

Estimate changes



TP change



Rating change



Bloomberg	EIM IN
Equity Shares (m)	273
M.Cap.(INRb)/(USDb)	931.8 / 11.4
52-Week Range (INR)	3886 / 2333
1, 6, 12 Rel. Per (%)	8/-3/30
12M Avg Val (INR M)	2372

Financials & Valuations (INR b)

Y/E March	FY23	FY24E	FY25E
Sales	144.4	171.3	200.3
EBITDA	34.4	42.6	52.2
Adj. PAT	29.1	38.1	48.4
Adj EPS (INR)	106.5	139.2	176.9
EPS Gr (%)	73.7	30.6	27.1
BV/Sh (INR)	548	642	769

Ratios

RoE (%)	20.8	22.9	24.4
RoCE (%)	20.8	22.9	24.4
Payout (%)	34.7	32.3	28.3

Valuations

P/E (x)	32.0	24.5	19.3
P/BV (x)	6.2	5.3	4.4
Div. Yield (%)	1.1	1.3	1.5
FCF Yield (%)	2.3	2.1	3.6

Shareholding pattern (%)

As On	Mar-23	Dec-22	Mar-22
Promoter	49.2	49.2	49.2
DII	11.3	10.1	10.0
FII	28.6	29.9	29.2
Others	10.9	10.9	11.5

FII Includes depository receipts

CMP: INR3,407

TP: INR3,650 (+7%)

Downgrade to Neutral

Beat led by better product mix, price hikes & RM savings

Valuations reflect expected recovery | Downgrade to Neutral

- In 4QFY23, EIM exceeded expectations with a consolidated EBITDA margin of 24.5% (v/s est. 23.5%), driven by better product mix, price hikes, and commodity savings. We are upgrading our consolidated EPS for FY24/FY25 by 2.5%/6% to factor in for a) the price hike of May-23 in RE, b) normalization of mix for RE, and c) better margins for VECV. For RE, we are factoring in for average volumes of 80k/90k per month for FY24/FY25 and EBITDA margins at 25%/26.1%.
- Valuations at 24.5x/19.3x are largely reflecting the expected volume and margin recovery, but not for the potential risk from the upcoming launches of Bajaj-Triumph in mid-size motorcycles in India and global markets. Hence, **we downgrade our rating to Neutral from Buy**, with a TP of INR3,650 (Mar-25E based SOTP).

EBITDA margins at 13 quarters high

- 4QFY23 consolidated revenue/EBITDA/Adj. PAT grew ~19%/23%/48% YoY to INR38b/9.3b/9.1b. FY23 revenue/EBITDA/Adj. PAT grew 40%/59%/74%.
- 4QFY23 RE volumes grew 18% YoY, while realizations grew 2% YoY to INR175.3k/unit (v/s est INR165k), led by better product mix and price hike of Nov-22.
- Consolidated gross margin expanded 60bp YoY (up 250bp QoQ) to 44.3% (v/s est. 42.3%), led by commodity savings of 90bp QoQ, price hikes in Nov-22, higher exports, and cost-cutting initiatives.
- EBITDA margin improved 80bp YoY (up 150bp QoQ) to 24.5% (est. 23.5%). EBITDA grew 23% YoY to INR9.3b (v/s est. INR8.5b).
- Adj. PAT grew 48% YoY to INR9.1b (v/s est. INR8.5b). The share of PAT from VECV came in at INR1.7b (up 222% YoY, in line).
- EIM declared a dividend of INR37 (v/s INR21 in FY22).
- FCFF stood at INR21.7b (v/s INR8.9b in FY22), led by strong operating cash flow, which stood at INR28.5b (v/s INR15.3b in FY22) and capex of INR6.7b (v/s INR6.4b in FY22).
- VECV:** Volume/realizations growth of 31%/10% YoY led to 42% YoY revenue growth to INR62b (est INR67.1b). EBITDA margin expanded 310bp YoY (up 300bp QoQ) to 9.9% (est. 8.6%). Net profit grew 2.2x YoY to INR3.2b (v/s est. INR3.1b).

Highlights from the management commentary

- Domestic demand for RE is quite resilient**, supported by new products. Overall 2W demand is still slow and as it improves, RE will also see broad-based growth in its portfolio. It has a strong line-up of launches for FY24.
- Recent launches of Hunter 350 and Super Meteor 650 are seeing roll-out** in the export markets. In India, Hunter 350 production is being ramped-up with focus on tier-3 cities & below.

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- **The company plans a capex of INR10b in FY24** for new products in ICE and EVs, as well as toward establishing EV manufacturing facilities. For EVs, focus is on creating disruptive product and developing a supply eco-system. It has put in place a strong capable team and investing in all enabling areas.
- **CVs:** It expects double-digit growth in FY24 for the CV industry, driven by a) higher infra spend, b) replacement demand (for >6 years old) due to productivity issues, d) continued recovery in HD trucks and buses (which are still materially lower than the previous peak).

Valuation and view

- Improving supply side, new product launches, and ramp-up in exports will drive the next phase of growth for RE. Consequently, we are building in for ~14% volume CAGR for RE over FY23-25E, resulting in monthly run rate increasing to ~80k/90k for FY24/25E (v/s ~73.3k in 2HFY23 since Hunter launch). This coupled with stable commodity prices is expected to support margins and drive earnings CAGR of 30% over FY23-25E.
- Valuations at 24.5x/19.3x largely reflect the expected volume and margin recovery, but not the potential risk from the upcoming launches of Bajaj-Triumph in mid-size motorcycles in India and global markets. Hence, **we downgrade our rating to Neutral from Buy**, with a TP of INR3,650 (Mar-25E based SOTP). We value RE at 20x FY25E EPS and VECV at 10x EV EBITDA (v/s 12x earlier, as CV cycle is close to its peak) on FY25E.

Quarterly performance (Consolidated)

INR m Y/E March	FY22				FY23				FY22	FY23	4QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Net Operating income	19,743	22,496	28,807	31,933	33,975	35,194	37,210	38,043	1,02,978	1,44,422	37,604
Growth (%)	141.3	5.4	1.9	8.6	72.1	56.4	29.2	19.1	18.1	40.2	17.8
EBITDA	3,630	4,699	5,824	7,571	8,311	8,216	8,572	9,337	21,723	34,436	8,833
EBITDA Margins (%)	18.4	20.9	20.2	23.7	24.5	23.3	23.0	24.5	21.1	23.8	23.5
PAT	2,765	3,634	4,202	5,564	5,769	6,127	6,770	7,322	16,165	25,988	6,822
Share of JV Loss/(PAT)/ Min. Int.	394	-98	-359	-538	-338	-441	-639	-1,734	-602	-3,152	-1,701
Recurring PAT	2,371	3,732	4,561	6,101	6,107	6,569	7,408	9,056	16,766	29,139	8,523
Growth (%)	-529.8	8.7	-14.4	8.3	157.5	76.0	62.4	48.4	21.2	73.8	39.7

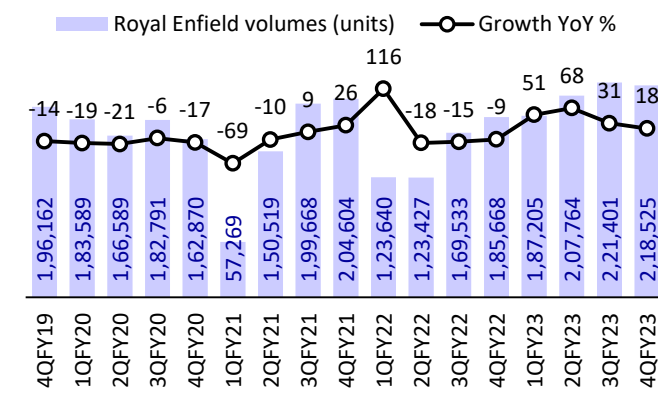
Standalone (Royal Enfield)

(INR Million) Y/E March	FY22				FY23E				FY22	FY23	4QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Royal Enfield ('000 units)	124	123	170	186	187	208	221	219	602	835	219
Growth (%)	115.9	-18.0	-15.1	-9.3	51.4	68.3	30.6	17.7	-1.6	38.6	17.7
Net Realn (INR '000/unit)	154.3	176.8	167.4	172.1	173.5	163.5	162.2	175.3	168.1	168.5	165.0
Change - YoY (%)	14.9	25.3	19.2	20.5	12.4	-7.5	-3.1	1.9	19.4	0.2	-4.1
Net operating income	19,078	21,819	28,385	31,947	32,479	33,972	35,902	38,314	1,01,229	1,40,666	36,053
Growth (%)	148.0	2.8	1.2	9.3	70.2	55.7	26.5	19.9	17.4	39.0	12.9
EBITDA	3,345	4,427	5,814	7,550	7,882	8,036	8,569	9,448	21,136	33,935	8,768
EBITDA Margins (%)	17.5	20.3	20.5	23.6	24.3	23.7	23.9	24.7	20.9	24.1	24.3
PBT after EO item	3,561	4,452	5,618	7,490	7,643	8,286	9,138	10,016	21,121	35,083	9,232
Effective tax rate (%)	25.0	22.9	24.8	26.1	24.1	25.8	25.5	25.4	24.9	25.2	25.3
Recurring PAT	2,672	3,434	4,223	5,534	5,802	6,149	6,807	7,469	15,862	26,226	6,898
Growth (%)	2,072.4	-4.8	-13.6	13.7	117.1	79.1	61.2	35.0	19.9	65.3	24.7

VECV: Quarterly performance

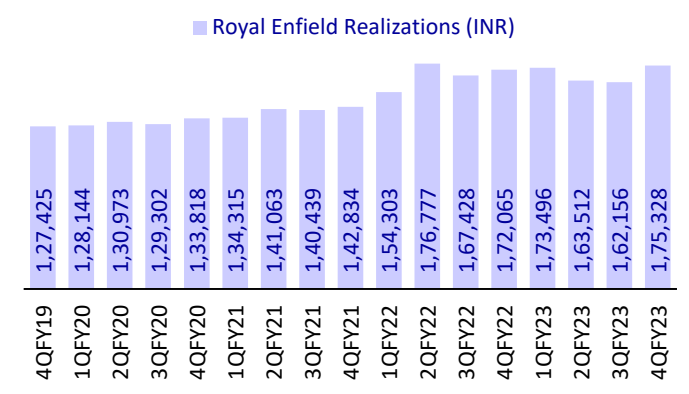
(INR Million)	FY22				FY23				FY22	FY23	
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE
Total CV Volumes	5,806	15,134	16,044	20,093	17,469	17,605	18,170	26,379	57,077	79,623	26,379
Growth (%)	171.6	85.3	25.3	10.6	200.9	16.3	13.3	31.3	38.3	39.5	31.3
Net Realn (INR '000/unit)	2,823	2,083	2,260	2,144	2,252	2,394	2,533	2,350	2,229	2,380	2,542
Change - YoY (%)	-5.8	-2.9	7.9	8.1	-20.2	14.9	12.1	9.6	6.0	6.8	18.6
Net Op. Income	16,390	31,530	36,257	43,072	39,340	42,150	46,030	62,000	1,27,240	1,89,520	67,063
Growth (%)	155.7	79.9	35.3	19.6	140.0	33.7	27.0	43.9	46.7	48.9	55.7
EBITDA	180	1,700	2,416	2,933	2,068	2,490	3,161	6,151	7,160	13,691	5,777
EBITDA Margins (%)	1.1	5.4	6.7	6.8	5.3	5.9	6.9	9.9	5.6	7.2	8.6
Recurring PAT	-709	177	643	990	622	809	1,176	3,154	1,113	5,810	3,125
Growth (%)	-40.9	-347.1	11.4	-22.5	-187.6	357.2	82.9	218.8	30.9	422.1	211.8

Exhibit 1: Volume trend for RE



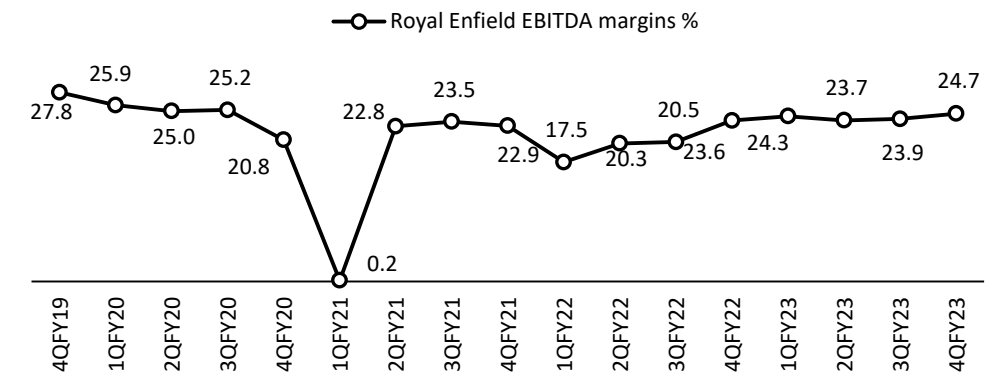
Source: Company, MOFSL

Exhibit 2: Realization trend for RE



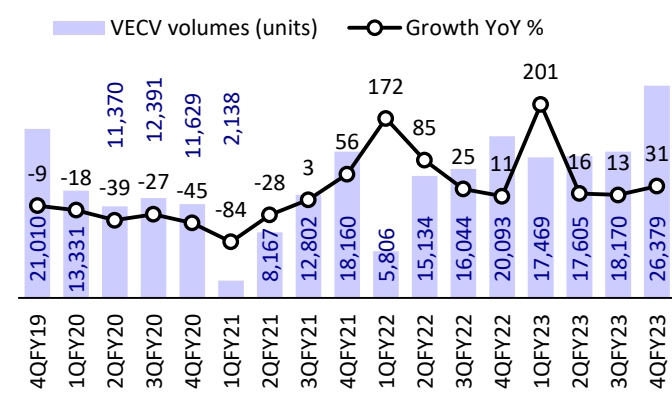
Source: Company, MOFSL

Exhibit 3: EBITDA margin trend for RE



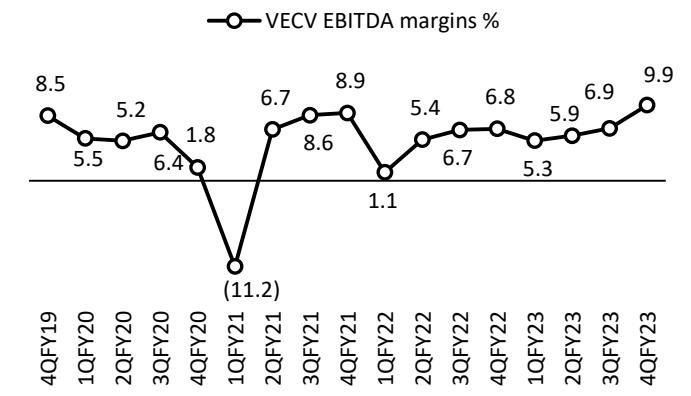
Source: Company, MOFSL

Exhibit 4: Volume growth trend for VECV



Source: Company, MOFSL

Exhibit 5: EBITDA margin trend for VECV



Source: Company, MOFSL

VECV: Product mix

	4QFY23	4QFY22	YoY (%)	3QFY23	QoQ (%)
L&MD - Trucks (Dom)	12,435	11,523	7.9	9,620	29.3
<i>% of total CV volumes</i>	47	57		53	
HD - Trucks (Dom)	6,466	4,065	59.1	4,753	36.0
<i>% of total CV volumes</i>	25	20		26	
Total Dom. Trucks	18,901	15,588	21.3	14,373	31.5
<i>% of total CV volumes</i>	72	78		79	
Buses (Dom)	5,952	1,957	204.1	2,336	154.8
<i>% of total CV volumes</i>	23	10		13	
Total Domestic	24,853	17,545	41.7	16,709	48.7
<i>% of total CV volumes</i>	94	87		92	
Total Exports	916	2,106	-56.5	925	-1.0
<i>% of total CV volumes</i>	3	10		5	
Total ETB	25,769	19,651	31.1	17,634	46.1
<i>% of total CV volumes</i>	98	98		97	
Volvo Truck India (units)	610	442	38.0	536	13.8
<i>% of total CV volumes</i>	2	2		3	
Total CV Volumes	26,379	20,093	31.3	18,170	45.2



Key takeaways from the management commentary

- Domestic demand for RE is quite resilient**, supported by new products. Overall 2W demand is still slow and as it improves RE will also see broad-based growth in its portfolio. It has a strong line-up of launches for FY24.
- Exports:** Hunter 350 has been launched across APAC, Europe, and Americas, whereas Super Meteor 650 has been launched in Europe and will soon be launched in APAC and Americas as well. The company has expanded its CKD operations to Brazil, taking the total number of CKD operations to four (Argentina, Columbia and Thailand being other countries).
- Realizations** growth in 4QFY23 was driven by a) higher exports share, and b) full benefit of price hikes of Nov-22. It has taken a 1.5% price hike for the key models from 1st May 2023 (though there is price protection offered to open bookings) in anticipation of cost inflation on commodities.
- Gross margins improvement** of 120bp QoQ was driven by a) RM savings of 90bp QoQ, b) price hikes of Nov-22, c) higher exports and d) cost-cutting initiatives.
- Super Meteor** has received tremendous response globally. It has dispatched over 4,000 globally and production is expected to be ramped up in the coming weeks. Super Meteor is a pure cruiser and may not be an upgrade product for existing Classic 350cc customer.
- Hunter 350** was launched in A & B class cities in the initial phase, but now the company's focus is on launching it in other cities as well. Hunter production ramp-up is almost complete.
- Non-motorcycle revenues** grew 29% YoY in FY23 to INR20.4b, driven by 32% growth in accessories business. To further enhance customer experience, the company is adding more SKUs in accessories and apparel. Additionally, the company has bought in an online configurator for accessories, which is expected to boost accessories sales. The company believes there is significant headroom to increase the penetration of non-motorcycle revenues in the export markets.
- Sales network in India** is now at 1,090 large stores (v/s 1,063 in FY22) and 969 (v/s 1,055 in FY22) studio stores across ~1,750 cities. The company's focus is on optimizing retail network.

- Financing penetration stood at 55% in FY23.
- Bullet 350 is currently compliant with OBD norms and is expected to transition to the J Platform in the future.
- **The company plans a capex of INR10b in FY24** for new products in ICE and EVs, as well as toward establishing EV manufacturing facilities.
- **For EVs**, the company's focus is on product development and not on capacity creation. It has space at the Vallam plant for EV line. The company is focused on creating disruptive product in EVs and developing a supply eco-system. It has put in place a strong capable team and investing in all enabling areas. Also, its recent strategic investment of EUR50m in high-performance electric motorcycle maker, Stark Future SL, would focus on collaborative R&D of electric motorcycles, technology sharing, technical licensing, and manufacturing.
- **CVs:** It expects double-digit growth in FY24 for the CV industry, driven by a) higher infra spend, b) replacement demand (for >6 years old) due to productivity issues, d) continued recovery in HD trucks and buses (which are still materially lower than the previous peak). In buses, it expects strong growth from a) STUs for replacing the old fleet, and b) the school segment.

Valuation and view

- **The worst seems to be behind, recovery underway:** Demand for RE has surpassed pre-COVID levels and is expected to further improve going forward, driven by launches and ongoing expansion in the international market. The company continues to expand its addressable market through a) distribution expansion (via smaller format stores), b) price laddering (by offering multiple 'trim' levels), c) new product launches (healthy response to Hunter 350/ Meteor 650 and other refreshers lined up), and d) mass personalization through the 'Make it Yours' (MIY) platform.
- **Easing chip supplies, product launches to drive strong volume growth:** With a healthy response for the Hunter, all recent product launches (including Himalayan, 650cc twins, Meteor, and Classic 350) of RE have seen good success. The launches will expand its product portfolio, narrow the gap in quality vis-à-vis the 650cc twins, and substantially expand its addressable market globally. This coupled with easing supply-side issues should result in ~14% volume CAGR (FY23-25E), which will drive a 210bp standalone margin recovery to 26.2% by FY25E and ~25% standalone PAT CAGR.
- **Export ramp-up now visible, to fully play out over the next few years:** RE is focused on creating an affordable Leisure Biking segment in the 250-650cc range and in the USD3-7k price bracket. Globally, the size of the 250-650cc segment is ~1m annually, dominated by the Sports/Street Biking segment. Exports from India are over 0.5m annually for the Premium segment (excluding RE, over 150cc). RE's exports volume grew over 23.5% YoY to ~1L units in FY23 and is expected to register a CAGR of ~32% over FY23-25. This will be benefitted by launches such as Meteor, given its international product quality. It is opening exclusive stores in markets such as LatAm, Indonesia, London, Paris, Madrid, and ASEAN. This has started to show results, with FY23 export revenues growing 20% YoY in FY23 to INR20.8b. The same is expected to witness a CAGR of 37% over FY23-25.

- Valuation already reflects volume ramp-up; downgrade to Neutral:** We are upgrading our consolidated EPS by 2.5%/6% for FY24E/FY25E to factor in for a) price hike of May-23 in RE, b) normalization of mix for RE, and c) better margins for VECV. For RE, we are factoring in average volumes of 80k/90k per month for FY24/FY25 and EBITDA margins at 25%/26.1%. Valuations at 24.5x/19.3x are largely reflecting the expected volume and margin recovery, but not the potential risk from the upcoming launches of Bajaj-Triumph in mid-size motorcycles in India and global markets. Hence, we downgrade our rating to Neutral from Buy, with a TP of INR3,650 (Mar-25E based SOTP). We value RE at 20x FY25E EPS and VECV at 10x EV EBITDA (vs 12x earlier, as CV cycle is close to its peak) on FY25E.

Exhibit 6: Revised forecast

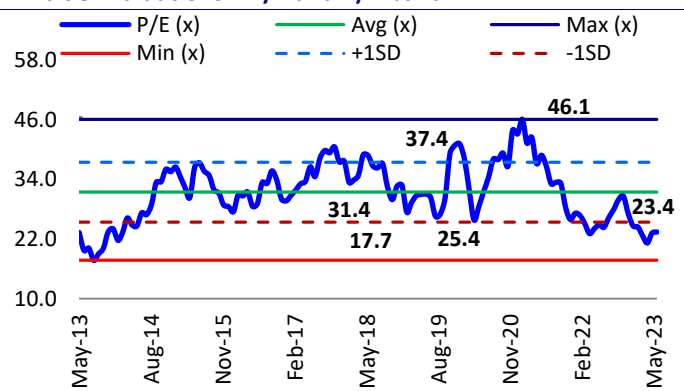
(INR M)	FY24E			FY25E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Standalone (RE)						
Volumes (units)	9,58,095	9,43,398	1.6	10,80,919	10,48,586	3.1
Net Sales	1,67,398	1,60,723	4.2	1,95,862	1,85,188	5.8
EBITDA	42,047	39,511	6.4	51,271	45,676	12.3
EBITDA (%)	25.1	24.6	50bp	26.2	24.7	150bp
Net Profit	33,101	32,027	3.4	41,203	38,418	7.2
EPS (INR)	121	117	3.4	151	141	7.2
VECV						
Volumes (units)	92,464	92,464	-	1,02,967	1,02,967	-
Net Sales	2,30,237	2,30,237	-	2,59,264	2,59,264	-
EBITDA	20,274	19,861	2.1	26,096	25,642	1.8
EBITDA (%)	8.8	8.6	20bp	10.1	9.9	20bp
EPS (INR)	20.6	19.5	6.0	29.3	28.1	4.5
Consol EPS (INR)	139.2	135.7	2.5	176.9	166.9	6.0

Exhibit 7: SoTP valuations – INR3,625 (Mar-25 based)

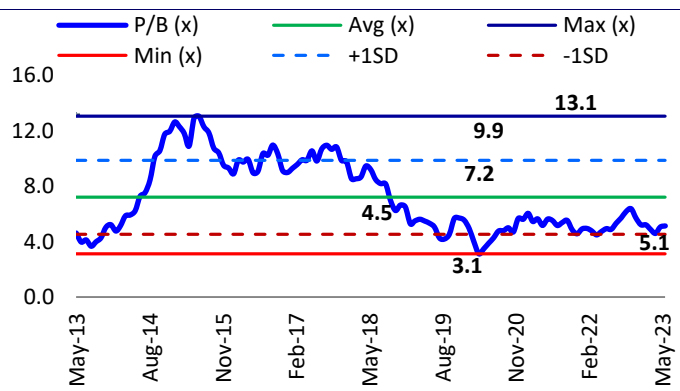
INR Mn	FY25E
Royal Enfield	
PAT	41,203
Equity Value	PE @ 20x 8,24,054
VECV (@ 54.4% Economic interest)	
EBITDA	14,196
EV	@ 10x EV/EBITDA 1,41,961
Net Debt	-32,256
Equity Value	1,74,216
Total Equity Value	9,98,271
Target Price (INR/Sh)	3,650
Upside (%)	7

Source: Company, MOFSL

Exhibit 8: Valuations – P/E and P/B band



Source: MOFSL



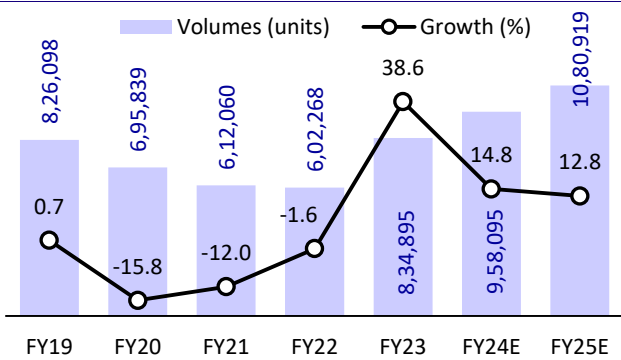
Source: MOFSL

Snapshot of Revenue Model

000 units	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
ROYAL ENFIELD (S/A)							
Total 2W (units)	826	696	612	602	835	958	1,081
Growth (%)	0.7	-15.8	-12.0	-1.6	38.6	14.8	12.8
Net realn (INR'000/unit)	118	129	140	166	166	172	178
Growth (%)	8.3	10.1	8.2	18.4	0.3	3.6	3.6
RE Revenues (INR b)	98	91	86	101	141	167	196
Growth (%)	9.3	-7.3	-5.1	17.4	39.0	19.0	17.0
VECV							
Dom - LMD	48	36	27	36	54	63	70
Growth (%)	11.4	-26.2	-23.3	33.0	47.6	17.0	10.6
% of CV Vols	67.5	75.1	68.3	65.4	69.3	69.7	69.2
Dom - HCV	13	7	8	11	19	22	24
Growth (%)	7.3	-45.2	6.0	41.3	74.0	15.0	12.0
% of CV Vols	18.5	15.3	19.2	19.5	24.4	24.1	24.2
Total Dom.	62	43	35	47	73	85	94
Growth (%)	10.5	-30.3	-18.3	34.8	53.6	16.5	11.0
% of CV Vols	86.0	90.4	87.5	84.9	93.7	93.9	93.4
Exports	10	5	5	8	5	6	7
Growth (%)	11.2	-54.4	10.0	67.7	-41.5	12.7	18.8
% of CV Vols	14.0	9.6	12.5	15.1	6.3	6.1	6.6
Total CV vols	72	48	40	56	78	90	101
Growth (%)	10.6	-33.6	-15.6	38.9	39.3	16.3	11.4
MDEP Vols ('000 Ex captive)	34	31	22	23	24	26	0
Net realn (INR'000/unit)	1,590	1,750	2,102	2,229	2,380	2,490	2,518
Growth (%)	4	10	20	6	7	5	1
VECV Revenues (INR b)	116	85	87	127	190	230	259
Growth (%)	15.4	-26.5	1.8	46.7	48.9	21.5	12.6
Net Consol sales (INR b)	98	92	87	103	144	171	200
Growth (%)	9.3	-6.6	-4.7	18.1	40.2	18.6	16.9

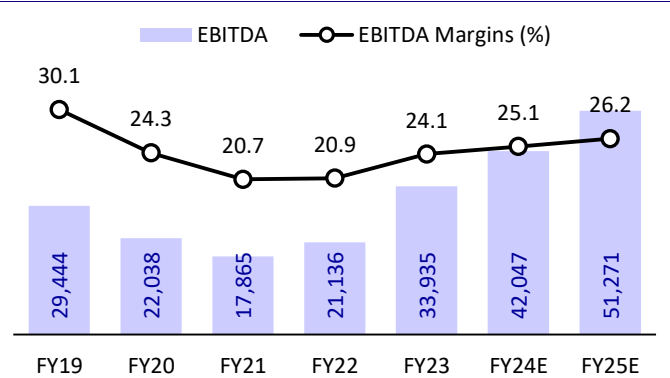
Story in charts

Exhibit 9: Volume and growth trend for RE



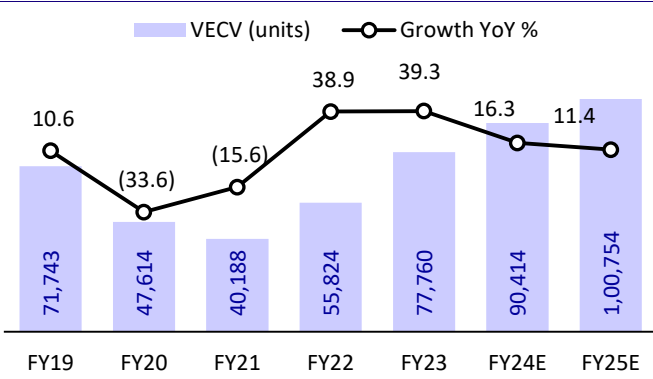
Source: Company, MOFSL

Exhibit 10: EBITDA and EBITDA margin trend for RE



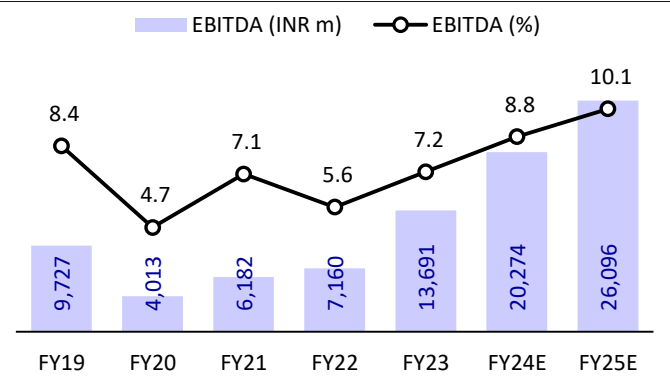
Source: Company, MOFSL

Exhibit 11: Volume growth trajectory for VECV



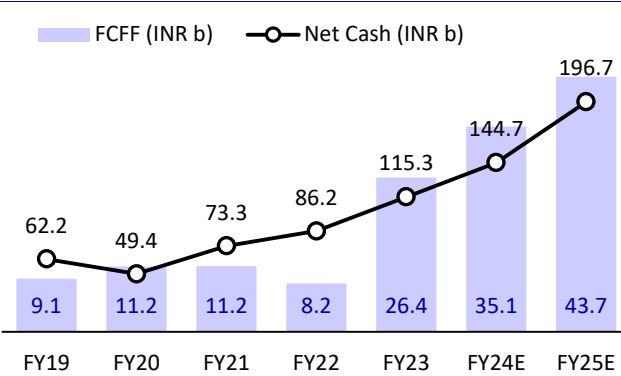
Source: Company, MOFSL

Exhibit 12: EBITDA and EBITDA margin for VECV



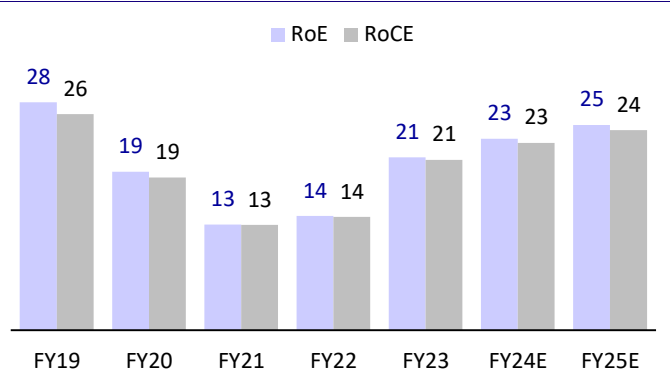
Source: Company, MOFSL

Exhibit 13: Strong FCF generation and liquidity (pro-rata)



Source: Company, MOFSL

Exhibit 14: Return ratios to improve



Source: Company, MOFSL

Financials and valuations

Income Statement (Consolidated)								(INR M)
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Net Op. Income	92,193	97,971	91,536	87,204	1,02,978	1,44,422	1,71,304	2,00,331
Change (%)	16.1	6.3	-6.6	-4.7	18.1	40.2	18.6	16.9
EBITDA	28,076	29,031	21,804	18,313	21,723	34,436	42,582	52,170
EBITDA Margin (%)	31.5	29.9	24.0	21.1	21.4	24.3	25.2	26.4
Depreciation	2,233	3,003	3,815	4,507	4,519	5,262	6,124	7,079
EBIT	25,843	26,028	17,988	13,805	17,203	29,174	36,458	45,091
Interest cost	53	73	189	165	188	280	280	280
Other Income	2,801	4,434	5,433	4,532	4,408	5,951	6,900	8,700
PBT	28,591	30,389	23,232	18,173	21,424	34,845	43,078	53,511
Tax	9,359	10,770	5,275	4,527	5,259	8,857	10,652	13,134
Effective Rate (%)	32.7	35.4	22.7	24.9	24.5	25.4	24.7	24.5
PAT	19,232	19,619	17,957	13,646	16,165	25,988	32,426	40,377
Change (%)	26.2	2.0	-8.5	-24.0	18.5	60.8	24.8	24.5
Less: Minority Interest	-2,566	-2,584	-317	-311	-602	-3,152	-5,644	-8,018
Adj. PAT	21,017	22,203	18,274	13,829	16,766	29,139	38,070	48,395
Change (%)	22.7	5.6	-17.7	-24.3	21.2	73.8	30.6	27.1

Balance Sheet (Consolidated)								(INR M)
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Sources of Funds								
Share Capital	273	273	273	273	273	274	274	274
Reserves	70,028	88,914	99,536	1,14,108	1,25,807	1,49,629	1,75,392	2,10,112
Net Worth	70,301	89,187	99,809	1,14,381	1,26,080	1,49,903	1,75,666	2,10,385
Deferred Tax	1,421	2,739	2,522	2,215	2,201	2,913	4,683	6,881
Loans	1,508	1,868	1,444	1,574	588	1,957	988	988
Capital Employed	73,230	93,794	1,03,775	1,18,170	1,28,869	1,54,773	1,81,337	2,18,254
Application of Funds								
Gross Fixed Assets	21,443	27,673	36,194	40,904	44,234	52,153	60,677	69,677
Less: Depreciation	6,426	8,927	12,419	16,571	19,991	25,253	31,378	38,457
Net Fixed Assets	15,017	18,746	23,775	24,333	24,243	26,900	29,300	31,221
Capital WIP	3,332	4,497	3,122	3,143	5,048	4,721	5,000	4,000
- of which Goodwill	223	223	223	0	0	0	0	0
Investments	55,808	49,225	57,488	39,021	77,206	1,23,207	1,27,440	1,33,453
Curr.Assets, L & Adv.	21,065	41,400	40,113	79,089	55,514	37,149	61,791	98,948
Inventory	3,946	6,334	5,724	8,746	11,324	12,784	13,759	16,098
Sundry Debtors	680	903	868	1,582	3,020	3,689	9,172	10,732
Cash & Bank Balances	12,120	29,653	29,506	58,304	27,225	8,571	23,496	54,141
Loans & Advances	7	13	1	4,592	6,768	5,889	7,338	8,586
Others	4,312	4,497	4,014	5,866	7,177	6,215	8,026	9,391
Current Liab. & Prov.	21,992	20,075	20,722	27,416	33,141	37,204	42,193	49,368
Sundry Creditors	11,719	12,341	10,277	15,358	17,881	18,104	20,638	24,147
Other Liabilities	9,511	6,928	9,472	10,930	13,362	16,520	18,345	21,464
Provisions	763	807	974	1,128	1,898	2,579	3,210	3,756
Net Current Assets	-927	21,325	19,391	51,673	22,373	-54	19,597	49,580
Application of Funds	73,230	93,794	1,03,775	1,18,170	1,28,869	1,54,773	1,81,337	2,18,254

Financials and valuations

Ratios (Consolidated)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Basic (INR)								
EPS	77.1	81.4	66.9	50.7	61.3	106.5	139.2	176.9
EPS Growth (%)	23.5	5.6	-17.8	-24.3	21.1	73.7	30.6	27.1
Book Value per Share	258	327	366	419	461	548	642	769
DPS	11.0	12.5	12.5	17.0	21.0	37.0	45.0	50.0
Payout (Incl. Div. Tax) %	15.6	17.9	21.7	33.6	34.2	34.7	32.3	28.3
Valuation (x)								
P/E	44.2	41.9	50.9	67.3	55.6	32.0	24.5	19.3
EV/EBITDA	26.2	25.0	36.4	40.4	33.8	19.7	14.8	11.2
EV/Sales	6.1	5.4	6.4	6.4	5.0	3.3	2.7	2.2
Price to Book Value	13.2	10.4	9.3	8.1	7.4	6.2	5.3	4.4
Dividend Yield (%)	0.3	0.4	0.4	0.5	0.6	1.1	1.3	1.5
Profitability Ratios (%)								
RoE	34.0	27.8	19.3	12.9	13.9	21.1	23.4	25.1
RoCE	32.6	26.4	18.7	12.9	13.8	20.8	22.9	24.4
RoIC	1,373.6	298.2	117.5	67.6	72.4	128.0	145.1	153.9
Turnover Ratios								
Debtors (Days)	3	3	3	7	11	9	20	20
Inventory (Days)	16	24	23	37	40	32	29	29
Creditors (Days)	48	46	41	64	63	46	44	44
Working Capital (Days)	-29	-19	-15	-21	-13	-4	5	5
Asset Turnover (x)	1.2	1.0	0.9	0.7	0.8	0.9	0.9	0.9
Leverage Ratio								
Net Debt/Equity (x)	-0.7	-0.6	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7

Cash Flow Statement (Consolidated)

(INR M)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Profit before Tax	28,956	32,798	23,549	17,984	22,025	37,996	48,722	61,529
Depreciation	2,233	3,003	3,815	4,507	4,519	5,262	6,124	7,079
Direct Taxes Paid	-8,071	-9,085	-6,283	-4,566	-5,136	-7,703	-8,882	-10,937
(Inc)/Dec in Working Capital	4,380	-4,557	862	2,578	-1,503	657	-3,924	-390
Interest/Div. Received	-394	-1,304	-2,207	-3,103	-2,440	-1,765	-6,600	-8,400
Other Items	-2,282	-5,126	-2,795	-265	-2,195	-5,973	-7,423	-7,367
CF from Oper. Activity	24,823	15,730	16,941	17,136	15,270	28,475	28,018	41,514
(Inc)/Dec in FA+CWIP	-7,460	-7,874	-5,445	-5,375	-6,387	-6,737	-8,803	-8,000
Free Cash Flow	17,363	7,855	11,497	11,760	8,883	21,738	19,214	33,514
(Pur)/Sale of Invest.	-13,991	1,301	-9,639	-11,104	-3,446	-17,479	2,367	2,387
CF from Inv. Activity	-21,450	-6,574	-15,084	-16,479	-9,833	-24,216	-6,436	-5,613
Issue of Shares	195	361	289	384	65	112	0	0
Inc/(Dec) in Debt	390	247	-709	130	-1,046	440	-969	0
Interest Paid	-34	-50	-75	-91	-142	-134	-280	-280
Dividends Paid	-3,171	-3,482	-8,087	0	-4,647	-5,742	-12,308	-13,675
CF from Fin. Activity	-2,620	-2,923	-8,583	-148	-5,934	-4,174	-13,557	-13,955
Inc/(Dec) in Cash	752	6,233	-6,725	509	-496	84	8,025	21,946
Add: Beginning Balance	172	925	7,158	432	941	445	530	8,554
Closing Balance	924	7,158	432	941	445	530	8,554	30,500

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