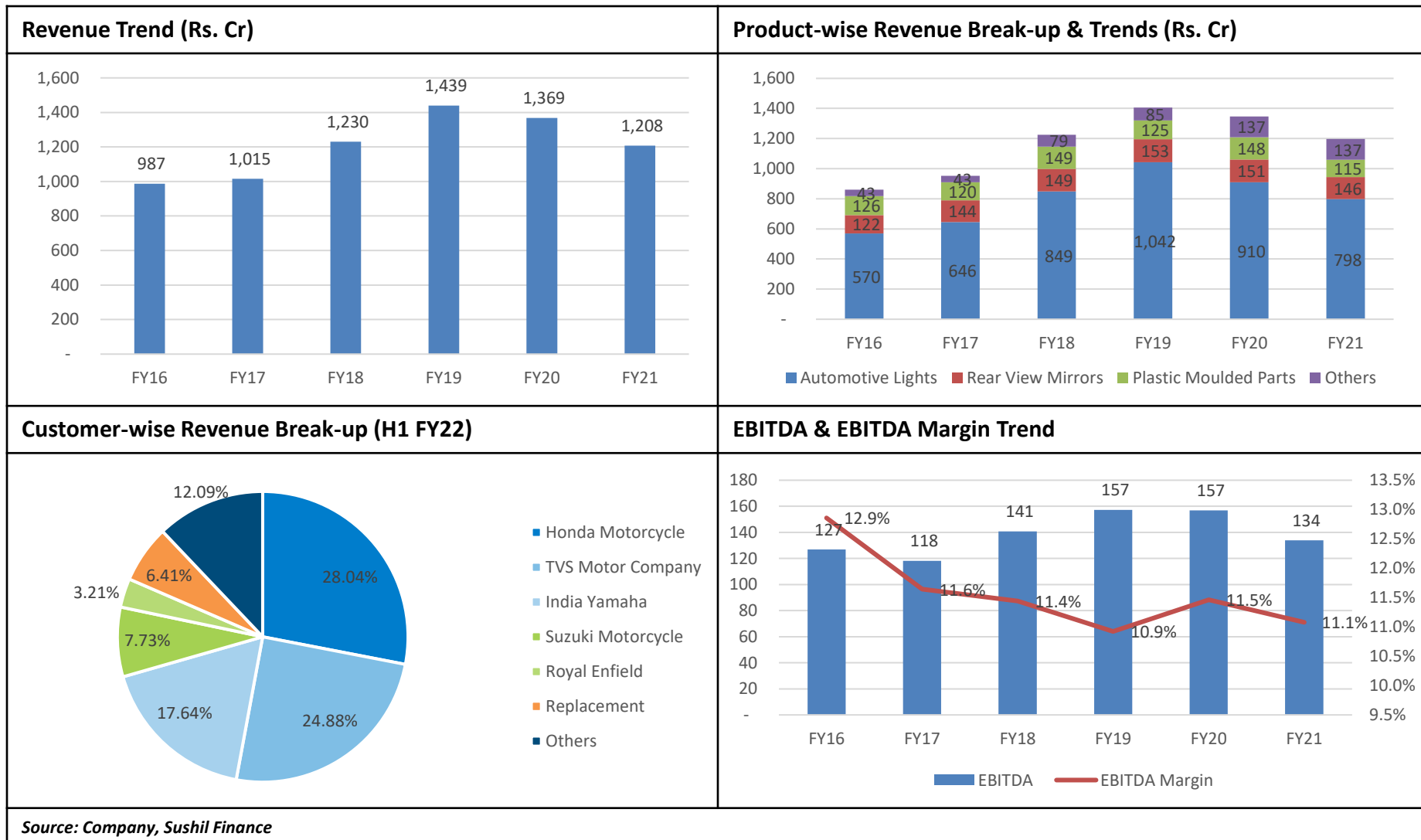
2 Wheelers (Domestic)	2 Wheelers (Overseas)	4 Wheelers (Domestic)	4 Wheelers (Overseas)	LED
<ul style="list-style-type: none"> • Honda • TVS • Suzuki • Yamaha • Royal Enfield • Piaggio • Harley Davidson • Mahindra • Hero • LML • BSA Motors • Indus • GEM • Hero Electric • Ultramotor • Okinawa • Kawasaki • Ampere • Revolt • Ola 	<ul style="list-style-type: none"> • Honda • Piaggio • Harley Davidson • TVS • Zadi • Suzuki • Global TVS • Tork Motor Cycles 	<ul style="list-style-type: none"> • Tata • Marcopolo • Force • Honda • Maruti Suzuki • Mahindra Reva • Hyundai • GM • Skoda Auto • Volkswagen • Ashok Leyland – Nissan • Renault – Nissan • Daimler • Bharat Benz • Swaraz Mazda • HMT • Mahindra Swaraj • Indo Farm • Sonalika International • VST • Terex • JCB • L&T Construction 	<ul style="list-style-type: none"> • Aspock Systems • Kubota • Sparex • Komatsu • Ajax Fiori 	<ul style="list-style-type: none"> • Ministry of Shipping • Indian Railways • Indian Oil • RCF • EESL • PWD Haryana • Hyatt Regency • Honda • Suzuki • Delhi Golf Club • Samsung • Bikanerwala • Uflex • Bacfo

Source: Company Data, Sushil Finance

BUSINESS OVERVIEW

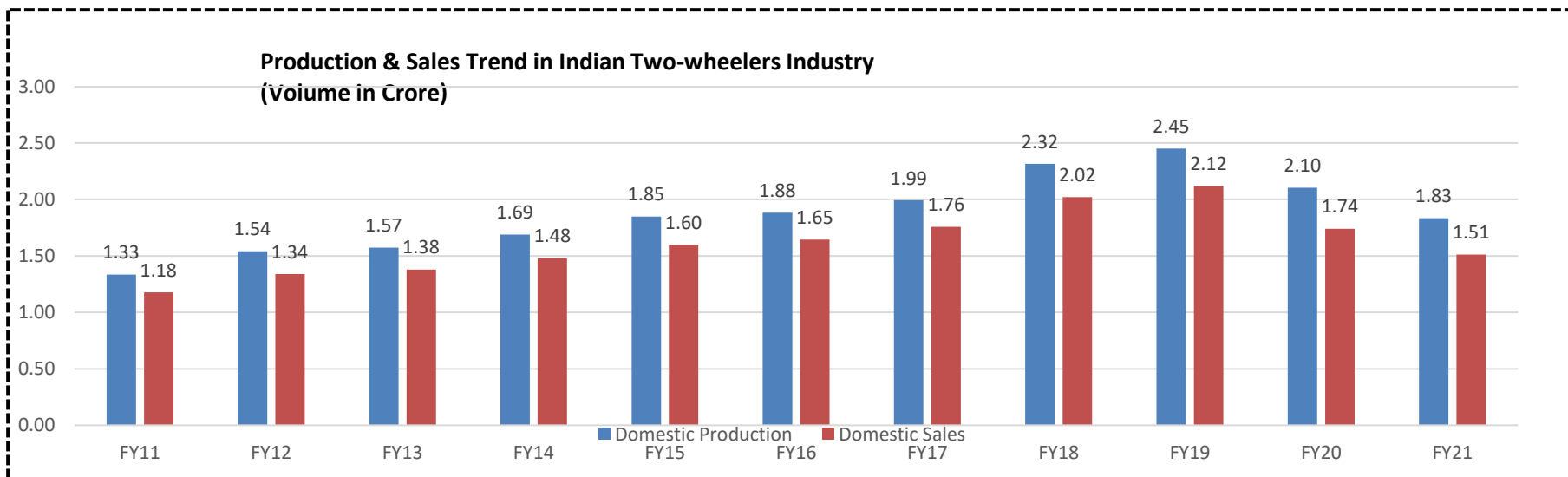
Segment-wise Revenue Break-up (H1 FY22)	Product-wise Revenue Break-up (H1 FY22)
 <p>0.66%</p> <p>99.34%</p> <ul style="list-style-type: none"> Auto Segment (including Auto LED lamps) IPIS & LED Luminaires 	 <p>39.70%</p> <p>28.33%</p> <p>10.70%</p> <p>10.70%</p> <p>10.60%</p> <ul style="list-style-type: none"> Automotive Lamps Auto LED Lamps Rear View Mirrors Plastic Moulded Parts Others
Market-wise Revenue Break-up (H1 FY22)	Domain-wise Revenue Break-up (H1 FY22)
 <p>89.14%</p> <p>6.42%</p> <p>4.44%</p> <ul style="list-style-type: none"> OEMs Exports Replacement 	 <p>95.14%</p> <p>4.86%</p> <ul style="list-style-type: none"> 2 Wheelers 4 Wheelers
<p>Source: Company, Sushil Finance</p>	

BUSINESS OVERVIEW



KEY INVESTMENT RATIONALE

Leadership position in the Indian two-wheeler automotive lighting market to benefit going forward: FIL is an old and established player in the two-wheeler automotive lighting space. According to Management (as indicated in an analyst conference call), the company commands 27-30% market share in headlamps in the overall two-wheelers market in the country. However, the market share with some of the key OEMs is much higher – for example, with HMSI, our market share in headlamp is 39% while for tail lamp is 80% and blinker is 85%. The company’s turnover has grown consistently from FY11 to FY19 in-line with the growth in the Indian two-wheelers industry. Similarly, FIL’s performance was affected during FY20 and FY21 in-line with the de-growth in the industry during the same period. Going forward, the Indian two-wheeler industry is likely to resume its long-term growth trend on account of various growth drivers such as young population, expanding middle-class and improving affordability, etc. Growing preference for electric vehicles, last mile connectivity, inclination for personal transport particularly post-pandemic and rising exports will continue to drive the Indian two-wheelers market. Better fuel efficiency, lower emission, easy movability, and price competitiveness are expected to further drive the overall demand. Meanwhile, the industry continues to struggle with issues like short-supply of semiconductors, high commodity prices, and, the third wave of pandemic in the short term, we believe that the Indian two-wheeler industry will resume it’s growth trend in the medium to long run as India is the second-most populous country in the world and has a sizeable chunk of middle and low income population and according to Hero Motocorp’s Annual Report, the penetration of motorcycles and scooters in India remains low at ~110 per 1,000 people as compared to an average of ~240 in Southeast Asian countries, hence the untapped potential in the country is huge.



KEY INVESTMENT RATIONALE

New orders, rising exports and transition to LED to drive growth: FIL has bagged several new orders including Yamaha, Harley Davidson, Ola Electric, etc. During the current fiscal, the revenue from Yamaha is projected to surpass Rs.200 cr. The Management stated that there are almost seven projects under development as of now and still has potential further scalability. Further, FIL has recently started exporting for 4 models of Harley Davidson in Thailand and US from Q2 FY22. The company has also been selected as the supplier to Ola Electric for headlamps, tail lamps, indicators, rear fender assembly and mirrors for both S1 and S1 Pro models. Apart from Ola Electric's order, the company is also supplying all the lamps for 2 models of Okinawa Electric and lamps to other Electric 2Ws including Ampere, Tork & Revolt. The company has designed and started supplying LED headlight for Piaggio's Aprilia SXR160. Similarly, in a recent conference call, the Management had indicated that Honda Motorcycle & Scooter India (HMSI) has announced for their electric scooter to be launched and FIL is just waiting for the drawings and RFQs. Hero Honda has also pronounced their foray into electric two-wheeler.

The Management has indicated that the opportunities in the EV segment are enormous and is going to grow rapidly; FIL expects a growth of 20%-25% over the next couple of years

The company sees a huge potential in the Indian 2-Wheeler Electric Vehicle segment and going forward, they are hopeful of capturing higher market share in this segment. The Management has indicated that the opportunities in the EV segment are enormous and is going to grow rapidly and FIL expects a growth of 20%-25% over the next couple of years. More importantly, with the rising contribution of EV, the product-mix will also get favorable as the shift from halogen to LED will also happen. This transition from conventional lamps to LED increases the kit value at least by 2x or more. According to the Management, the realization from the set of halogen lights - head lamp, tail lamp and the blinkers are in range of Rs.800-Rs.1,500, where as, with respect to LED, it ranges from Rs.2,000 to Rs.5,500-6,000 approximately depending on the design and configuration which is required or design from the customer point of view. This rise in kit value is also likely to result in margin expansion.

Currently, nearly 40% of the lights are LEDs and the Management expects this share to keep rising going forward. As per the current capacity and the product mix (40% LED and 60% non-LED conventional products), the company can achieve a top-line of Rs.1,700 cr and with the increasing share of LED components in the mix the peak turnover may cross Rs.2,000 cr.

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FIL has over 40 projects which are currently under developmental stages. These projects will materialize over the next two years which will drive the next leg of growth for the company. The substantial impact of these new additions will be seen in FY23 and FY24. We believe that in-line with the anticipated uptick in the Indian two-wheeler industry and push for electric two-wheelers, the company has good pipeline of projects to drive the top-line growth over the next couple of years.

KEY INVESTMENT RATIONALE

Robust fundamentals to support future growth and better valuations: FIL is a leader in automotive lights and is rapidly expanding its wings with the onset of robust demand for automotive LEDs amidst growing push for electric vehicles in the industry. Apart from the strong orders, diversified portfolio and robust clientele the company's overall financial profile has been improving over the last few years. The company's debt has consistently reduced over the last few years and as on September 30, 2021, FIL stood virtually debt-free and the company's financial investments have grown multi-folds to Rs.111 cr over the last couple of years. Further, in-line with the industry leaders, the company's working capital cycle has consistently remained very short and turned negative during the last fiscal. During the last decade, the company's cashflow from operations have been consistently positive and the Management has provided dividend for each year. During the same period, the company's turnover and profit have grown at a CAGR of 11% and 16%, respectively. Going forward, the company is well positioned to take advantage of this opportunity – as mentioned earlier, with existing capacity, FIL can achieve a turnover of Rs.1,700-Rs.2,000 cr which showcases upside potential. Further, the company can easily enhance their capacity by 20-25% in a short span of time as the company has enough landbank available to support future growth. Currently, the company is planning to spend Rs.75-100 cr towards capacity addition which would give them enough headroom to grow over the next couple of years. The company's strong financial profile provides good cushion for future uncertainties and strong cashflow generation will support future growth projects.

Over the last 10 years, the sales and net profit of FIL has grown at a CAGR of ~11% and ~16%, respectively while the share price of the company has grown at a CAGR of ~22% during the same period

PEER COMPARISON

Company	Sales (Rs. Cr)	EBITDA Margin (%)	Net Margin (%)	D/E (x)	CMP (Rs.)	52 Week H/L (Rs.)	Mkt Cap (Rs. Cr)	Enterprise Value (Rs. Cr)	P/E (x)	P/S (x)	P/B (x)	EV/ EBITDA (x)
Fiem Industries	1,221	11.0%	3.8%	0.0	1,198	1344/525	1,577	1,536	33	1.3	2.6	11.5
Lumax Industries	1,426	7.0%	1.3%	0.9	1,131	1820/1133	1,057	1,480	59	0.7	2.3	14.8
Minda Industries	6,374	11.4%	3.2%	0.3	1,200	1260/392	34,200	34,930	165	5.4	10.8	48.0
Jagan Lamps	31	11.6%	6.7%	0.1	70	81/23	48	51	23	1.6	2.3	14.3
Lumax Auto Tech	1,108	8.8%	4.2%	0.3	177	184/122	1,206	1,232	26	1.1	2.3	12.6

Source: Screener, Sushil Finance

WHY YOU SHOULD BUY?

- ❖ **Leadership position:** FIL commands nearly 25-30% of the automotive lamps market and is gaining traction with rising demand for LED lamps with growing push for electric vehicles.
- ❖ **Higher realizations & better profitability:** With transition from conventional lamps to LED lamps, the kit value of the company increases by nearly 2x and also has better profitability.
- ❖ **Proxy to play the revival in Indian 2W industry:** The Indian 2W industry has seen a volume de-growth over the last two years but is set to witness a revival; FIL derives more than 95% of its sales from two-wheelers.
- ❖ **Possible scalability of revenue:** With the existing capacities, the company can achieve a turnover of Rs.1,700-2,000 cr as against Rs.1,221 cr in FY21 showcasing good upside potential. The company can also rapidly enhance its capacities as it has surplus land available.
- ❖ **Robust financial profile:** The company is virtually debt-free and has been consistently generating good cashflows, and has been consistently paying dividends. It also has negative cash conversion cycle.

KEY RISKS

- ❖ Over the last few quarters, the inflationary pressure has been quite visible on the commodities and any substantial increase in the raw material prices which are not passed on would negatively impact our profit estimates.
- ❖ Uncertainties on account of new Covid-19 variants and its implications may lead to unprecedented lockdowns, thereby, impacting the economies including the auto and auto ancillary industry and the company as well. Lower utilizations on account of weak demand would also impact our projections and target price.
- ❖ The company derives nearly 95% of its turnover from 2W and the entire performance is currently concentrated into this one segment of the Indian automobile industry. Any delay in the revival in 2W industry or unfavorable changes in policy may negatively impact the company.

OUTLOOK & VALUATION

FIL is a leading auto ancillary player engaged in manufacturing of automotive lights, mirrors and LEDs. The company supplies to all the leading OEMs and derives more than 95% of its turnover from two-wheelers. With growing push for electric vehicles, the demand for LED lamps is also rapidly rising. This transition from conventional lights to LED lights is leading to an increase in the kit value of the company's products. The Management expects the share of LED products to further increase over the next couple of years. The company stands virtually debt-free and has negative cash conversion cycle and consistently generates good operating cashflow. **We expect FIL to deliver an EPS of Rs.78.5 in FY23; assigning a target multiple of 20x we arrive at a target price of Rs.1,570 showcasing an upside potential of ~31% from current levels with an investment horizon of 12-18 months.**



H1 FY22 Result Performance

Y/E Mar.	H1 FY22	H1 FY21	YoY
Revenue	693.9	437.3	57.1%
Raw Material Cost	435.4	279.7	
Employee Cost	100.2	64.2	
Other Expenses	75.8	60.4	
Capitalized Expenses	-	-	
EBITDA	82.6	37.3	121.2%
<i>EBITDA Margin (%)</i>	<i>11.9%</i>	<i>8.5%</i>	
Depreciation	28.0	27.7	
EBIT	54.5	9.6	468.2%
<i>EBIT Margin (%)</i>	<i>7.9%</i>	<i>2.2%</i>	
Finance Costs	4.2	6.1	
Other Income	1.3	0.6	
Profit before Tax	51.6	4.1	1162.5%
Tax Expense & Share	12.6	(1.8)	
Net Profit	37.2	2.0	1764.1%
<i>Net Margin (%)</i>	<i>5.4%</i>	<i>0.5%</i>	
EPS	28.3	1.5	1764.1%

Profit & Loss Statement

(Rs. Cr)

Y/E Mar.	FY20	FY21	FY22E	FY23E
Revenue	1,379	1,221	1,463	1,609
Raw Material Cost	840	755	912	1003
Employee Cost	198	166	210	226
Other Expenses	184	167	167	182
Others	-	-	-	-
EBITDA	157	134	175	198
EBITDA Margin (%)	11.4%	11.0%	12.0%	12.3%
Depreciation	53	57	57	58
EBIT	104	77	118	141
EBIT Margin (%)	7.5%	6.3%	8.0%	8.7%
Finance Costs	18	12	2	6
Other Income	2	3	4	5
Profit before Tax	87	65	119	140
Tax Expense	8	18	31	36
Net Profit	75	50	88	103
Net Margin (%)	5.5%	4.1%	6.0%	6.4%
EPS	57.3	37.9	67.1	78.5

Balance Sheet Statement

(Rs. Cr)

Y/E Mar.	FY20	FY21	FY22E	FY23E
PP&E (incl. CWIP)	550	513	514	521
Right of Use Assets / Investment Property	35	34	34	34
Other Non-Current	50	49	153	178
Inventories	129	117	145	162
Trade Receivables	77	81	100	110
Cash and Bank Balances	48	111	37	79
Other Current Assets	31	18	24	34
Total Assets	920	922	1,007	1,118
Equity Share Capital	13	13	13	13
Reserves & Surplus	512	556	622	702
Borrowings (LT)	58	22	64	71
Other Non-Current Liabilities	68	66	66	66
Trade Payables	167	172	200	220
Other Financial Liabilities	62	51	29	32
Other Current Tax Liab & Provisions	40	42	13	14
Total Liabilities	920	922	1,007	1,118

Source: Company, Sushil Finance Research

Cash Flow Statement

	(Rs. Cr)			
Y/E Mar.	FY20	FY21	FY22E	FY23E
PBT	87	65	119	140
Depreciation	53	57	57	58
Interest	18	12	2	6
CFO before Working Cap chg	158	134	179	203
Chg in Inventories	18	12	(28)	(17)
Chg in Trade Receivables	70	(4)	(19)	(10)
Chg in Trade Payables	(21)	5	28	20
Income Taxes Paid	(8)	(18)	(31)	(36)
Cash Flow from Operations	217	129	128	159
Interest Paid	(18)	(12)	(2)	(6)
Dividend Paid	(17)	(21)	(22)	(24)
Other Adjustments	(100)	(42)	(15)	1
Cash Flow from Financing	(135)	(75)	(39)	(28)
Capital Expenditure	(32)	(20)	(59)	(64)
Other Adjustments	(2)	29	(104)	(25)
Cash Flow from Investing	(34)	9	(163)	(89)
Opening Cash	4	48	111	37
Total Cash Flow	43	63	(73)	42
Closing Cash	48	111	37	79

Source: Company, Sushil Finance Research

Financial Ratio Statement

Y/E Mar.	FY20	FY21	FY22E	FY23E
Growth (%)				
Revenue	(4.8%)	(11.5%)	19.8%	10.0%
EBITDA	(0.2%)	(14.7%)	30.8%	13.2%
Net Profit	35.6%	(33.9%)	77.0%	17.0%
Profitability (%)				
EBITDA Margin	11.4%	11.0%	12.0%	12.3%
Net Profit Margin	5.5%	4.1%	6.0%	6.4%
ROCE	18.2%	13.2%	17.2%	18.2%
ROE	14.4%	8.8%	13.9%	14.5%
Per Share Data (Rs.)				
EPS	57.3	37.9	67.1	78.5
BVPS	399.2	432.6	482.7	543.2
DPS	13.0	16.0	17.0	18.0
CEPS	97.8	81.4	110.7	122.2
Valuation (x)				
P/E	20.9	31.6	17.9	15.3
P/BV	3.0	2.8	2.5	2.2
EV/EBITDA	9.5	11.1	8.5	7.5
P/Sales	1.1	1.3	1.1	1.0
Turnover				
Inventory days	56	57	58	59
Debtor days	20	24	25	25
Creditor days	73	83	80	80
Gearing (x)				
D/E	0.1	0.0	0.1	0.1