

Hyundai Motor India Limited

Attractive based on long term performance potential

Rating:

Subscribe

About the Company

Hyundai Motor India (HMI), the Indian subsidiary of the Hyundai Motor Company (HMC), is the second largest PV OEM in India since FY09. In FY24, HMI had a domestic PV market share of 14.6%. It is also the second largest exporter of PVs, with a volume share of 24.3% in the total PV exports from India in FY24. It offers 13 PV models currently, spanning across price points and powertrains.

Highlights of the offer

The issue is entirely an offer for sale, with the promoter- HMC offloading 17.5% of its stake in HMI. At a price band of Rs 1,865-1,960 per share, the issue size of Rs 265-279 bn makes it the largest IPO in India till date.

Object of this offer

The objective of this offer is purely for listing benefits.

Key strengths for HMI

- Long term growth potential of the Indian PV industry
- Large share of the fast-growing SUV segment
- Strong margins and superior return ratios
- Maintained its market position despite increased competitive intensity
- HMI has a headstart in EVs when compared to the market leader
- Benefits of global parentage
- Target to become a export hub for HMC for emerging markets

Key risks

- The IPO constitutes entirely of an offer for sale.
- In the near term, the growth in the overall PV industry is expected to remain tepid.
- Potential conflict of interest from promoter's stake in Kia Corporation
- HMI's dependency on HMC for exports
- Lack of control in terms of aftermarket spare parts- supplied by group entity Mobis

Valuation & Outlook

So far, investors wanting exposure to the PV industry, had only one avenue in the public markets. As Tata Motors and M&M have diversified businesses, Maruti Suzuki is the only listed pure-play PV OEM. With the IPO of Hyundai Motor India, investors will have another option to invest in the listed PV OEM industry.

HMI's product portfolio is strongly tilted towards SUVs, with almost 2/3rd of domestic volumes sold coming from this segment. As the segment is expected to see better-than-industry growth going ahead as well, HMI is poised to see good growth. With new capacity (+32% addition) coming on stream in the coming years, HMI will be in a position to tap the domestic demand as well as expand its export operations.

The company has already wet its toes in the EV market in India with 2 products so far- Kona and IONIQ 5. Its third EV offering is planned in Q4FY25E, with the EV variant of popular SUV- Creta. This puts HMI ahead of MSIL when it comes to creating a presence in the EV market.

Additionally, HMI has seen very strong ROE and ROCE performance, aided by its premium product mix, efficient capital allocation and strong asset turnover. Further uptick is likely when the Talegaon plant becomes operational, and the company improves localisation.

The Hyundai Motor India IPO is priced at a band of Rs 1,865-1,960 per share. Considering FY24 EPS of Rs 74.6, it is available at a P/E of 25.0x-26.3x. This is at a discount of 14.4%-10.1%, respectively when compared to Maruti Suzuki's comparable P/E. The other listed OEMs- Tata Motors and M&M are not directly comparable, on account of their diversified businesses.

Considering the discount in P/E multiples compared to the market leader, favourable product mix, potential for strong growth in exports, benefit of the parent's global resources, and superior return ratios, we believe the issue is attractive for long-term investors. **We recommend to 'Subscribe' as we are positive on the long term growth and performance prospects of Hyundai Motor India.**

Offer Details

Issue Type	Offer for Sale
Price Band (Rs)	1,865 - 1,960
No. of Shares Offered (mn)	142
Issue Size (Rs Bn)	265 - 279
Valuation (Rs Bn)	1,515-1,593
Lot Size	7 Shares
Face Value (Rs)	10
Employee Discount (Rs/share)	186
Listing on exchanges	NSE, BSE

Offer Timeline

Offer Opening Date	15 th October 2024
Offer Closing Date	17 th October 2024
Basis of Allotment	18 th October 2024
Initiation of Refunds	21 st October 2024
Credit of Shares to Demat	21 st October 2024
Listing Date	22 nd October 2024

Shareholding Pattern (%)

	Before IPO	Post IPO
Promoter	100.0%	82.5%
Public/Other	0.0%	17.5%

Issue Breakup (%)

QIB	50.0%
Retail	35.0%
NII (HNI)	15.0%

Sources : RHP, ACMIIL Research

Analyst

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Company Overview

Domestic PV market share in FY24: **14.6%**

Market position by domestic PV volumes: **Second**

Share of PV export volumes from India in FY24: **24.3%**

Market position by export PV volumes: **Second**

- Hyundai Motor India (HMI), a subsidiary of the Hyundai Motor Company (HMC), is in the business of manufacturing and selling of four-wheeler passenger vehicles (PV) and parts, such as transmissions and engines in India and export markets.
- HMI's current vehicle portfolio includes 13 passenger vehicle models across sedans, hatchbacks, SUVs and battery EVs.
- While the Hyundai Motor Group is the third largest PV OEM in the world, Hyundai Motor India is the second largest PV OEM in India since FY09. In FY24, HMI had a domestic PV market share of 14.6%.
- It is also the second largest exporter of PVs, with a volume share of 24.3% in the total PV exports from India in FY24.
- Currently, HMI has two manufacturing plants operational in Chennai, Tamil Nadu and one plant under development at Talegaon in Pune, Maharashtra.

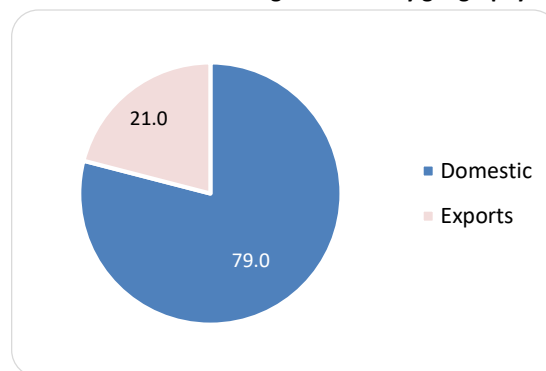
Product portfolio

- HMI's current vehicle portfolio includes 13 passenger vehicle models across SUVs, hatchbacks, sedans, and battery EVs. They are:
 - SUVs: Exter, Venue, Venue N Line, Creta, Creta N Line, Alcazar, Tucson and IONIQ 5 (EV).
 - Hatchbacks: Grand i10 NIOS, i20 and i20 N Line
 - Sedans: Aura and Verna
- Volume segmentation between domestic and export sales was 79.0% and 21.0%, respectively in FY24.
- SUVs formed the largest share of HMI's domestic volumes at 63.2% in FY24. This was followed by 22.9% volumes contribution from hatchbacks and 13.9% from sedans.
- The product offering spans across price brackets and powertrains. In terms of powertrains, HMI's almost entire portfolio has petrol powertrain options. HMI also offers diesel powertrain options primarily for SUVs, and CNG options for the 0-10 lakhs bracket which support better ownerships costs amidst rising fuel prices.
- In the export markets, HMI's portfolio has a higher share of sedans (55.5% share in FY24)

Volume segmentation between domestic and export sales was 77.7% and 22.3%, respectively in FY24.

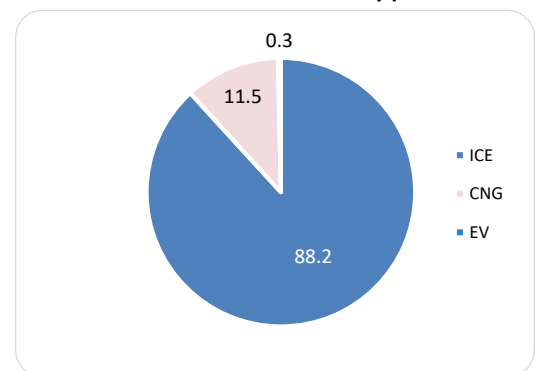
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Exhibit 1: FY24 volume segmentation by geography



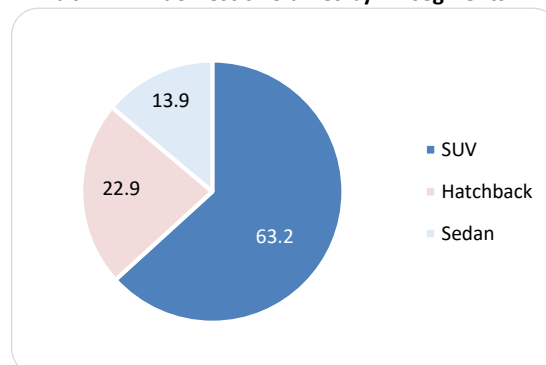
Source: RHP

Exhibit 2: FY24 domestic volumes by powertrain



Source: RHP

Exhibit 1: FY24 domestic volumes by PV segments



Source: RHP

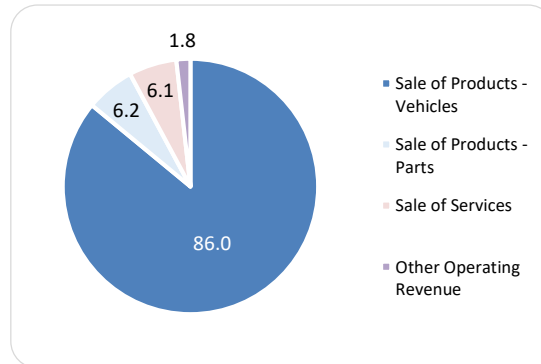
Revenue segmentation

- Majority (86.0% in FY24) of the company's revenues are derived from the sale of products- vehicles, ~6.2% was from sale of parts, while the rest of it was from sale of services/ other operating income.
- The split between revenues coming from domestic markets and from exports was 77.7% and 22.3%, respectively in FY24. As average selling price (ASP) of export sales was ~8.3% higher than domestic, revenue share of domestic was slightly higher than the volume share.

Domestic: Exports
FY24 volume split-
79.0%:21.0%

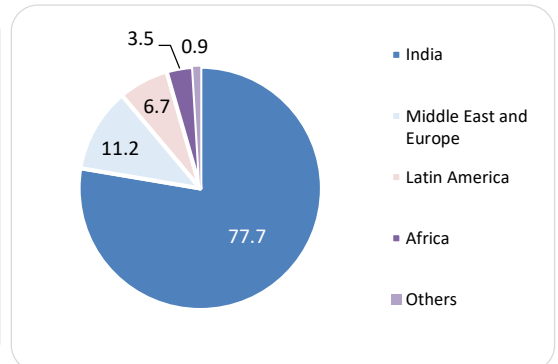
FY24 revenue split-
77.7%:22.3%

Exhibit 4: Revenue segmentation by source



Source: RHP

Exhibit 5: Revenue segmentation by geography



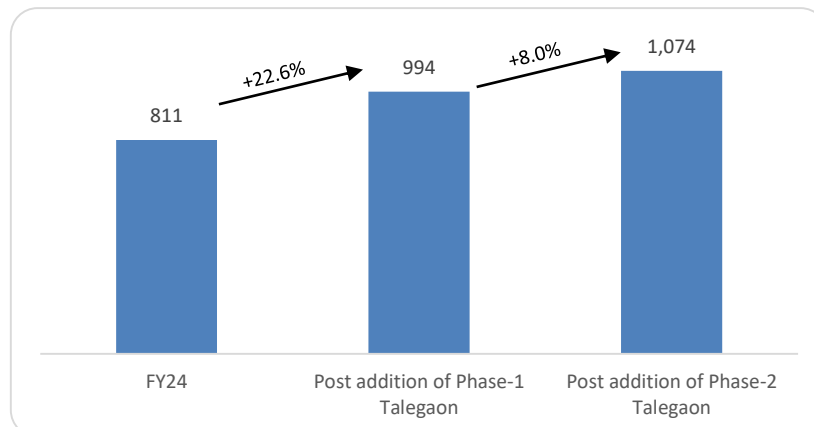
Source: RHP

Current capacity and expansion plans

- Currently, HMI has two manufacturing plants operational in Chennai, Tamil Nadu and one plant under development at Talegaon in Pune, Maharashtra. HMI acquired the Talegaon manufacturing plant from General Motors India on December 28, 2023. First phase of the Talegaon plant is expected to be operational in H2FY26E.
- The annual production capacity of the Chennai manufacturing plants was 824,000 units as of June 30, 2024. With phase 1 of Talegaon plant, this is expected to increase to 994,000 units. Once the Talegaon plant is fully operational, the total capacity will 1,074,000 units.

Total capacity expected to increase by an aggregate of 32.4% in the next few years. Addition expected in phases in Talegaon.

Exhibit 6: Installed and future expected capacity (in '000 units)



Source: RHP

PV industry in India expected to see growth in the medium term on the back of increase in discretionary spending, improving penetration of cars, favourable demographics, Government policies and premiumisation.

PV industry growth drivers

- Increase in per capita income and discretionary spending:** According to the International Monetary Fund's estimates, India's per capita income (at current prices) is expected to grow at 9.4% CAGR over CY24 to CY29E. The rise in per capita income implies that as incomes increase, the proportion of expenditure allocated to discretionary items such as consumer durables and automobiles will also increase.
- Low car penetration in India:** According to CRISIL MI&A, India had 26 cars per 1,000 people as of FY24. Although the penetration grew from 22 cars per 1000 people in FY19 to 26 cars as of FY24, it is significantly lower than the developed nations and even emerging nations like Brazil, Russia, and Mexico. This provides significant headroom for growth.
- Favourable demographics:** India's median age is about 28 years, and it has the largest working population among major global economies, which is expected to grow further. This demographic profile leads to greater engagement in productive labour, improving national income and higher potential for rise in discretionary spending.
- Supportive Government policies:** The Government of India has announced and implemented several initiatives such as National Infrastructure Pipeline, Gati Shakti Scheme and National Logistics Policy to improve the transportation infrastructure in the country. Policies focusing on skill development, employment support, agricultural and rural development will help to generate demand for discretionary segments, including automobiles. Additionally, focus on MSMEs through credit support schemes will help to nourish the automotive supplier base.
- Premiumisation:** The average selling price (ASP) between FY19 and FY24 increased at a CAGR of 7-9% because of the premiumisation trend as well as a sharp rise in vehicle prices. Modern consumers in India are preferring mid-end or top-end versions of the vehicles, moving away from the traditional fuel-efficient budget-friendly small cars towards higher-priced feature-loaded larger cars which offer much more space, taller ride height, seamless connectivity, and improved performance. Further, there has been a major shift in customer preference with the launch of compact and mid-size SUVs. This was majorly driven by a shift in consumer sentiments towards newly launched feature-rich vehicles in the SUV segment.

Rising popularity of the SUV segment in the domestic PV market is expected to continue.

HMI will benefit from this trend due to its favourable sales mix.

HMI's strengths (1/3)

1) Favourable product mix; large share of the fast-growing SUV segment

The Indian PV industry has moved towards a higher volume share of SUVs, driven by changing consumer preferences towards more premium and feature-rich vehicles, and slew of new launches in the segment. What constituted 23.2% of industry volumes in FY19, has gone up to 51.2% in FY24. During the last 5 years, while industry witnessed a CAGR of 4.7%, the SUV segment grew at a rate of 22.7%, more than 4x industry growth rate. SUV growth is expected to continue its strong trajectory with a 7.0%-9.0% CAGR over FY24-FY29E, beating the overall PV expected growth of 4.5%-6.5% over the same period.

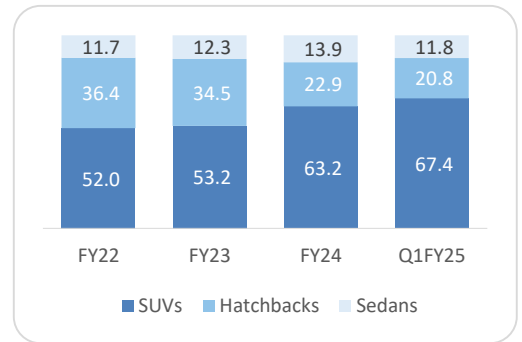
This fast-growing SUV segment has constituted a lion's share in HMI's portfolio. Compared to 51.2% share of SUVs at the industry level, HMI's share of domestic SUV volumes was 63.2% in FY24. This SUV contribution has continued to grow in the last three years, in-line with the industry trends. With the industry expected to see continued premiumisation, HMI will benefit from its high share of SUVs.

Exhibit 7: SUV segment is expected to continue its stronger-than-industry growth

Segment	FY19-FY24 CAGR	FY24-FY29E CAGR
Hatchbacks	-5.7%	0.0-2.0%
Sedans	-9.5%	0.5-2.0%
SUVs	22.7%	7.0-9.0%
MPVs	14.0%	6.4-9.4%
Vans	-5.1%	1.1-2.0%
Total	4.7%	4.5-6.5%

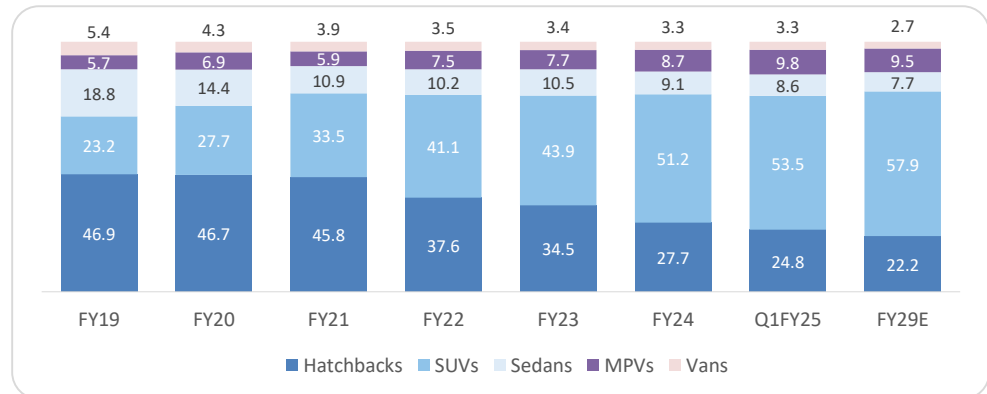
Source: RHP

Exhibit 8: Segment-wise trend in HMI domestic sales volumes



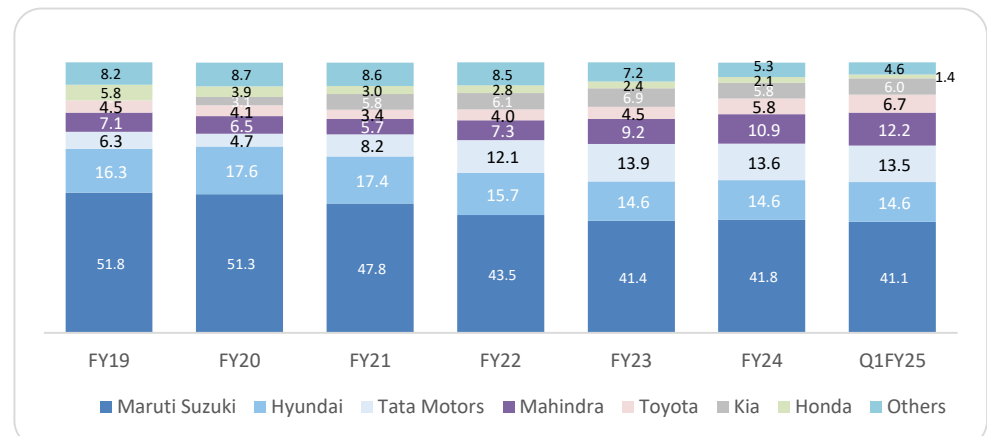
Source: RHP

Exhibit 9: Share of SUV volumes for the industry has risen in the last 5 years, with further uptick expected



Source: RHP

Exhibit 10: Domestic PV industry market share across OEMs; HMI has held its ground



Source: RHP

HMI maintained a 14-17% share within the domestic market amidst continued demand for its popular models aided by frequent upgrades of its popular models like i10, i20, Creta, Verna, and Venue.

HMI's strengths (2/3)

2) Maintained its market position despite increased competitive intensity

Despite increased competitive intensity in the last 5 years post entry of new players such as Kia and MG, Hyundai Motor India maintained 14-17% share within the domestic market amidst continued demand for its popular models aided by frequent upgrades of its popular models like i10, i20, Creta, Verna, and Venue.

3) Strong margins and superior return ratios

HMI enjoyed higher EBITDA margins than its peers in FY23. However, this gap has been closed in FY24. HMI's EBITDA margins were comparable to Maruti Suzuki's in FY24. Improvement in contribution from SUVs, lower input costs, and cost rationalisation has strengthened EBITDA margins across most players.

For HMI, a profit-centric approach, where there is focus on healthy mix between domestic and export sales, calibrated manufacturing capacity expansion and efficient capital allocation, has led to higher return ratios. Capacity utilisation above 90% for last two years has further boosted ROE and ROCE. With the Talegaon plant coming on stream in the coming years, and targets of higher localisation in the plant, it will boost the return ratios further.

ROCE and ROE for HMI saw a strong uptick in FY24, as the company paid a large special dividend to its parent company HMC, leading to decline in total equity and capital employed.

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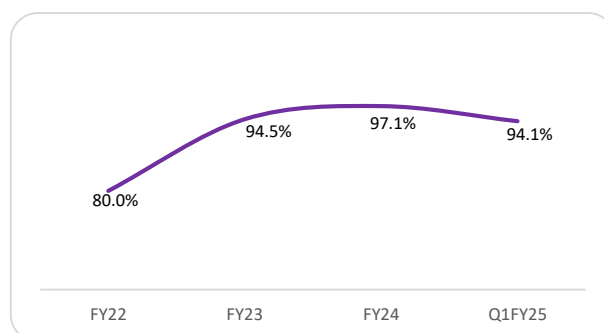
Exhibit 11: Superior return ratios for HMI

Profitability and return ratios	Hyundai Motors India		Maruti Suzuki India		Tata Motors		Mahindra & Mahindra	
	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
EBITDA margin (%)	12.5	13.1	11.1	13.1	6.4	6.5	12.3	15.3
PAT margin (%)	7.8	8.5	7.3	9.2	NA	NA	7.7	10.4
ROE (%)	26.0	56.8	14.1	18.3	NA	NA	16.1	22.4
ROCE (%)	27.0	62.9	17.9	23.8	NA	NA	18.1	26.8

Source: DRHP, RHP, ACMIIL Research

Strong ROE and ROCE have been driven by favourable product mix, efficient capital allocation and high asset turnover.

Exhibit 12: Capacity utilization above 90% in the last two years for HMI



Source: RHP

4) HMI has a headstart in EVs when compared to the market leader

Hyundai Motor India introduced the country's first electric mass market SUV, the Kona Electric, in 2019, followed by Ioniq 5 in 2023. The company developed dedicated EV platform E-GMP and adapted platforms for battery electric vehicles in India. HMI is following a transition strategy having started with the launch of high-end, premium EVs and plan to transition towards the mass markets as the EV market and ecosystem scales up in India. They plan to further launch 4 new EVs in India. On the other hand, Maruti Suzuki's first EV will be introduced in 2025, with a pipeline of 6 EVs by Fiscal 2031.

HMI has signed an agreement with the government of Tamil Nadu to invest INR 200.0 billion over the next decade (2023 to 2032). The investment will be done to introduce new models of EVs, increase EV production capacity at their Chennai plant set up a battery packing assembly unit and install charging stations along major highways and in key cities.

HMI's strengths (3/3)

5) Benefits of global parentage

HMC has invested an aggregate amount of Rs 1,875.03 bn (KRW 30,392.56 bn or USD 26.04 bn) towards global R&D from CY14 to June 30, 2024. These include investments towards emerging mobility areas such as electrification, shared mobility and autonomous driving. HMC's R&D capabilities, coupled with information flow within the Hyundai Motor Group on emerging global trends and latest customer preferences, enables HMI to identify customer preferences in a timely fashion. This further helps to introduce new passenger vehicles, technologies and features in India in a short time-to-market.

HMI maintains close connections with other affiliates within the Hyundai Motor Group across the auto OEM value chain, creating synergies in supply, manufacturing, and product development.

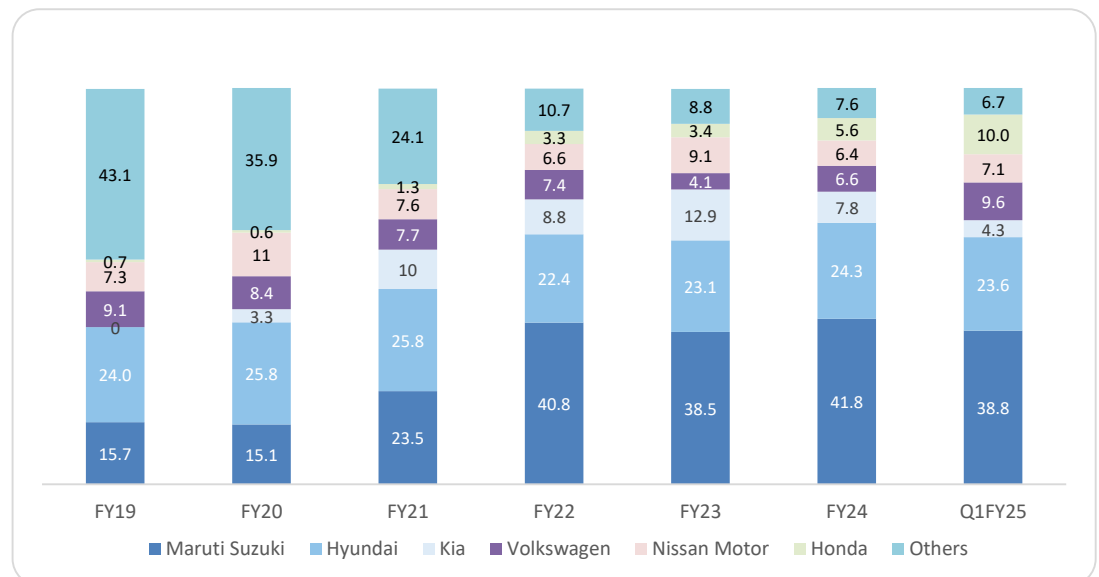
6) Key PV exporter from India; targets to become a export hub for HMC for emerging markets

HMI has been the second largest exporter of passenger vehicles from April 1, 2021 through June 30, 2024. Verna, Grand i10 and Aura are the top export models. Since its launch, Verna has always maintained a strong position in the export market. Further, SUV models Creta, Alcazar and Venue are among the top exported vehicles from India. Compact sedans including Aura and Xcent, strengthen the company's position in the compact sedans market.

HMI intends to leverage its local manufacturing capabilities to become HMC's largest foreign production base in Asia. It aims to become an export hub for HMC for exports to emerging markets including South Asia, Latin America, Africa and Middle East with the potential to export to other global markets. The company is targeting to be the global manufacturer and supplier of cost-optimised passenger vehicles including the Grand i10 NIOS, i20, Aura, Venue, Verna, Creta and Alcazar.

HMI aims to become an export hub for HMC for exports to emerging markets including South Asia, Latin America, Africa and Middle East

Exhibit 13: HMI is a key contributor to PV exports from India



Source: RHP

Risks

- The IPO constitutes entirely of an offer for sale, with the proceeds going to promoters. There is no growth capital being raised.
- In the near term, the growth in the overall PV industry is expected to remain tepid, even as the medium term prospects remain encouraging.
- Hyundai Motor Group, the global entity also holds 34.34% stake in Kia Corporation. With Hyundai and Kia both offering PVs in the Indian market, and product overlaps such as Hyundai supplying engines to Kia, there could be conflict of interests.
- HMI depends on HMC for majority of its exports business. Any changes in HMC's strategy with respect to assignment of export orders may have an adverse impact on HMI's results from operations. HMI needs prior permission from HMC for exports, including regarding the model and jurisdiction of exports.
- HMI and HMC have entered into a Royalty Agreement on June 10, 2024, wherein HMI will pay an amount equal to 3.5% of its sales revenue to HMC, in exchange for the right and license to manufacture and sell passenger vehicles and/ or parts. While the management has indicated that the royalty fee will remain stable in the foreseeable future, any such action may impact HMI's profitability. Any increase in the royalty fee by HMC, in the future, not exceeding 5% of the annual consolidated turnover of HMI does not require the prior approval of the Shareholders under the SEBI Listing Regulations.
- The aftermarket spare parts for HMI are not sold by the company itself, but by another subsidiary of HMC- Mobis India Limited. Mobis engages and transacts directly with HMI's dealers for the supply of these parts for after-sale services. In Q1FY25, Mobis also supplied 17.9% of modular parts used by HMI in manufacturing of vehicles. As Mobis is part of the Hyundai Motor Group and not HMI, HMI itself does not have any control over it. Considering the dependency of HMI over Mobis, this lack of control may lead to disruptions in supply of the after sale parts or potential conflict of interest. This may prove to be a shortcoming when compared to Maruti Suzuki, which sells its own genuine aftermarket parts and accessories.
- HMI's manufacturing plants currently operate at high capacity utilisation levels and it may not be able to meet additional demand until the new plant at Talegaon becomes operational.

Peer comparison

Distribution:

- As of June 30, 2024, HMI had 1,377 sales outlets across 1,036 cities and towns in India which has grown from 1,167 sales outlets across 873 cities and towns in India. Its service centres have grown from 1,307 across 814 cities to 1,561 service centres across 957 cities and towns in India.
- Both Hyundai Motor India and Maruti Suzuki have a larger service network vis-à-vis their sales network as they both have a large existing customer base requiring vehicle services throughout ownership lifetime.

Exhibit 14: Retail touchpoints across OEMs

Sales and service touchpoints (FY24)	Hyundai Motors India	Maruti Suzuki India	Tata Motors (PV)*	M&M (Automotive)
Sales outlets	1,360	3,480	1,450	1,280
Service outlets	1,540	4,960	1,000	1,020

Source: RHP

Operational & financial metrics

- HMI, the second largest PV OEM in India has maintained its market share even in a tough competitive environment.
- It has the highest EBITDA margins among its peers in FY23. However, peers have caught up in FY24. HMI's EBITDA margin remained healthy in FY24, and was in-line with that of MSIL.
- In terms of return ratios, HMI has seen much stronger performance, which can be attributed to its rich product mix and high capacity utilisation.

Exhibit 15: HMI has superior return ratios against competition

Operational & financial metrics (Rs bn)	Hyundai Motors India		Maruti Suzuki India		Tata Motors		Mahindra & Mahindra	
	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
PV volume market share (%)	14.6	14.6	41.3	41.8	14.0	13.6	11.2	10.9
Operating revenue (Rs bn)	603	698	1,176	1,419	479	524	850	988
EBITDA margin (%)	12.5	13.1	11.1	13.1	6.4	6.5	12.3	15.3
PAT margin (%)	7.8	8.5	7.3	9.2	NA	NA	7.7	10.4
ROE (%)	26.0	56.8	14.1	18.3	NA	NA	16.1	22.4
ROCE (%)	27.0	62.9	17.9	23.8	NA	NA	18.1	26.8
Debt to Equity ratio (x)	0.06	0.07	0.02	0.00	NA	NA	0.11	0.03

Source: DRHP, RHP, ACMIIL Research

Notes:

- ROE, ROCE, Debt to equity data are on standalone basis for all companies. Tata Motors' standalone financials represent commercial vehicles business, hence not included
- M&M standalone business includes automotive, farm and others segments.
- Revenue and margin data for Hyundai and Maruti Suzuki are on consolidated basis.

Valuation and View:

So far, investors wanting exposure to the PV industry, had only one avenue in the public markets. As Tata Motors and M&M have diversified businesses, Maruti Suzuki is the only listed pure-play PV OEM. With the IPO of Hyundai Motor India, investors will have another option to invest in the listed PV OEM industry.

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Considering the discount in P/E multiples compared to the market leader, favourable product mix, potential for strong growth in exports, benefit of the parent's global resources, and superior return ratios, we believe the issue is attractive for long-term investors. **We recommend to 'Subscribe' as we are positive on the long term growth and performance prospects of Hyundai Motor India.**

Exhibit 16: Peer Valuation overview

	HMI	MSIL	Tata Motors	M&M
CMP		12,538	928	3,155
Consolidated EPS (Rs) (FY24)	74.6	429.0	81.9	100.7
P/E (x)		29.2	11.3	31.3

Sources: NSE, RHP, ACMIIL Research

Exhibit 17: HMI Valuation overview

HMI IPO valuation	Price band- lower end	Price band- upper end
Consolidated EPS (Rs) (FY24)	74.6	74.6
IPO price	1,865	1,960
P/E (x)	25.0	26.3
Discount to MSIL P/E (%)	14.4	10.1

Sources: NSE, RHP, ACMIIL Research

Financial Statements (Consolidated)

Income Statement

YE March (Rs mn)	FY22	FY23	FY24
Net Sales	4,73,784	6,03,076	6,98,291
<i>Growth (%)</i>	15.6	27.3	15.8
RM cost	3,58,049	4,49,827	5,15,389
Employee cost	16,476	17,662	19,755
Other expenses	44,398	60,099	71,821
Total expenses	4,18,923	5,27,588	6,06,964
EBITDA	54,861	75,488	91,326
<i>Growth (%)</i>	29.2	37.6	21.0
<i>EBITDA margin (%)</i>	11.6	12.5	13.1
Depreciation	21,696	21,899	22,079
EBIT	33,165	53,589	69,247
<i>EBIT margin (%)</i>	7.0	8.9	9.9
Other income	5,876	11,291	14,733
Interest expense	1,319	1,424	1,581
PBT before exceptional items	37,722	63,456	82,399
Exceptional items	0	0	0
PBT	37,722	63,456	82,399
Tax	8,706	16,363	21,798
<i>Effective tax rate</i>	23.1	25.8	26.5
Rep. PAT	29,016	47,093	60,600
<i>Rep. PAT Growth (%)</i>	54.2	62.3	28.7
<i>Rep. PAT (%)</i>	6.1	7.8	8.7

Source: RHP, ACMIIL Research

Cash Flow

YE March (Rs mn)	FY22	FY23	FY24
Profit for the period	29,016	47,093	60,600
Add: Tax expense	8,706	16,363	21,798
Add: Depreciation	21,696	21,899	22,079
Add: Net Interest Inome/Expense	(2,975)	(7,424)	(10,382)
Other adjustments	(695)	(798)	(728)
Chg in working cap	3,303	9,838	22,149
Tax	(7,668)	(21,328)	(22,998)
Net Operating Cash flow	51,384	65,643	92,520
Capex	(12,650)	(22,610)	(32,462)
Free Cash Flow	38,734	43,033	60,057
Investments	114	117	144
Interest/ dividend income	3,482	8,378	8,451
Investing Cash flow	(9,053)	(14,116)	(1,00,905)
Equity share capital			
Changes in debt	(2,799)	(529)	(4,648)
Dividend paid	(13,594)	(14,935)	(1,54,358)
Interest paid	(228)	(329)	(294)
Financing Cash flow	(16,620)	(15,792)	(1,59,301)
Opening cash position	1,15,676	1,41,388	1,77,411
Net chg in cash	25,711	35,734	-1,67,686
Exchange rate fluctuation	1	289	7
Closing cash position	1,41,388	1,77,411	9,732

Source: RHP, ACMIIL Research

Balance Sheet

YE March (Rs mn)	FY22	FY23	FY24
Property, plant and equipment	62,291	57,656	67,136
Capital work-in-progress	5,291	13,366	6,528
Right-of-use assets	663	578	6,183
Intangible assets	3,759	3,270	2,825
Intangible assets under development	0	0	0
Financial Assets			
Other financial assets	494	517	624
Deferred tax assets (net)	6,157	8,266	9,478
Non-current tax assets (net)	2,082	6,147	6,886
Other non-current assets	2,047	2,313	2,591
Total non-current assets	82,782	92,114	1,02,252
Current assets			
Inventories	28,811	34,224	33,156
Financial assets			
Trade receivables	21,824	28,972	25,100
Cash and cash equivalents	1,41,388	1,77,411	9,732
Bank balance other than above	0	0	80,441
Loans	155	659	0
Other financial assets	3,005	4,540	3,439
Other current assets	5,615	7,813	9,371
Total current assets	2,00,798	2,53,620	1,61,240
Total assets	2,83,581	3,45,733	2,63,492
Equity share capital	8,125	8,125	8,125
Reserves and surplus	1,60,437	1,92,423	98,531
Total Equity	1,68,563	2,00,548	1,06,657
Financial liabilities			
Borrowings	7,667	7,066	6,228
Lease liabilities	307	267	558
Provisions	7,743	8,038	8,467
Other non-current liabilities	7,378	9,760	11,611
Total non-current liabilities	23,096	25,130	26,864
Financial liabilities			
Borrowings	3,733	4,520	1,451
Lease liabilities	69	40	96
Trade payables			
Total outstanding dues of micro enterprises and small enterprises ; and	1,275	1,537	2,158
Total outstanding dues of creditors other than micro enterprises and small enterprises	52,779	72,871	72,772
Other financial liabilities	4,263	8,067	5,760
Other current liabilities	23,789	25,342	39,328
Provisions	4,027	4,539	4,528
Current tax liabilities (net)	1,986	3,138	3,879
Total current liabilities	91,922	1,20,055	1,29,972
Total liabilities	1,15,018	1,45,185	1,56,836
Total equity and liabilities	2,83,581	3,45,733	2,63,492

Source: RHP

Explanation of Investment Rating

Investment Rating	Expected return (over 12-month)
BUY	$\geq 15\%$
SELL	$< -10\%$
HOLD	$> -10\%$ to 15%

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