



TM

Consumer Electricals

30 September 2022

SECTOR UPDATE

Industry Consumer Electricals

Coverage universe

Company	Rating	TP (Rs)	Upside (%)
Bajaj Electricals	HOLD	1,244	4
Crompton	HOLD	426	3
Finolex Cables	BUY	573	22
Havells	HOLD	1,396	4
KEI Industries	HOLD	1,576	9
Orient Electric	HOLD	289	5
Polycab	HOLD	2,592	1
V-Guard	HOLD	234	(4)

Source: Systematix Institutional Research

A likely soft 2QFY23; channel hopes for strong festive demand

We expect a soft 2QFY23 for the consumer electricals (CE) sector owing to weak consumer sentiment due to commodity inflation and likely economic slowdown. However, leading players filled enough channel inventory in the latter part of the quarter, anticipating strong festive demand (with more channel filling likely in October, prior to Diwali). But margins may remain weak and broadly stable QoQ as we expect moderate demand and inadequate price hikes to offset the benefits from lower key RM prices. Companies continue to focus on growth over margins (with uptick likely in 2H, per management commentaries). Overall, we estimate 9%/2%/-4% YoY growth in revenue/EBITDA/PAT, with 13%/15%/12% 3-year CAGR, led by Havells, Orient and Crompton, respectively, within our coverage universe.

Outlook and view: Moderate growth and near fair valuations would keep stocks prices in our coverage universe under check. Amid the challenging circumstances, we continue to prefer companies with strong brands and distribution networks, expanding product portfolios and improving balance sheets. Companies in the Cables & Wires (C&W) space have displayed better pricing power and protected their operating margins even during a volatile copper price scenario versus other categories in the CE industry. **At the prevailing prices, KEI (TP: Rs 1,576), Bajaj Electricals (TP: Rs 1,244) and Finolex Cables (TP: Rs 573) are our preferred picks.**

Key trends and highlights for 2QFY23

- **Consumer sentiment remains weak:** Rise in product prices, following commodity inflation and expected economic slowdown, continue to weaken consumer sentiment, resulting in subdued demand across product categories. However, anticipating strong festive demand, leading companies filled sufficient channel inventory in the latter part of the quarter, and are likely to stack more in October, prior to Diwali.
- **Margins to remain low in 2Q; uptick likely in 2H:** Margins could remain broadly stable QoQ, as moderate demand and inadequate price hikes offset the benefits of reduced key RM prices. Companies continue to focus on growth over margins (with uptick likely in 2H, per management commentaries).
- **Electric consumer durables (ECD):** High inflation continued to hurt 2Q demand (up 8% YoY, led by price hikes, flattish QoQ) across product categories. The impact on the mid-low segment remained high, with the demand for premium and innovative products continuing to surge. We gather, leading companies have stacked up channel inventory in September, anticipating strong festive demand in lighting and home-and-kitchen appliances. We expect Havells (up 17%), Polycab (up 24%), V-Guard (up 21%) and Bajaj Electricals (up 15%) to lead the pack (15% average for peers) on a 3-year ECD revenue CAGR basis.
- **Cables & Wires:** A 11% YoY and 16% QoQ decline in copper price on a 3-month average rolling basis could restrict companies' revenues, despite healthy demand from the housing and infrastructure sectors. Leading companies, especially KEI, have managed their margins well in the past, given its strict inventory management policy. Channel inventory still hovers below normal level, per our channel checks, owing to regular fall in copper prices. We estimate highest YoY revenue growth for KEI (15% vs. 5% avg. for peers) in the category, with slightly moderate EBITDA margin QoQ. All leading companies will likely report ~12% CAGR over 3 years.

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Exhibit 1: Company-wise quarterly estimates

(Rs mn)	2QFY20	2QFY21	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23E	YoY (%)	QoQ (%)	Over 2QFY20 (3-year CAGR)
Coverage (8 companies)										
Revenue	96,436	97,231	1,26,985	1,39,305	1,60,514	1,42,711	1,38,674	9	(3)	13
EBITDA	9,785	13,704	14,663	15,218	17,722	13,660	14,917	2	9	15
EBITDA margin (%)	10.1	14.1	11.5	10.9	11.0	9.6	10.8			
PAT	7,179	9,932	10,490	10,839	13,707	9,274	10,111	(4)	9	12
Bajaj Electricals										
Revenue	10,957	12,177	13,020	13,198	13,343	12,291	13,376	3	9	7
ECD + Lighting	7,015	7,922	10,351	10,802	10,377	9,729	10,760	4	11	15
EPC	3,938	4,253	2,667	2,396	2,965	2,561	2,613	(2)	2	(13)
EBITDA	239	1,048	944	921	631	748	833	(12)	11	52
EBITDA margin (%)	2.2	8.6	7.2	7.0	4.7	6.1	6.2			
PAT	(325)	532	628	482	394	430	567	(10)	32	na
Crompton Consumer										
Revenue	10,758	12,132	13,851	14,106	15,479	18,629	17,353	25	(7)	17
ECD	7,881	9,317	10,964	10,993	12,309	13,472	11,841	8	(12)	15
Lighting	2,877	2,815	2,887	3,113	3,170	2,623	2,961	3	13	1
Butterfly Products	2,414	2,888	4,031	2,585	1,898	2,535	2,550	(37)	1	2
EBITDA	1,293	1,913	2,141	2,015	2,288	2,199	2,315	8	5	21
EBITDA margin (%)	12.0	15.8	15.5	14.3	14.8	11.8	13.3			
PAT	1,109	1,417	1,588	1,483	1,766	1,260	1,436	(10)	14	9
Finolex Cables										
Revenue	7,158	6,394	9,330	9,730	11,869	10,157	10,014	7	(1)	12
Electrical wires	5,882	5,387	7,838	8,264	10,255	8,265	8,230	5	(0)	12
Communication cables	1,057	710	969	920	1,033	1,336	1,212	25	(9)	5
ECD + Lighting	162	241	475	496	517	503	523	10	4	48
EBITDA	970	914	1,196	1,185	1,201	1,191	1,217	2	2	8
EBITDA margin (%)	13.6	14.3	12.8	12.2	10.1	11.7	12.2			
PAT	1,268	1,024	1,448	1,430	2,245	1,196	1,136	(22)	(5)	(4)
Havells										
Revenue	22,303	24,518	32,210	36,523	44,171	42,301	35,490	10	(16)	17
ECD + Lighting	12,293	13,867	17,358	19,807	19,698	19,535	19,716	14	1	17
Cables & Wires	8,213	7,847	11,440	12,058	14,881	11,929	11,440	-	(4)	12
Lloyd	1,797	2,804	3,413	4,657	9,592	10,837	4,334	27	(60)	34
EBITDA	2,350	4,207	4,436	4,403	5,205	3,614	4,051	(9)	12	20
EBITDA margin (%)	10.5	17.2	13.8	12.1	11.8	8.5	11.4			
PAT	1,805	3,249	3,016	3,059	3,530	2,424	2,754	(9)	14	15
KEI										
Revenue	12,302	10,369	13,534	15,638	17,917	15,654	15,372	14	(2)	8
Cables & Wires	9,980	8,670	12,280	14,260	16,430	14,170	14,080	15	(1)	12
Stainless steel wires	303	330	520	650	610	610	572	10	(6)	24
EPC	2,010	1,330	920	930	1,090	840	920	0	10	(23)
EBITDA	1,222	1,181	1,462	1,568	1,719	1,596	1,478	1	(7)	7
EBITDA margin (%)	9.9	11.4	10.8	10.0	9.6	10.2	9.6			
PAT	762	680	920	1,012	1,159	1,038	942	2	(9)	7
Orient Electric										
Revenue	4,347	4,338	5,944	6,784	7,533	6,216	6,115	3	(2)	12
ECD	2,832	3,044	4,198	4,813	5,741	4,453	4,282	2	(4)	15
Lighting & Switchgear	1,514	1,294	1,746	1,971	1,792	1,763	1,833	5	4	7
EBITDA	218	578	619	665	807	382	550	(11)	44	36
EBITDA margin (%)	5.0	13.3	10.4	9.8	10.7	6.1	9.0			
PAT	49	324	348	381	488	190	288	(17)	52	81

(Rs mn)	2QFY20	2QFY21	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23E	YoY (%)	QoQ (%)	Over 2QFY20 (3-year CAGR)
Polycab										
Revenue	22,419	21,137	30,066	33,720	39,700	27,366	31,746	6	16	12
Cables & Wires	19,222	18,268	26,281	29,988	35,400	24,057	27,626	5	15	13
ECD + Lighting	1,956	2,440	3,429	3,404	3,792	3,082	3,772	10	22	24
EPC	1,638	709	950	989	1,044	999	998	5	(0)	(15)
EBITDA	2,717	3,125	2,930	3,617	4,763	3,111	3,704	26	19	11
EBITDA margin (%)	12.1	14.8	9.7	10.7	12.0	11.4	11.7			
PAT	1,938	2,205	1,952	2,467	3,222	2,198	2,494	28	13	9
V-Guard										
Revenue	6,193	6,167	9,030	9,607	10,503	10,096	9,206	2	(9)	14
Electronics (stabiliser, inverter etc.)	1,676	1,710	2,092	1,999	2,471	3,034	2,196	5	(28)	9
Electricals (wires, switchgears etc.)	2,768	2,823	4,144	4,225	5,073	4,072	3,937	(5)	(3)	12
ECD + Lighting	1,750	1,634	2,794	3,384	2,959	2,991	3,074	10	3	21
EBITDA	776	739	936	844	1,108	819	769	(18)	(6)	(0)
EBITDA margin (%)	12.5	12.0	10.4	8.8	10.6	8.1	8.4			
PAT	573	500	591	525	906	540	494	(16)	(8)	(5)

Source: Company, Systematix Institutional Research; **Note:** For Crompton, Butterfly acquisition is effective from 1QFY23. Earlier quarter number are for comparison purpose

Exhibit 2: Cables & Wires – Revenue

(Rs mn)	2QFY20	2QFY21	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23E	YoY (%)	QoQ (%)	Over 2QFY20 (3-year CAGR)
Finolex Cables	5,882	5,387	7,838	8,264	10,255	8,265	8,230	5	(0)	12
Havells	8,213	7,847	11,440	12,058	14,881	11,929	11,440	0	(4)	12
KEI	9,980	8,670	12,280	14,260	16,430	14,170	14,080	15	(1)	12
Polycab	19,222	18,268	26,281	29,988	35,400	24,057	27,626	5	15	13
V-Guard	2,768	2,823	4,144	4,225	5,073	4,072	3,937	(5)	(3)	12
Total	46,065	42,995	61,982	68,795	82,039	62,493	65,313	5	5	12

Source: Company, Systematix Institutional Research

Exhibit 3: ECD + Lighting – Revenue

(Rs mn)	2QFY20	2QFY21	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23E	YoY (%)	QoQ (%)	Over 2QFY20 (3-year CAGR)
Bajaj Electricals	7,015	7,922	10,351	10,802	10,377	9,729	10,760	4	11	15
Crompton Consumer	10,758	12,132	13,851	14,106	15,479	16,094	14,803	7	(8)	11
Finolex Cables	162	241	475	496	517	503	523	10	4	48
Havells	12,293	13,867	17,358	19,807	19,698	19,535	19,716	14	1	17
Orient Electric	4,347	4,338	5,944	6,784	7,533	6,216	6,115	3	(2)	12
Polycab	1,956	2,440	3,429	3,404	3,792	3,082	3,772	10	22	24
V-Guard	1,750	1,634	2,794	3,384	2,959	2,991	3,074	10	3	21
Total	38,280	42,572	54,202	58,782	60,355	58,150	58,763	8	1	15

Source: Company, Systematix Institutional Research

Exhibit 4: Systematix vs. Bloomberg estimates

(Rs mn)	Systematix		Bloomberg		Variance (%)	
	FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Bajaj Electricals						
Total Income	54,072	60,594	54,893	63,113	(1)	(4)
EBITDA	3,934	5,775	3,854	5,357	2	8
EBITDA margin (%)	7.3	9.5	7.0	8.5		
PAT	2,645	4,305	2,754	3,951	(4)	9
EPS (Rs)	23.0	37.5	24.0	34.1	(4)	10
Crompton Consumer						
Total Income	73,630	84,047	72,345	82,310	2	2
EBITDA	9,671	12,114	9,694	11,571	(0)	5
EBITDA margin (%)	13.1	14.4	13.4	14.1		
PAT	5,954	7,708	6,372	7,925	(7)	(3)
EPS (Rs)	9.4	12.2	10.2	12.5	(8)	(3)
Finolex Cables						
Total Income	42,798	48,254	42,958	48,511	(0)	(1)
EBITDA	5,380	6,430	5,207	6,186	3	4
EBITDA margin (%)	12.6	13.3	12.1	12.8		
PAT	4,904	5,727	4,734	5,486	4	4
EPS (Rs)	32.1	37.4	31.0	36.1	3	4
Havells						
Total Income	1,61,791	1,80,194	1,60,781	1,83,873	1	(2)
EBITDA	17,969	22,958	19,530	24,241	(8)	(5)
EBITDA margin (%)	11.1	12.7	12.1	13.2		
PAT	12,274	15,898	13,409	16,839	(8)	(6)
EPS (Rs)	19.6	25.4	21.5	26.9	(9)	(6)
KEI						
Total Income	65,430	73,212	66,960	78,896	(2)	(7)
EBITDA	6,766	7,644	7,065	8,683	(4)	(12)
EBITDA margin (%)	10.3	10.4	10.6	11.0		
PAT	4,373	5,072	4,610	5,750	(5)	(12)
EPS (Rs)	48.5	56.3	51.8	64.9	(6)	(13)
Orient Electric						
Total Income	26,963	30,199	28,133	31,915	(4)	(5)
EBITDA	2,413	3,038	2,697	3,312	(11)	(8)
EBITDA margin (%)	8.9	10.1	9.6	10.4		
PAT	1,334	1,703	1,530	1,942	(13)	(12)
EPS (Rs)	6.3	8.0	7.2	9.2	(12)	(12)
Polycab						
Total Income	1,29,591	1,43,467	1,35,412	1,53,752	(4)	(7)
EBITDA	15,341	18,232	15,752	18,853	(3)	(3)
EBITDA margin (%)	11.8	12.7	11.6	12.3		
PAT	10,623	12,512	10,717	12,977	(1)	(4)
EPS (Rs)	71.1	83.7	71.7	86.9	(1)	(4)
V-Guard						
Total Income	39,059	44,087	40,198	45,460	(3)	(3)
EBITDA	3,699	4,548	3,863	4,648	(4)	(2)
EBITDA margin (%)	9.5	10.3	9.6	10.2		
PAT	2,423	2,983	2,581	3,153	(6)	(5)
EPS (Rs)	5.6	6.9	6.0	7.1	(7)	(3)

Source: Bloomberg, Systematix Institutional Research

Exhibit 5: Valuation Table – 1

	M-cap (Rs bn)	CMP 30-Sep	Reco	TP (Rs)	Upside (%)	T PE 24E (x)	1-yr fwd PE (5-yr)			P/E			RoIC (%)	
							Mean	+1 SD	-1 SD	FY22	FY23E	FY24E	FY22	FY24E
Bajaj Electricals	137	1,192	Hold	1,244	4	33	48	67	29	107	52	32	8	22
Crompton Consumer	261	412	Hold	426	3	35	35	43	27	45	44	34	26	19
Finolex Cables	72	469	Buy	573	22	15	15	21	9	12	15	13	19	15
Havells	843	1,346	Hold	1,396	4	55	51	62	40	70	69	53	28	32
KEI Industries	130	1,445	Hold	1,576	9	28	16	21	12	35	30	26	18	20
Orient Electric	58	274	Hold	289	5	36	43	51	34	42	51	34	41	39
Polycab	383	2,558	Hold	2,592	1	31	23	33	13	42	36	31	22	27
V-Guard	105	243	Hold	234	(4)	34	47	55	38	46	43	35	19	21

Source: BSE, Systematix Institutional Research

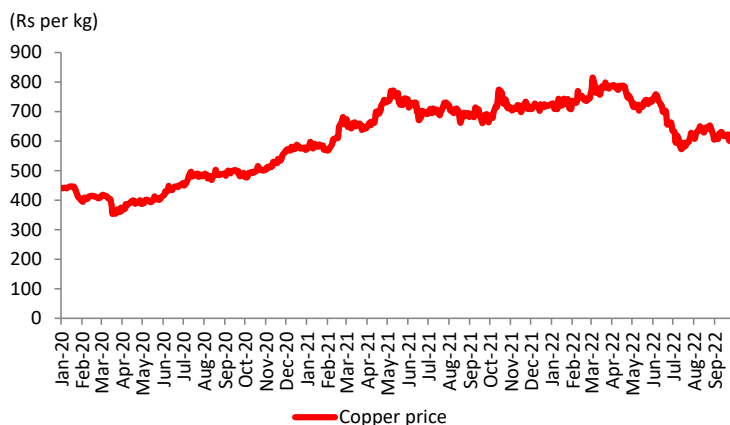
Exhibit 6: Valuation Table – 2

	EPS (Rs)			CAGR (%) (FY17-22)			CAGR (%) (FY22-24E)			RoE (%)		RoCE (%)		EV/EBITDA (x)	
	FY22	FY23E	FY24E	Rev	EBITDA	PAT	Rev	EBITDA	PAT	FY22	FY24E	FY22	FY24E	FY22	FY24E
Bajaj Electricals	11	23	37	2	1	5	12	52	83	7	18	13	27	54	23
Crompton Consumer	9	9	12	7	10	16	25	25	15	24	24	22	18	34	22
Finolex Cables	39	32	37	9	2	8	13	22	(2)	15	12	12	14	15	9
Havells	19	20	25	18	17	20	14	14	15	20	21	26	28	47	35
KEI Industries	42	49	56	17	17	32	13	14	16	18	17	24	23	22	17
Orient Electric	6	6	8	11	14	19	11	15	16	23	24	37	33	25	18
Polycab	61	71	84	17	21	31	8	20	17	16	17	21	25	29	20
V-Guard	5	6	7	11	10	10	12	16	14	16	16	22	23	31	22

Source: Systematix Institutional Research

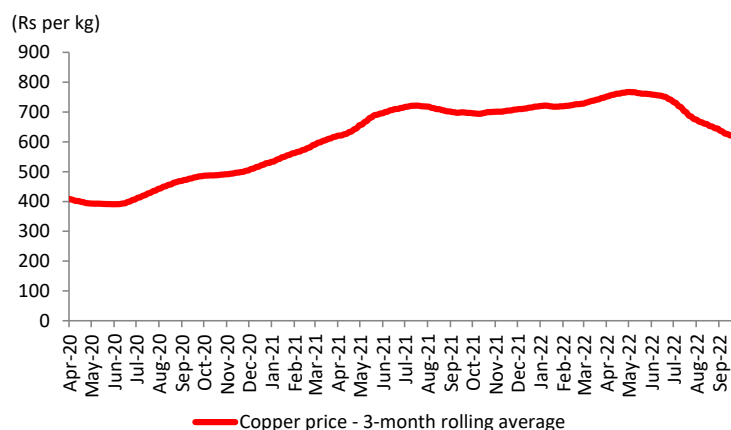
Commodity prices, currency movement

Exhibit 7: LME Copper price



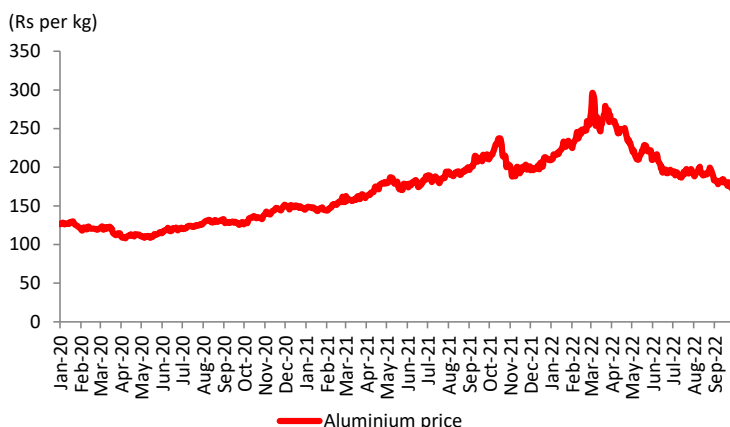
Source: Bloomberg

Exhibit 8: LME Copper price - 3-month rolling average



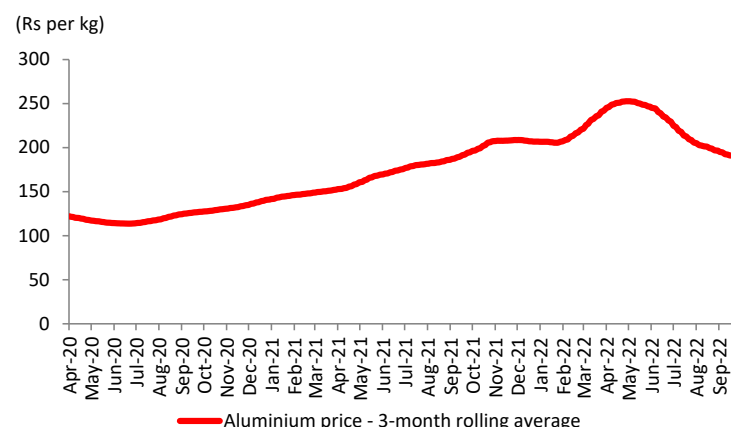
Source: Bloomberg

Exhibit 9: LME Aluminium price



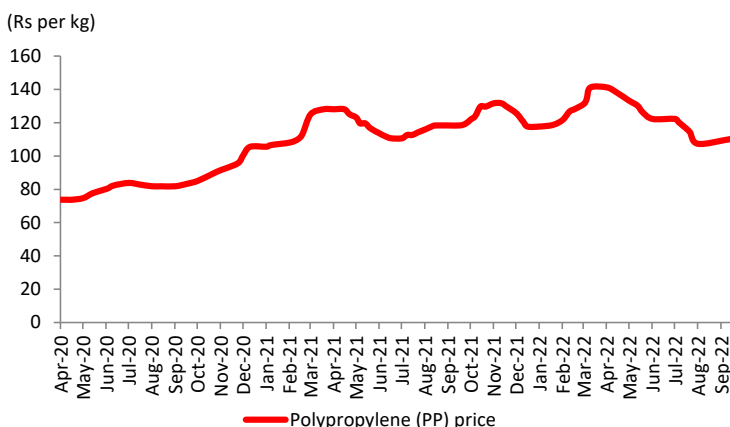
Source: Bloomberg

Exhibit 10: LME Aluminium price - 3-month rolling average



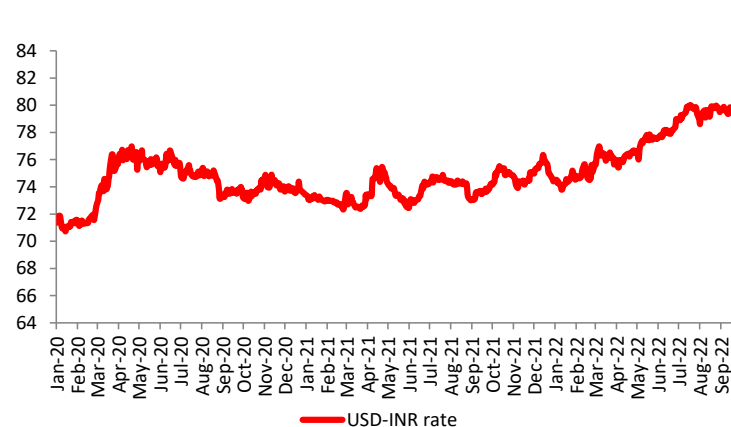
Source: Bloomberg

Exhibit 11: Polypropylene (PP) price



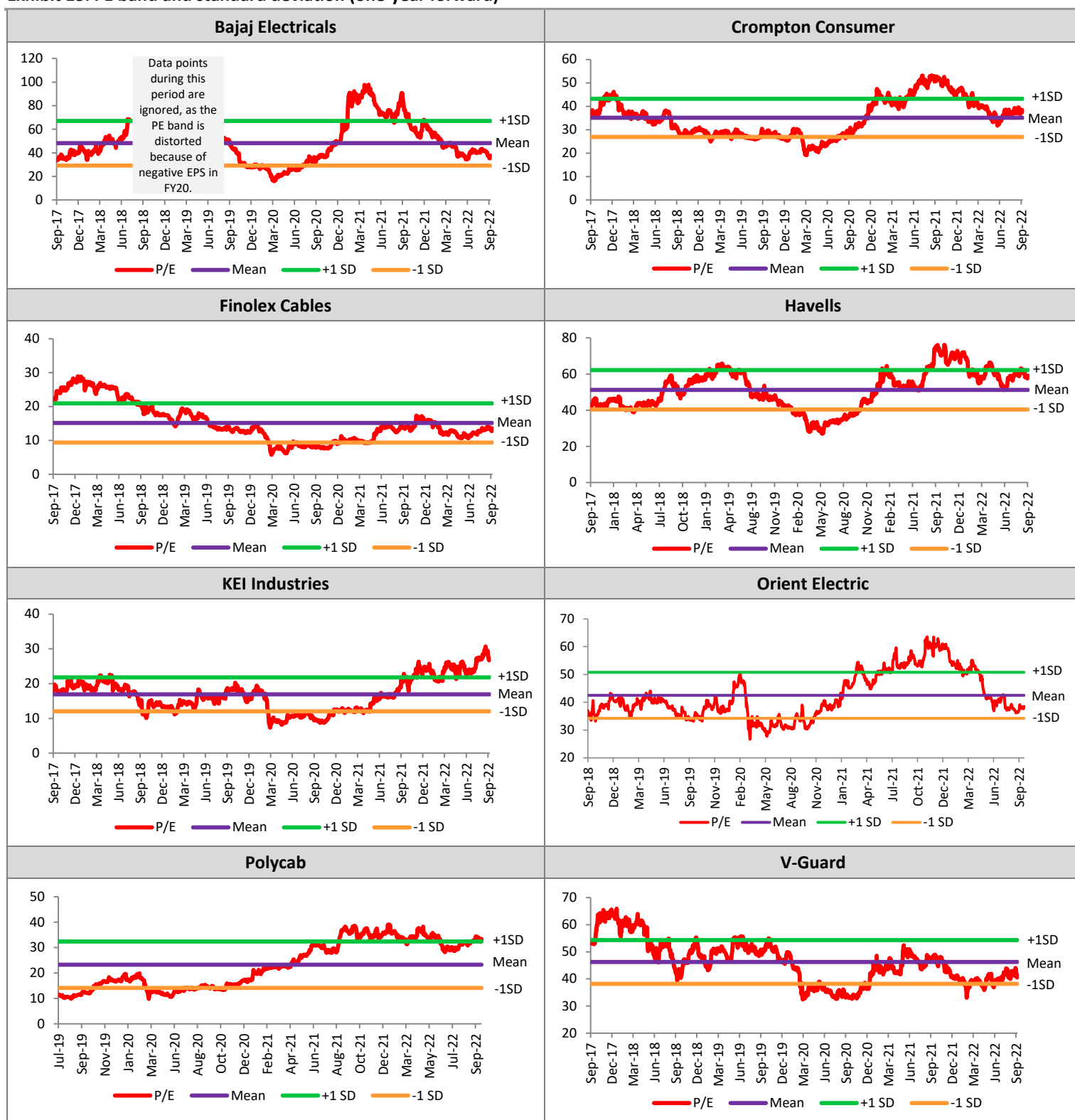
Source: Bloomberg

Exhibit 12: USD-INR rate



Source: Bloomberg

Exhibit 13: PE band and standard deviation (one-year forward)



Source: BSE, Systematix Institutional Research

BAJAJ ELECTRICALS (FINANCIALS)

Profit & Loss Statement

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Net revenues	49,872	45,846	48,130	54,072	60,594
Growth (%)	(25.3)	(8.1)	5.0	12.3	12.1
Raw material expenses	33,296	29,956	32,913	37,112	40,688
Gross Margin (%)	33.2	34.7	31.6	31.4	32.9
Employee & Other exp.	14,493	12,859	12,716	13,027	14,131
EBITDA	2,083	3,032	2,502	3,934	5,775
EBITDA margins (%)	4.2	6.6	5.2	7.3	9.5
Depreciation	737	752	692	742	802
Other income	462	692	683	713	867
Finance costs	1,708	764	697	408	257
PBT	100	2,463	1,663	3,497	5,582
Effective tax rate (%)	174.3	23.3	25.2	25.3	23.3
Associates/(Minorities)	(18)	16	41	33	26
Net Income	(93)	1,906	1,285	2,645	4,305
Adjusted net income	(93)	1,906	1,285	2,645	4,305
Shares outstanding	114	115	115	115	115
FDEPS (Rs)	(0.8)	16.6	11.2	23.0	37.5
FDEPS growth (%)	(105.9)	na	(32.6)	105.8	62.8

Source: Company, Systematix Institutional Research

Balance Sheet

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Share capital	228	229	230	230	230
Net worth	13,483	15,782	17,316	19,501	23,347
Total debt	8,250	5,026	756	756	756
Minority interest	-	-	(263)	(263)	(263)
DT Liability/ (Asset)	-	-	-	-	-
Capital Employed	21,733	20,808	17,808	19,993	23,839
Net tangible assets	4,260	3,670	4,263	4,221	4,219
Net Intangible assets	442	458	2,121	2,121	2,121
Goodwill	-	-	-	-	-
CWIP	94	100	282	277	272
Investments (Strategic)	-	-	-	-	-
Investments (Financial)	129	1,307	1,357	1,857	4,357
Current Assets	39,700	36,525	30,468	27,915	28,615
Cash	1,047	616	1,425	784	1,049
Current Liabilities	23,940	21,869	22,108	17,182	16,794
Working capital	15,760	14,656	8,360	10,733	11,822
Capital Deployed	21,733	20,808	17,808	19,993	23,839
Contingent Liabilities	3,510	2,977	-	-	-

Source: Company, Systematix Institutional Research

Cash Flow

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
EBIT (incl. other income)	1,485	2,707	2,248	3,530	5,303
Non-cash items	737	752	692	742	802
OCF before WC changes	2,222	3,459	2,940	4,271	6,105
Incr./ (decr.) in WC	(4,493)	(3,239)	(6,647)	2,573	1,289
Others including taxes	451	116	446	990	1,408
Operating cash-flow	6,264	6,582	9,141	708	3,409
Capex	310	403	756	695	795
Free cash-flow	5,954	6,179	8,385	13	2,614
Acquisitions	-	0	8	-	-
Dividend	432	-	-	459	459
Equity raised	3,482	105	143	-	-
Debt raised	(6,560)	(5,466)	(6,582)	-	-
Fin Investments	174	724	1	500	2,500
Misc. Items (CFI + CFF)	1,366	654	1,221	(305)	(610)
Net cash-flow	904	(560)	732	(641)	264

Source: Company, Systematix Institutional Research

Ratios @ Rs 1,192

YE: Mar	FY20	FY21	FY22	FY23E	FY24E
P/E (x)	(1,475.4)	71.8	106.5	51.8	31.8
EV/EBITDA (x)	69.1	46.2	53.9	34.3	22.9
EV/sales (x)	2.9	3.1	2.8	2.5	2.2
P/B (x)	10.2	8.7	7.9	7.0	5.9
RoE (%)	(0.7)	12.1	7.4	13.6	18.4
RoCE (%)	7.5	14.0	12.9	20.7	26.6
ROIC (%)	(0.4)	8.1	7.8	15.1	22.4
DPS (Rs per share)	2.0	-	3.0	4.0	4.0
Dividend yield (%)	0.2	-	0.3	0.3	0.3
Dividend payout (%)	(247.5)	-	26.8	17.4	10.7
Net debt/equity (x)	0.5	0.2	(0.1)	(0.1)	(0.2)
Receivables (days)	186	153	103	93	83
Inventory (days)	51	79	76	50	50
Payables (days)	67	76	94	60	60
CFO:PAT%		345	711	27	79

Source: Company, Systematix Institutional Research

CROMPTON (FINANCIALS)

Profit & Loss Statement

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Net revenues	45,203	48,035	53,941	73,630	84,047
Growth (%)	0.9	6.3	12.3	36.5	14.1
Raw material expenses	30,703	32,672	37,018	50,395	56,450
Gross Margin (%)	32.1	32.0	31.4	31.6	32.8
Employee & Other exp.	8,508	8,158	9,229	13,564	15,483
EBITDA	5,991	7,205	7,695	9,671	12,114
EBITDA margins (%)	13.3	15.0	14.3	13.1	14.4
Depreciation	268	297	423	1,120	1,406
Other income	591	758	727	254	290
Finance costs	407	429	353	701	588
PBT	5,907	7,236	7,515	8,040	10,409
Effective tax rate (%)	16.0	14.8	23.0	25.9	25.9
Associates/(Minorities)	-	-	-	-	-
Net Income	4,964	6,167	5,784	5,954	7,708
Adjusted net income	4,964	5,346	5,784	5,954	7,708
Shares outstanding	627	628	633	633	633
FDEPS (Rs per share)	7.8	9.7	9.1	9.4	12.2
FDEPS growth (%)	23.7	24.2	(6.2)	2.9	29.5

Source: Company, Systematix Institutional Research

Balance Sheet

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Share capital	1,255	1,255	1,267	1,267	1,267
Net worth	14,683	19,314	24,530	27,613	31,650
Total debt	1,797	5,027	16,517	21,517	21,517
Minority interest	-	-	7,825	7,825	7,825
DT Liability/ (Asset)	(507)	(586)	394	494	594
Capital Employed	15,974	23,755	49,265	57,448	61,585
Net tangible assets	1,251	1,328	4,756	4,636	13,229
Net Intangible assets	45	28	15,124	15,124	15,124
Goodwill	7,794	7,794	12,855	12,855	12,855
CWIP	199	109	130	110	90
Investments (Strategic)	-	-	-	-	-
Investments (Financial)	5,408	7,697	6,242	6,242	6,242
Current Assets	11,833	12,394	16,228	20,240	22,895
Cash	481	6,040	9,152	15,699	9,478
Current Liabilities	11,038	11,634	15,221	17,457	18,328
Working capital	796	760	1,007	2,783	4,568
Capital Deployed	15,974	23,755	49,265	57,448	61,585
Contingent Liabilities	1,381	1,782	1,922	-	-

Source: Company, Systematix Institutional Research

Cash Flow

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
EBIT (incl. other income)	6,008	7,136	7,604	8,387	10,607
Non-cash items	268	297	423	1,120	1,406
OCF before WC changes	6,276	7,433	8,027	9,507	12,014
Incr./(decr.) in WC	721	(1,445)	(1,005)	1,576	1,585
Others including taxes	1,446	575	1,798	2,086	2,701
Operating cash-flow	4,109	8,303	7,234	5,845	7,728
Capex	494	202	1,712	980	9,980
Free cash-flow	3,615	8,101	5,522	4,865	(2,252)
Acquisitions	-	-	14	-	-
Dividend	1,506	1,874	1,564	2,871	3,671
Equity raised	52	73	603	-	-
Debt raised	(3,000)	1,300	10,769	5,000	-
Fin Investments	(363)	5,027	15,893	-	-
Misc. Items (CFI + CFF)	454	189	359	447	298
Net cash-flow	(929)	2,384	(908)	6,547	(6,221)

Source: Company, Systematix Institutional Research

Ratios @ Rs 412

YE: Mar	FY20	FY21	FY22	FY23E	FY24E
P/E (x)	52.6	42.3	45.1	43.8	33.9
EV/EBITDA (x)	42.9	35.0	34.1	26.9	22.0
EV/sales (x)	5.7	5.3	4.9	3.5	3.2
P/B (x)	17.8	13.5	10.6	9.5	8.2
RoE (%)	33.8	31.9	23.6	21.6	24.4
RoCE (%)	42.3	38.6	21.9	16.5	18.5
ROIC (%)	58.0	61.3	25.8	17.0	18.9
DPS (Rs per share)	-	5.5	2.5	4.5	5.8
Dividend yield (%)	-	1.3	0.6	1.1	1.4
Dividend payout (%)	-	56.5	27.4	48.2	47.6
Net debt/equity (x)	(0.3)	(0.5)	0.0	(0.0)	0.1
Receivables (days)	37.4	35.0	41.6	40.0	40.0
Inventory (days)	37.4	39.4	48.8	45.0	45.0
Payables (days)	52.0	62.3	68.9	60.0	55.0
CFO:PAT%	82.8	155.3	125.1	98.2	100.3

Source: Company, Systematix Institutional Research

FINOLEX CABLES (FINANCIALS)

Profit & Loss Statement

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Net revenues	28,773	27,681	37,681	42,798	48,254
Growth (%)	(6.5)	(3.8)	36.1	13.6	12.7
Raw material expenses	20,834	20,514	29,663	33,314	37,078
Gross Margin (%)	27.6	25.9	21.3	22.2	23.2
Employee & Other exp.	4,105	3,465	3,734	4,104	4,747
EBITDA	3,834	3,702	4,285	5,380	6,430
EBITDA margins (%)	13.3	13.4	11.4	12.6	13.3
Depreciation	389	390	389	375	446
Other income	915	770	714	710	741
Finance costs	16	8	15	9	7
PBT	4,345	4,075	4,596	5,706	6,717
Effective tax rate (%)	27.9	41.6	40.8	34.5	33.0
Associates/(Minorities)	776	2,234	3,271	1,167	1,225
Net Income	3,910	4,615	5,991	4,904	5,729
Adjusted net income	3,910	4,615	5,991	4,904	5,729
Shares outstanding	153	153	153	153	153
FDEPS (Rs per share)	25.6	30.2	39.2	32.1	37.5
FDEPS growth (%)	(4.0)	18.0	29.8	(18.1)	16.8

Source: Company, Systematix Institutional Research

Cash Flow

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
EBIT (incl. other income)	3,802	3,484	4,167	5,365	6,402
Non-cash items	389	390	389	375	446
OCF before WC changes	4,191	3,873	4,555	5,740	6,848
Incr./(decr.) in WC	510	1,565	(1,520)	1,461	1,009
Others including taxes	593	1,165	1,345	1,512	1,757
Operating cash-flow	3,088	1,144	4,731	2,767	4,082
Capex	323	549	668	1,000	350
Free cash-flow	2,765	595	4,063	1,767	3,732
Acquisitions	-	-	-	-	-
Dividend	826	838	838	918	918
Equity raised	-	-	-	-	-
Debt raised	(24)	(17)	(16)	1	1
Fin Investments	(6,597)	1,829	1,832	1,000	3,500
Misc. Items (CFI + CFF)	416	6,225	1,299	(701)	(733)
Net cash-flow	8,096	(8,314)	78	551	49

Source: Company, Systematix Institutional Research

Balance Sheet

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Share capital	306	306	306	306	306
Net worth	30,037	34,145	39,221	43,207	48,018
Total debt	3	3	3	4	5
Minority interest	-	-	-	-	-
DT Liability/ (Asset)	1,460	2,042	2,617	2,567	2,517
Capital Employed	31,500	36,190	41,841	45,778	50,540
Net tangible assets	3,861	3,942	3,799	4,924	4,978
Net Intangible assets	5	2	3	3	3
Goodwill	-	-	-	-	-
CWIP	273	257	868	368	218
Investments (Strategic)	6,089	8,453	10,954	11,954	12,954
Investments (Financial)	5,120	7,259	9,189	9,189	11,689
Current Assets	9,382	18,407	19,748	21,998	23,649
Cash	9,339	537	379	931	980
Current Liabilities	2,568	2,666	3,099	3,588	3,931
Working capital	6,814	15,741	16,649	18,410	19,719
Capital Deployed	31,500	36,190	41,841	45,778	50,540
Contingent Liabilities	2,547	2,415	2,377	-	-

Source: Company, Systematix Institutional Research

Ratios @ Rs 469

YE: Mar	FY20	FY21	FY22	FY23E	FY24E
P/E (x)	18.3	15.5	12.0	14.6	12.5
EV/EBITDA (x)	14.9	17.3	14.5	11.5	9.2
EV/sales (x)	2.0	2.3	1.6	1.4	1.2
P/B (x)	2.4	2.1	1.8	1.7	1.5
RoE (%)	13.0	13.5	15.3	11.4	11.9
RoCE (%)	14.5	12.1	11.8	13.0	14.0
ROIC (%)	19.4	18.4	18.8	14.1	15.2
DPS (Rs per share)	5.5	5.5	6.0	6.0	6.0
Dividend yield (%)	1.2	1.2	1.3	1.3	1.3
Dividend payout (%)	21.5	18.2	15.3	18.7	16.0
Net debt/equity (x)	(0.5)	(0.2)	(0.2)	(0.2)	(0.3)
Receivables (days)	24	23	17	22	22
Inventory (days)	75	100	63	65	65
Payables (days)	20	23	18	20	20
CFO:PAT%	79	25	79	56	71

Source: Company, Systematix Institutional Research

HAVELLS (FINANCIALS)

Profit & Loss Statement

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Net revenues	94,403	1,04,573	1,39,385	1,61,791	1,80,194
Growth (%)	(6)	11	33	16	11
Raw material expenses	58,332	64,897	94,220	1,11,645	1,22,296
Gross Margin (%)	38.2	37.9	32.4	31.0	32.1
Employee & Other exp.	25,784	23,958	27,561	32,178	34,940
EBITDA	10,287	15,718	17,604	17,969	22,958
EBITDA margins (%)	10.9	15.0	12.6	11.1	12.7
Depreciation	2,180	2,489	2,609	2,895	3,215
Other income	1,134	1,874	1,604	1,939	2,155
Finance costs	197	727	534	522	539
PBT	9,044	14,376	16,066	16,491	21,360
Effective tax rate (%)	18.7	27.4	25.5	25.6	25.6
Associates/(Minorities)	-	-	-	-	-
Net Income	7,356	10,443	11,965	12,274	15,898
Adjusted net income	7,356	10,443	11,965	12,274	15,898
Shares outstanding	626	626	626	626	626
FDEPS (Rs per share)	11.7	16.7	19.1	19.6	25.4
FDEPS growth (%)	(6.6)	42.0	14.6	2.6	29.5

Source: Company, Systematix Institutional Research

Cash Flow

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
EBIT (incl. other income)	8,699	13,845	15,582	15,074	19,743
Non-cash items	2,180	2,489	2,609	2,895	3,215
OCF before WC changes	10,879	16,334	18,191	17,969	22,958
Incr./(decr.) in WC	198	7,700	(3,031)	1,884	1,439
Others including taxes	2,414	2,031	3,944	4,302	5,547
Operating cash-flow	8,267	6,603	17,278	11,783	15,973
Capex	3,609	2,499	2,583	7,000	5,000
Free cash-flow	4,658	4,104	14,695	4,783	10,973
Acquisitions	-	-	-	-	-
Dividend	6,413	1,878	4,071	5,637	6,889
Equity raised	242	98	312	-	-
Debt raised	(937)	4,137	(1,467)	(500)	(500)
Fin Investments	2,509	7,296	6,051	5,000	10,000
Misc. Items (CFI + CFF)	(590)	(1,704)	(795)	(1,322)	(1,521)
Net cash-flow	(4,369)	869	4,212	(5,031)	(4,895)

Source: Company, Systematix Institutional Research

Balance Sheet

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Share capital	626	626	626	626	626
Net worth	43,116	51,763	60,029	66,666	75,674
Total debt	-	4,922	3,955	3,455	2,955
Minority interest	-	-	-	-	-
DT Liability/ (Asset)	2,865	3,391	3,506	3,526	3,546
Capital Employed	45,981	60,076	67,490	73,647	82,176
Net tangible assets	19,602	19,106	20,603	24,908	26,892
Net Intangible assets	14,533	14,333	14,126	13,926	13,726
Goodwill	-	-	-	-	-
CWIP	828	863	568	568	568
Investments (Strategic)	-	-	-	-	-
Investments (Financial)	-	-	2,727	7,727	17,727
Current Assets	24,446	37,693	41,729	48,099	53,340
Cash	11,325	16,528	25,480	20,448	15,553
Current Liabilities	24,754	28,447	37,742	42,028	45,630
Working capital	(307)	9,247	3,987	6,071	7,710
Capital Deployed	45,981	60,076	67,490	73,647	82,176
Contingent Liabilities	846	710	820	-	-

Source: Company, Systematix Institutional Research

Ratios @ Rs 1,346

YE: Mar	FY20	FY21	FY22	FY23E	FY24E
P/E (x)	114.6	80.7	70.5	68.7	53.0
EV/EBITDA (x)	80.9	52.9	46.5	45.5	35.4
EV/sales (x)	8.8	8.0	5.9	5.1	4.5
P/B (x)	19.6	16.3	14.0	12.6	11.1
RoE (%)	17.1	20.2	19.9	18.4	21.0
RoCE (%)	20.2	28.5	26.0	24.1	28.1
ROIC (%)	21.9	26.7	28.0	27.2	31.9
DPS (Rs per share)	4.0	6.5	7.5	9.0	11.0
Dividend yield (%)	0.3	0.5	0.6	0.7	0.8
Dividend payout (%)	34.1	39.0	39.3	45.9	43.3
Net debt/equity (x)	(0.3)	(0.2)	(0.4)	(0.4)	(0.4)
Receivables (days)	9.7	19.8	20.1	18.0	18.0
Inventory (days)	72.4	91.4	77.7	80.0	80.0
Payables (days)	54.7	55.7	62.3	62.3	62.3
CFO:PAT%	112.4	63.2	144.4	96.0	100.5

Source: Company, Systematix Institutional Research

KEI INDUSTRIES (FINANCIALS)

Profit & Loss Statement

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Net revenues	48,878	41,815	57,266	65,430	73,212
Growth (%)	15.5	(14.4)	36.9	14.3	11.9
Raw material expenses	33,822	29,146	42,142	48,705	54,424
Gross Margin (%)	30.8	30.3	26.4	25.6	25.7
Employee & Other exp.	10,085	8,114	9,237	9,959	11,144
EBITDA	4,971	4,556	5,887	6,766	7,644
EBITDA margins (%)	10.2	10.9	10.3	10.3	10.4
Depreciation	567	578	555	567	675
Other income	167	201	146	95	313
Finance costs	1,292	573	404	414	462
PBT	3,279	3,605	5,075	5,880	6,819
Effective tax rate (%)	21.8	25.2	25.9	25.6	25.6
Associates/(Minorities)	-	-	-	-	-
Net Income	2,563	2,696	3,759	4,373	5,072
Adjusted net income	2,563	2,696	3,759	4,373	5,072
Shares outstanding	90	90	90	90	90
FDEPS (Rs)	28.4	29.9	41.7	48.5	56.3
FDEPS growth (%)	41.7	5.2	39.4	16.3	16.0

Source: Company, Systematix Institutional Research

Balance Sheet

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Share capital	179	180	180	180	180
Net worth	15,069	17,740	21,355	25,413	30,080
Total debt	3,813	3,293	3,520	3,410	3,300
Minority interest	(1)	(0)	(0)	(0)	(0)
DT Liability/ (Asset)	307	281	294	284	274
Capital Employed	19,188	21,313	25,170	29,108	33,655
Net tangible assets	5,507	5,353	5,288	6,721	8,046
Net Intangible assets	29	18	21	21	21
Goodwill	-	-	-	-	-
CWIP	112	71	165	265	365
Investments (Strategic)	-	-	-	-	-
Investments (Financial)	8	12	20	1,020	2,520
Current Assets	24,885	22,419	26,176	29,267	32,626
Cash	2,144	2,212	3,600	4,368	4,023
Current Liabilities	13,497	8,772	10,101	12,554	13,946
Working capital	11,388	13,646	16,075	16,713	18,680
Capital Deployed	19,188	21,313	25,170	29,108	33,655
Contingent Liabilities	13,455	11,926	-	-	-

Source: Company, Systematix Institutional Research

Cash Flow

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
EBIT (incl. other income)	4,615	4,285	5,533	6,189	6,958
Non-cash items	567	579	554	567	675
OCF before WC changes	5,182	4,864	6,088	6,756	7,634
Incr./(decr.) in WC	4,365	2,370	2,555	628	1,957
Others including taxes	947	955	1,247	1,504	1,745
Operating cash-flow	(130)	1,539	2,286	4,624	3,932
Capex	805	240	596	2,100	2,100
Free cash-flow	(935)	1,299	1,690	2,524	1,832
Acquisitions	-	-	-	-	-
Dividend	276	180	225	315	405
Equity raised	5,020	79	1	-	-
Debt raised	(2,333)	(567)	(190)	(110)	(110)
Fin Investments	(781)	(943)	9	1,000	1,500
Misc. Items (CFI + CFF)	1,283	567	(123)	331	162
Net cash-flow	974	1,007	1,389	768	(345)

Source: Company, Systematix Institutional Research

Ratios @ Rs 1,445

YE: Mar	FY20	FY21	FY22	FY23E	FY24E
P/E (x)	50.8	48.3	34.6	29.8	25.7
EV/EBITDA (x)	26.5	28.8	22.1	19.0	16.6
EV/sales (x)	2.7	3.1	2.3	2.0	1.7
P/B (x)	8.6	7.3	6.1	5.1	4.3
RoE (%)	17.0	15.2	17.6	17.2	16.9
RoCE (%)	27.4	20.6	23.6	23.2	23.2
ROIC (%)	17.5	14.9	18.5	19.3	19.9
DPS (Rs per share)	1.5	2.0	2.5	3.5	4.5
Dividend yield (%)	0.1	0.1	0.2	0.2	0.3
Dividend payout (%)	5.3	6.7	6.0	7.2	8.0
Net debt/equity (x)	0.1	0.1	(0.0)	(0.1)	(0.1)
Receivables (days)	102	118	89	90	90
Inventory (days)	64	67	69	65	65
Payables (days)	87	65	49	55	55
CFO:PAT%	(5)	57	61	106	78

Source: Company, Systematix Institutional Research

ORIENT ELECTRIC (FINANCIALS)

Profit & Loss Statement

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Net revenues	20,618	20,326	24,484	26,963	30,199
Growth (%)	10.6	-1.4	20.5	10.1	12.0
Raw material expenses	14,094	14,210	17,666	19,272	21,328
Gross Margin (%)	31.6	30.1	27.8	28.5	29.4
Employee & Other exp.	4,761	3,921	4,504	5,278	5,833
EBITDA	1,764	2,195	2,313	2,413	3,038
EBITDA margins (%)	8.6	10.8	9.4	8.9	10.1
Depreciation	401	432	471	518	633
Other income	41	63	58	97	77
Finance costs	261	207	203	202	198
PBT	1,143	1,619	1,698	1,791	2,283
Effective tax rate (%)	31.2	26.0	25.4	25.5	25.4
Associates/(Minorities)	-	-	-	-	-
Net Income	786	1,197	1,266	1,334	1,703
Adjusted net income	786	1,197	1,266	1,334	1,703
Shares outstanding	212	212	212	212	212
FDEPS (Rs)	3.7	5.6	6.0	6.3	8.0
FDEPS growth (%)	13.4	52.3	5.8	5.4	27.6

Source: Company, Systematix Institutional Research

Cash Flow

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
EBIT (incl. other income)	1,796	2,044	2,057	1,895	2,404
Non-cash items	401	432	471	518	633
OCF before WC changes	2,197	2,475	2,527	2,413	3,038
Incr./(decr.) in WC	577	(2,172)	1,969	(739)	236
Others including taxes	328	375	445	467	590
Operating cash-flow	1,292	4,273	114	2,685	2,212
Capex	526	359	427	1,202	1,202
Free cash-flow	766	3,914	(313)	1,483	1,010
Acquisitions	-	-	-	-	-
Dividend	294	265	424	637	743
Equity raised	-	-	-	-	-
Debt raised	(476)	(961)	(168)	500	500
Fin Investments	(5)	(1)	(4)	500	500
Misc. Items (CFI + CFF)	245	1,358	(1,001)	104	121
Net cash-flow	(245)	1,330	99	742	146

Source: Company, Systematix Institutional Research

Balance Sheet

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Share capital	212	212	212	212	212
Net worth	3,594	4,557	5,413	6,111	7,071
Total debt	947	153	147	647	1,147
Minority interest	-	-	-	-	-
DT Liability/ (Asset)	-	-	-	-	-
Capital Employed	4,541	4,709	5,560	6,758	8,219
Net tangible assets	1,838	1,716	1,900	2,573	3,129
Net Intangible assets	131	230	234	244	254
Goodwill	-	-	-	-	-
CWIP	35	26	15	17	19
Investments (Strategic)	-	-	-	-	-
Investments (Financial)	-	-	-	500	1,000
Current Assets	7,527	7,076	8,219	7,478	8,305
Cash	75	2,576	1,505	2,247	2,393
Current Liabilities	5,064	6,914	6,313	6,301	6,883
Working capital	2,463	162	1,905	1,177	1,423
Capital Deployed	4,541	4,709	5,560	6,758	8,219
Contingent Liabilities	165	178	178	-	-

Source: Company, Systematix Institutional Research

Ratios @ Rs 274

YE: Mar	FY20	FY21	FY22	FY23E	FY24E
P/E (x)	74.0	48.6	45.9	43.6	34.1
EV/EBITDA (x)	33.5	25.4	24.5	23.2	18.4
EV/sales (x)	2.9	2.7	2.3	2.1	1.9
P/B (x)	16.2	12.8	10.7	9.5	8.2
RoE (%)	21.9	26.3	23.4	21.8	24.1
RoCE (%)	31.7	39.5	37.0	32.3	33.1
ROIC (%)	18.6	36.3	40.9	33.1	38.5
DPS (Rs per share)	1.2	2.0	2.0	3.0	3.5
Dividend yield (%)	0.4	0.7	0.7	1.1	1.3
Dividend payout (%)	31	35	34	48	44
Net debt/equity (x)	0.2	(0.5)	(0.3)	(0.3)	(0.3)
Receivables (days)	69	69	62	45	45
Inventory (days)	51	45	49	45	45
Payables (days)	59	93	67	60	60
CFO:PAT%	164	357	9	201	130

Source: Company, Systematix Institutional Research

POLYCAB (FINANCIALS)

Profit & Loss Statement

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Net revenues	88,300	87,922	1,22,038	1,29,591	1,43,467
Growth (%)	10.6	(0.4)	38.8	6.2	10.7
Raw material expenses	63,686	65,171	94,657	98,352	1,08,352
Gross Margin (%)	27.9	25.9	22.4	24.1	24.5
Employee & Other exp.	13,263	11,639	14,729	15,898	16,883
EBITDA	11,350	11,111	12,652	15,341	18,232
EBITDA margins (%)	12.9	12.6	10.4	11.8	12.7
Depreciation	1,609	1,762	2,015	2,057	2,331
Other income	928	1,193	899	1,223	1,283
Finance costs	495	427	352	384	399
PBT	10,174	10,116	11,184	14,123	16,785
Effective tax rate (%)	24.0	16.8	24.2	24.2	25.0
Associates/(Minorities)	(140)	(33)	(113)	(77)	(77)
Net Income	7,591	8,821	9,086	10,623	12,512
Adjusted net income	7,591	8,821	9,086	10,623	12,512
Shares outstanding	149	149	149	149	149
FDEPS (Rs)	51.0	59.2	60.8	71.1	83.7
FDEPS growth (%)	44.1	16.0	2.8	16.9	17.8

Source: Company, Systematix Institutional Research

Cash Flow

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
EBIT (incl. other income)	10,071	10,467	11,342	13,184	15,802
Non-cash items	1,609	1,866	2,088	2,057	2,331
OCF before WC changes	11,680	12,333	13,430	15,241	18,132
Incr./ (decr.) in WC	6,221	(2,600)	4,974	(295)	622
Others including taxes	3,015	2,408	3,340	3,526	4,299
Operating cash-flow	2,443	12,525	5,115	12,011	13,211
Capex	2,901	1,870	5,265	2,735	2,800
Free cash-flow	(458)	10,655	(150)	9,276	10,411
Acquisitions	-	-	-	-	-
Dividend	1,793	-	1,492	2,690	3,288
Equity raised	4,000	-	-	-	-
Debt raised	(1,194)	(1,217)	(168)	-	-
Fin Investments	(33)	8,351	(769)	4,000	6,000
Misc. Items (CFI + CFF)	657	431	121	(880)	(927)
Net cash-flow	(69)	656	(1,161)	3,466	2,050

Source: Company, Systematix Institutional Research

Balance Sheet

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Share capital	1,489	1,491	1,494	1,494	1,494
Net worth	38,364	47,539	55,437	63,371	72,595
Total debt	1,221	2,487	831	831	831
Minority interest	150	188	251	276	303
DT Liability/ (Asset)	175	418	272	262	252
Capital Employed	39,910	50,633	56,791	64,740	73,981
Net tangible assets	14,203	18,602	16,522	17,395	18,059
Net Intangible assets	17	94	230	235	240
Goodwill	-	-	-	-	-
CWIP	2,412	991	3,755	3,555	3,355
Investments (Strategic)	255	118	93	93	93
Investments (Financial)	400	6,231	7,641	11,641	17,641
Current Assets	39,516	38,798	41,809	42,737	45,214
Cash	2,813	5,313	4,071	7,537	9,587
Current Liabilities	19,706	19,514	17,328	18,451	20,206
Working capital	19,810	19,284	24,481	24,286	25,008
Capital Deployed	39,910	50,633	56,791	64,740	73,981
Contingent Liabilities	3,477	1,594	2,564	-	-

Source: Company, Systematix Institutional Research

Ratios @ Rs 2,558

YE: Mar	FY20	FY21	FY22	FY23E	FY24E
P/E (x)	50.2	43.2	42.1	36.0	30.6
EV/EBITDA (x)	33.5	33.6	29.4	23.7	19.5
EV/sales (x)	4.3	4.2	3.0	2.8	2.5
P/B (x)	10.0	8.0	6.9	6.0	5.3
RoE (%)	19.8	18.6	16.4	16.8	17.2
RoCE (%)	30.2	23.3	21.5	23.9	24.8
ROIC (%)	23.6	23.3	21.6	23.4	27.1
DPS (Rs per share)	7.0	10.0	14.0	18.0	22.0
Dividend yield (%)	0.3	0.4	0.5	0.7	0.9
Dividend payout (%)	13.7	16.9	23.0	25.3	26.3
Net debt/equity (x)	(0.1)	(0.2)	(0.2)	(0.3)	(0.4)
Receivables (days)	66.1	64.9	41.2	39.2	37.2
Inventory (days)	79.6	82.5	65.8	63.8	61.8
Payables (days)	56.0	56.0	36.4	36.4	36.4
CFO:PAT%	32.2	142.0	56.3	113.1	105.6

Source: Company, Systematix Institutional Research

V-GUARD (FINANCIALS)

Profit & Loss Statement

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Net revenues	25,029	27,212	34,982	39,059	44,087
Growth (%)	(3.5)	8.7	28.6	11.7	12.9
Raw material expenses	16,618	18,525	24,139	26,514	29,642
Gross Margin (%)	33.6	31.9	31.0	32.1	32.8
Employee & Other exp.	5,832	5,566	7,461	8,846	9,897
EBITDA	2,580	3,121	3,382	3,699	4,548
EBITDA margins (%)	10.3	11.5	9.7	9.5	10.3
Depreciation	294	386	491	539	600
Other income	251	207	128	169	136
Finance costs	42	61	79	66	70
PBT	2,496	2,881	2,940	3,262	4,014
Effective tax rate (%)	24.6	29.9	22.3	25.5	25.5
Associates/(Minorities)	-	-	-	-	-
Net Income	1,871	2,008	2,277	2,423	2,983
Adjusted net income	1,871	2,008	2,277	2,423	2,983
Shares outstanding	428	430	432	432	432
FDEPS (Rs)	4.3	4.7	5.3	5.6	6.9
FDEPS growth (%)	11.9	7.3	13.4	6.4	23.1

Source: Company, Systematix Institutional Research

Balance Sheet

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Share capital	428	430	432	432	432
Net worth	9,955	12,113	14,070	15,845	18,095
Total debt	500	676	662	562	462
Minority interest	36	47	55	65	75
DT Liability/ (Asset)	-	-	-	-	-
Capital Employed	10,490	12,836	14,786	16,472	18,631
Net tangible assets	2,746	3,576	4,505	5,305	6,105
Net Intangible assets	96	129	200	200	200
Goodwill	-	-	-	-	-
CWIP	669	185	92	42	(8)
Investments (Strategic)	3	3	3	3	3
Investments (Financial)	360	334	334	1,334	2,334
Current Assets	9,560	11,711	15,220	14,774	15,974
Cash	1,116	2,812	613	1,595	1,624
Current Liabilities	4,059	5,914	6,180	6,781	7,600
Working capital	5,502	5,797	9,040	7,993	8,374
Capital Deployed	10,490	12,836	14,786	16,472	18,631
Contingent Liabilities	2,242	2,996	3,334	-	-

Source: Company, Systematix Institutional Research

Cash Flow

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
EBIT (incl. other income)	2,423	2,985	3,205	3,163	3,951
Non-cash items	294	386	491	539	600
OCF before WC changes	2,717	3,372	3,696	3,702	4,552
Incr./(decr.) in WC	522	413	3,195	(1,097)	330
Others including taxes	788	737	888	883	1,074
Operating cash-flow	1,407	2,222	(387)	3,916	3,147
Capex	850	648	1,246	1,289	1,350
Free cash-flow	557	1,574	(1,633)	2,627	1,797
Acquisitions	-	-	-	-	-
Dividend	875	1	516	647	734
Equity raised	22	46	46	-	-
Debt raised	(30)	(52)	(84)	(100)	(100)
Fin Investments	393	(919)	(14)	1,000	1,000
Misc. Items (CFI + CFF)	(100)	(88)	26	(103)	(66)
Net cash-flow	(619)	2,573	(2,200)	983	29

Source: Company, Systematix Institutional Research

Ratios @ Rs 243

YE: Mar	FY20	FY21	FY22	FY23E	FY24E
P/E (x)	56.0	52.2	46.1	43.3	35.2
EV/EBITDA (x)	40.3	32.8	30.9	27.7	22.3
EV/sales (x)	4.2	3.8	3.0	2.6	2.3
P/B (x)	10.5	8.7	7.5	6.6	5.8
RoE (%)	18.8	16.6	16.2	15.3	16.5
RoCE (%)	25.7	25.2	21.9	21.3	23.3
ROIC (%)	22.6	21.1	18.8	17.5	21.1
DPS (Rs per share)	0.9	1.2	1.3	1.5	1.7
Dividend yield (%)	0.4	0.5	0.5	0.6	0.7
Dividend payout (%)	20.8	25.8	24.6	26.7	24.6
Net debt/equity (x)	(0.1)	(0.2)	(0.0)	(0.1)	(0.2)
Receivables (days)	47.3	52.1	50.5	50.0	50.0
Inventory (days)	69.8	84.7	89.7	70.0	65.0
Payables (days)	44.5	63.7	50.9	50.0	50.0
CFO:PAT%	75.2	110.6	(17.0)	161.6	105.5

Source: Company, Systematix Institutional Research

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