

## CIE Automotive

Estimate change	
TP change	
Rating change	

	CIEINDIA IN
Equity Shares (m)	379
M.Cap.(INRb)/(USDb)	179.4 / 2.2
52-Week Range (INR)	580 / 332
1, 6, 12 Rel. Per (%)	-6/-17/-4
12M Avg Val (INR M)	499

### Financials & Valuations (INR b)

INR b	CY23	CY24E	CY25E
Sales	92.8	101.0	111.2
EBITDA (%)	15.3	15.9	16.4
Adj. PAT	8.0	9.7	11.3
EPS (INR)	21.1	25.6	29.9
EPS Growth (%)	16.8	21.4	16.8
BV/Share (Rs)	158	179	203
<b>Ratio</b>			
RoE (%)	14.4	15.2	15.7
RoCE (%)	13.0	13.7	14.7
Payout (%)	23.8	16.7	16.7
<b>Valuations</b>			
P/E (x)	22.4	18.5	15.8
P/BV (x)	3.0	2.6	2.3
Div. Yield (%)	1.1	0.9	1.1
FCF Yield (%)	4.9	3.0	4.8

### Shareholding pattern (%)

As On	Dec-23	Sep-23	Dec-22
Promoter	65.7	65.7	75.0
DII	16.0	15.4	7.5
FII	5.6	6.6	7.3
Others	12.7	12.0	10.3

FII Includes depository receipts

**CMP: INR473**

**TP: INR540 (+14%)**

**Buy**

### Weak growth across geographies dent performance

#### EU light-vehicle production to decline ~3% YoY in CY24E

- CIEINDIA reported a muted performance in 4QCY23 due to lower-than-estimated growth in both India and EU. The demand outlook for EU remains weak as the production of light-vehicles is expected to decline ~3% YoY in CY24, along with an anticipation of muted growth in Metalcastello for the next few quarters.
- We cut our CY24E/CY25E EPS by 4%/3% to factor in weakness in the underlying markets. Reiterate BUY with a TP of INR540 (based on ~18x CY25E consol. EPS).

#### Margins below est. both in India and EU

- 4QCY23 consol. revenue remained flat YoY at ~INR22.4b (vs. est. INR24.6b), due to weaker growth in both geographies. India grew 6% YoY (vs. est. growth of 11%), while EU declined 11% YoY (vs. est. flat growth YoY). EBITDA stood at ~INR3.3b (vs. est. INR3.8b), up 12% YoY. EBITDA margins stood at 14.6% (vs. est. 15.5%). Adj. PAT stood at INR1.8b (vs. est. INR2.2b), up 6% YoY. CY23 consol. revenue/EBITDA/PAT grew 6%/21%/17% YoY.
- **India business performance:** Revenue grew 6% YoY to ~INR14.8b (vs. est. ~INR16b). India EBITDA margin stood at 14.7% (vs. est. 15.9%). India business growth was largely in line with the underlying weighted average industry growth of 4%.
- **EU business performance:** Revenue declined 11% YoY to ~INR7.6b (vs. est. ~INR8.6b). 4QCY22 had higher other operating revenues accounted for energy cost compensation. EBITDA margins stood at 14.5% (vs. est. 15.6%). Market slowdown in EU operations and off-highway market drop in the US impacted the Metalcastello performance.
- The company declared a final dividend of INR5/share for CY23 (vs. INR2.5/share for CY22).
- FCFF for CY23 stood at INR8.7b (vs. INR6.75b in CY22) due to improved cash flow operations at INR13.8b (vs. INR11.2b in CY22). Capex stood at INR5.1b (vs. INR4.4b in CY22).

#### Highlights from the management commentary

- **India revenue growth was largely in line with the weighted average underlying industry growth.** 4Q growth was affected by delay in many EV projects by the customers and a softness in the India EV market. However, the company has maintained its guidance to outperform the underlying weighted average industry growth by 5%.
- **Export contribution from India stood at 14% (vs. 11% in CY22).** These orders are new opportunities mostly for steel castings and gears.
- **EU outlook challenging:** EU light-vehicle market is expected to remain stagnant for the next 4-5 years. Light-vehicle production would decline ~3% YoY in CY24. The pace of electrification in EU is also expected to slow down (12% electrification in light-vehicle market in CY23).

- Metalcastello- Revenue declined 6% YoY in CY23 due to weakness in the US off-highway market. With the upcoming elections in the US at the end of CY24 and a slowdown in infrastructure projects, Metalcastello growth is expected to remain muted for the next 2-3 quarters.

### Valuation and view

- CIEINDIA's growth story is on track, driven by its organic initiatives (new products and customers in the India business). Moreover, cost-cutting measures in both India and the EU and a recovery in domestic 2W demand will drive margin expansion going forward. However, the company is seeing a temporary slowdown due to weakness in the underlying light-vehicle market in EU and US off-highway markets.
- We believe CIEINDIA's focus on profitability and increasing contribution of EVs in the overall business through execution of new orders can drive a re-rating. The stock trades at 18.5x/15.8x CY24E/CY25E consolidated EPS. Reiterate BUY with a TP of INR540 (premised on ~18x CY25E consol. EPS).

Quarterly performance (Consol.)											(INR Million)
(INR m)	CY22				CY23				CY22	CY23	
Y/E December	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE
<b>Net Sales</b>	<b>20,608</b>	<b>22,160</b>	<b>22,294</b>	<b>22,468</b>	<b>24,402</b>	<b>23,203</b>	<b>22,794</b>	<b>22,404</b>	<b>87,530</b>	<b>92,803</b>	<b>24,570</b>
YoY Change (%)	-5.9	8.5	6.6	34.6	18.4	4.7	2.2	-0.3	29.4	6.0	9.4
<b>EBITDA</b>	<b>2,804</b>	<b>3,058</b>	<b>2,934</b>	<b>2,924</b>	<b>3,806</b>	<b>3,704</b>	<b>3,454</b>	<b>3,274</b>	<b>11,720</b>	<b>14,239</b>	<b>3,797</b>
Margins (%)	13.6	13.8	13.2	13.0	15.6	16.0	15.2	14.6	13.4	15.3	15.5
Depreciation	717	747	731	767	825	833	783	781	2,962	3,222	822
Interest	40	-1	109	79	240	221	310	303	227	1,074	250
Other Income	107	98	134	244	160	195	200	265	583	820	226
Share of profit from associates	4	11	3	4	3	-3	-2	-3	22	-5	9
<b>PBT before EO expense</b>	<b>2,155</b>	<b>2,409</b>	<b>2,229</b>	<b>2,321</b>	<b>2,901</b>	<b>2,846</b>	<b>2,561</b>	<b>2,455</b>	<b>9,114</b>	<b>10,763</b>	<b>2,952</b>
EO Exp/(Inc)	0	0	0	-379	0	0	0	0	-379	0	0
<b>PBT after EO exp</b>	<b>2,155</b>	<b>2,409</b>	<b>2,229</b>	<b>2,700</b>	<b>2,901</b>	<b>2,846</b>	<b>2,561</b>	<b>2,455</b>	<b>9,492</b>	<b>10,763</b>	<b>2,952</b>
Tax Rate (%)	23.9	23.8	24.9	28.0	24.2	24.9	27.0	27.8	25.3	25.8	25.4
<b>Adj. PAT</b>	<b>1,643</b>	<b>1,847</b>	<b>1,676</b>	<b>1,664</b>	<b>2,203</b>	<b>2,136</b>	<b>1,867</b>	<b>1,770</b>	<b>6,829</b>	<b>7,976</b>	<b>2,212</b>
YoY Change (%)	7.7	35.6	12.4	96.5	34.1	15.7	11.4	6.4	69.3	16.8	32.9
<b>Revenues</b>											
India	12,811	13,778	15,311	13,977	14,449	14,348	15,354	14,833	55,862	58,985	15,956
Growth (%)	15	47	34	23	13	4	0	6	29	6	14.2
EU	7,768	8,315	7,094	8,491	9,954	8,855	7,440	7,570	31,668	33,819	8,599
Growth (%)	-28	-25	-25	51	28	6	5	-11	26	7	1.3
<b>EBITDA Margins</b>											
India	13.4	13.3	13.4	16.9	15.0	14.8	15.1	14.7	14.3	14.9	15.9
EU	14.0	14.7	12.3	11.0	16.4	17.8	15.3	14.5	13.0	16.1	15.6

E: MOFSL Estimates



## Key takeaways from the management interaction

### India

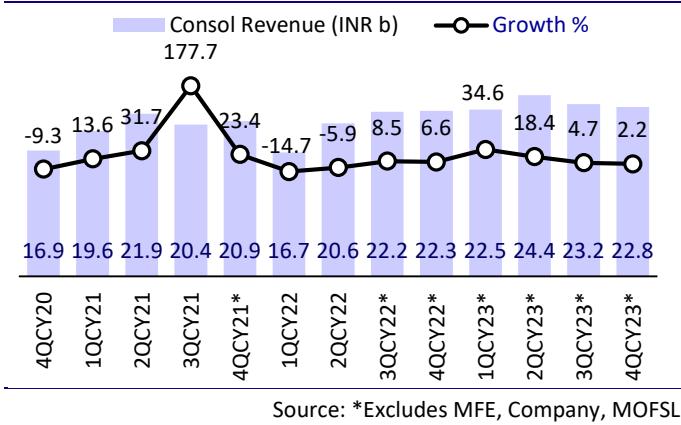
- **4Q revenue grew 4% YoY, largely in line with the weighted average underlying industry growth.** Revenue growth was limited as many EV projects in EU are being delayed by the customers and there has been a softness in the India EV market. There has also been a delay in the ramp-up of orders from CIE Hosur and Alu verticals. Revenue growth was also capped by a decline in steel prices, which would be passed on to customers.
- **Stamping business from M&M declined in CY23:** Due to the transition to new models of Scorpio and Bolero, there has been a decline in stamping business from M&M. Despite this, the company would be setting up a new press line for stampings as it is seeing business from M&M stabilizing in CY24.
- **Export contribution from India stood at 14% (vs. 11% in CY22).** The company has received new export orders for steel castings and gears and is seeing good traction from customers. However, the company is currently facing logistics-related challenges due to the Red Sea crisis.

### Europe

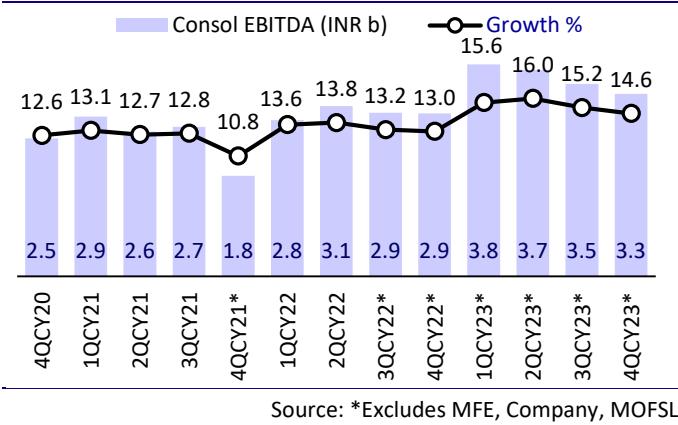
- **Industry outlook:** EU light-vehicle market is expected to remain stagnant for the next 4-5 years. Light-vehicle production would decline ~3% in CY24. The pace of electrification in EU is also expected to slow down (12% electrification in light-vehicle market in CY23).
- **4Q and CY23 performance:** EU 4Q revenue declined 11% YoY despite 7% YoY growth in the underlying industry. Adjusting for other operating income in 4QCY22, which was higher due to energy cost compensation, revenue remained flat YoY. For CY23, CIE forgings (75% contribution) grew 16% YoY, while Metalcastello (25% contribution) declined 6% YoY, taking overall EU revenue growth to 10% YoY.
- **Metalcastello:** Revenue declined 6% YoY in CY23 due to a weakness in the US off-highway market. Infrastructure projects are seeing a marked slowdown due to the upcoming elections in the US at the end of CY24; hence, Metalcastello growth is expected to remain muted for the next 2-3 quarters.
- **Alu forgings:** The company has won a new order in steel forgings business from a CV customer for battery packs.

### Others

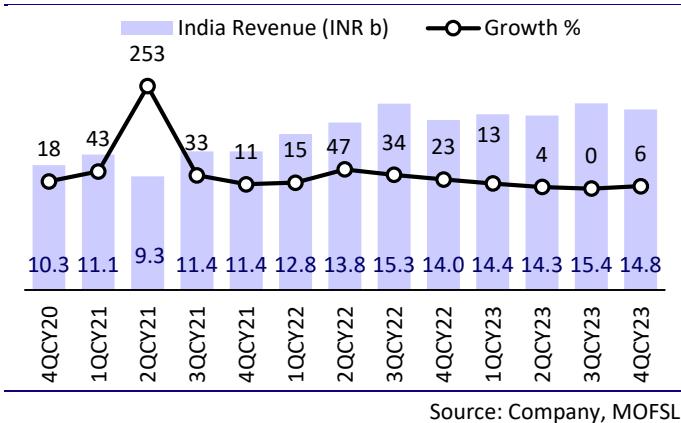
- **Net cash of INR8.2b:** The cash balance of EUR45m in CIE Galfor would be used to clear the debt in Mexico (USD50m), post which the cash balance in EU would be negligible. The remaining cash in India could be used for inorganic growth opportunities at an opportune time.
- **EV orders:** Currently 73%/51%/15% of orders in EU forging business/Metalcastello/India business are for EVs.
- **Sunroof business:** It is not under the listed entity and owned directly by the parent (acquired in CY19). It has one manufacturing plant in Pune through the parent entity.

**Exhibit 1: Trend in consolidated revenue**

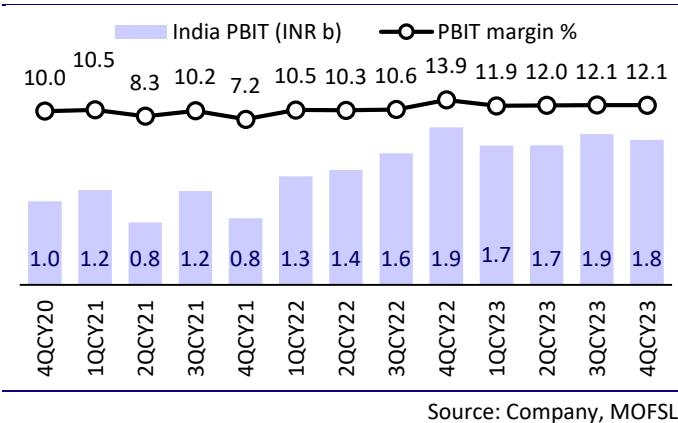
Source: \*Excludes MFE, Company, MOFSL

**Exhibit 2: Trend in consolidated EBITDA**

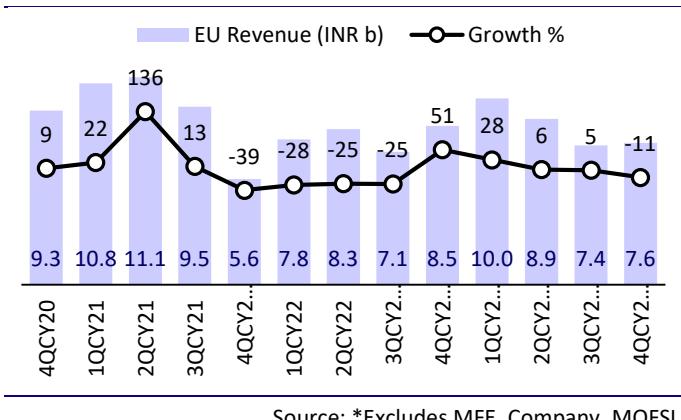
Source: \*Excludes MFE, Company, MOFSL

**Exhibit 3: Trend in India revenue**

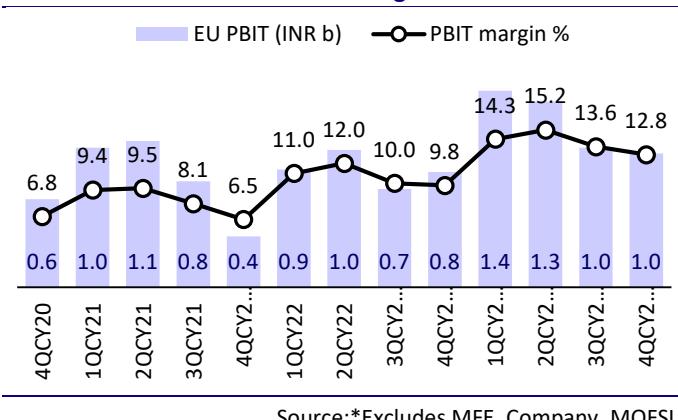
Source: Company, MOFSL

**Exhibit 4: Trend in India PBIT margin**

Source: Company, MOFSL

**Exhibit 5: Trend in the EU revenue**

Source: \*Excludes MFE, Company, MOFSL

**Exhibit 6: Trend in the EU PBIT margin**

Source: \*Excludes MFE, Company, MOFSL

**Valuation and view**

- India a growth driver; focus is on consolidating operations in the EU:** CIEIndia has been diversifying its India revenue and rationalizing costs in both India and EU businesses. India is expected to be the key growth driver, led by: a) value-added products (machined castings, higher grade magnets, complex gears, etc.); b) exports; and c) new products and customers. We expect margin expansion to be driven by an improvement in the mix, optimization of product process location, and operating leverage. Since CIEIndia has achieved its 15% EBITDA margin target in India, it aspires for 18-20% (at which its parent operates). Considering the lack of growth in the EU business, the focus is on: a) rationalizing the German business

portfolio to improve margin, b) matching costs with revenue in a cyclical market to retain margin in the Italy business, and c) maintaining margin in Spain and Lithuania.

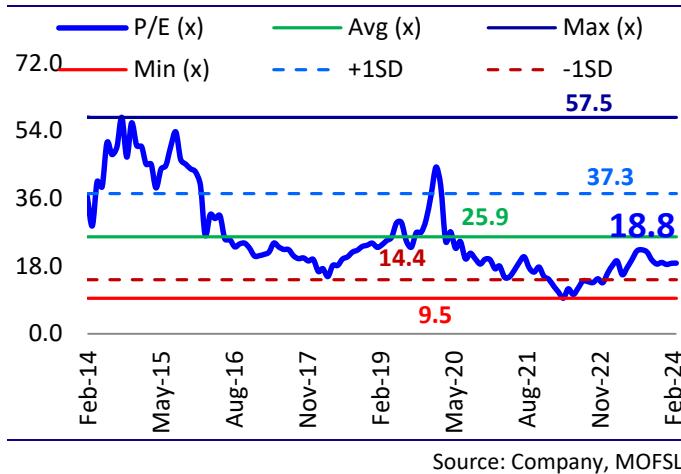
- **Strong, focused, and a disciplined parent:** CIE is a focused global player in auto components, with diversified technologies and multi-location offerings. It has demonstrated its ability to achieve inorganic profitable growth across geographies, while delivering value-accretive growth, by adhering to a strict financial discipline. CIEIndia benefits from CIE's expertise in driving operational improvements and is working toward achieving the latter's financial objectives.
- **Set for growth in the post-consolidation phase:** Over the last three-to-four years since acquiring MACA, CIE embarked on restructuring and consolidating all operations under the former. With Phase I of the consolidation largely complete, CIEIndia is now focusing on growth in Phase II. In the India business, it is targeting both organic and inorganic growth. In the Europe business, it will invest selectively for growth purposes. CIEIndia is CIE's vehicle for expansion in Southeast Asia and for sourcing forging technologies worldwide.
- **Financial discipline key to its M&A-led strategy:** M&A has been an integral tool for MACA in achieving its strategic objectives and growth. For MACA, M&A will be the key driver: a) to fill gaps in areas of strategic technologies – aluminum and plastics; b) for access to key players in the India PV segment (Maruti, Hyundai, etc.); and c) for entry into ASEAN markets. CIE has displayed a strict acquisition discipline, with a criteria of less than 3x EV/EBITDA over three years, and targets a minimum RoI of ~20%.
- **Maintain BUY with a TP of INR540:** CIEIndia's growth story is on track, led by its organic initiatives (new products/customers) and M&A focus. Under CIE's parentage, CIEIndia has been able to improve its efficiencies, cut costs, and improve profitability. However, it is seeing a temporary slowdown due to a weakness in the underlying light-weight vehicle market in EU and US off-highway markets. Accordingly, we cut CY24E/CY25E EPS by 4%/3%. The stock trades at 18.5x/15.8x CY24E/CY25E consolidated EPS. Reiterate BUY with a TP of INR540 (based on ~18x CY25E consol. EPS).

#### Exhibit 7: Our revised estimates

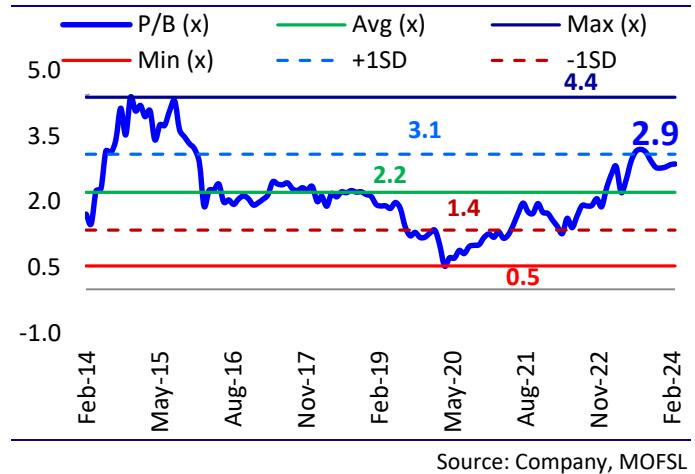
(INR M)	CY24E			CY25E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	1,01,012	1,04,508	(3.3)	1,11,249	1,14,635	(3.0)
EBITDA	16,016	16,849	(4.9)	18,216	19,079	(4.5)
EBITDA margin %	15.9	16.1	-30bp	16.4	16.6	-30bp
Adj. PAT	9,681	10,035	(3.5)	11,305	11,624	(2.7)
EPS	25.6	26.5	(3.5)	29.9	30.7	(2.7)

Source: MOFSL

## Exhibit 8: P/E and P/B ratio charts



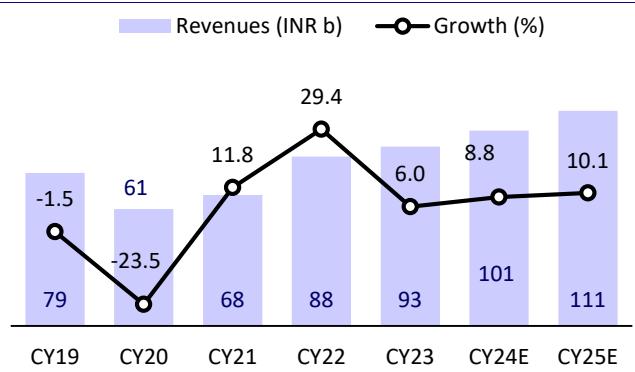
Source: Company, MOFSL



Source: Company, MOFSL

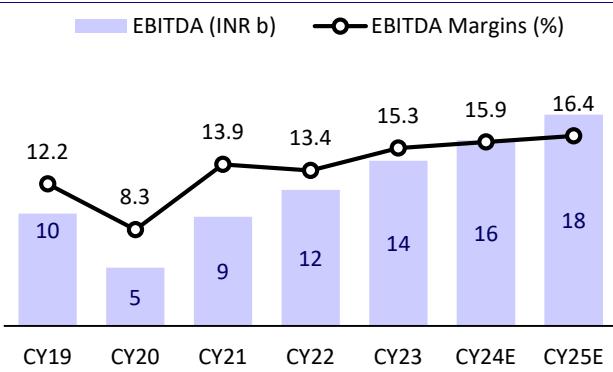
## Key operating indicators

**Exhibit 9: Expect consolidated revenue to recover**



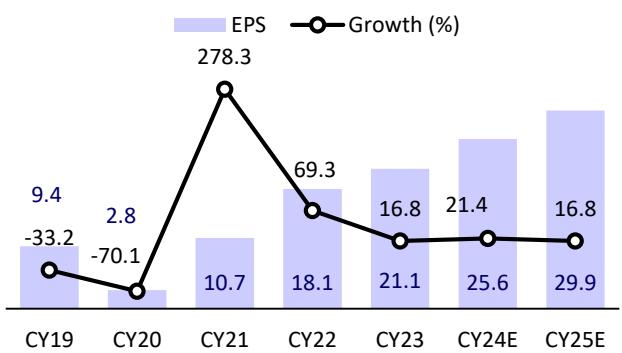
Source: Company, MOFSL

**Exhibit 10: Expect EBITDA margin trajectory to improve.**



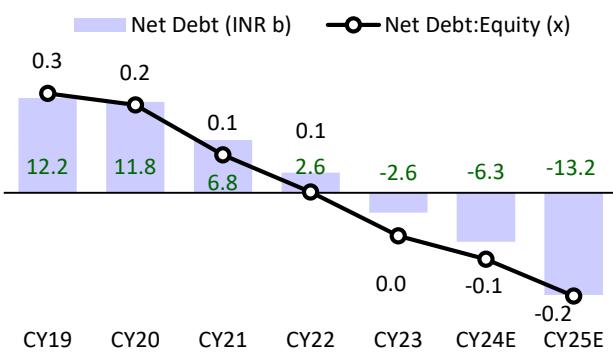
Source: Company, MOFSL

**Exhibit 11: EPS and EPS growth**



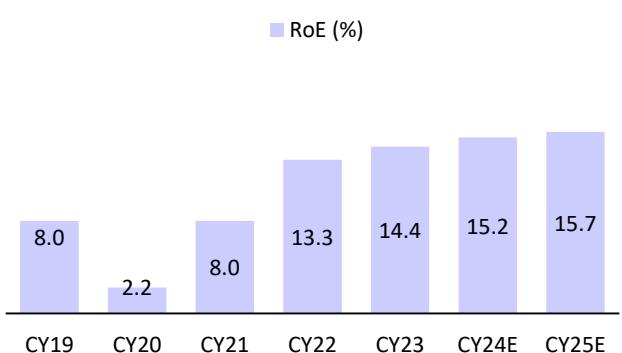
Source: Company, MOFSL

**Exhibit 12: Turned net cash positive from CY23**



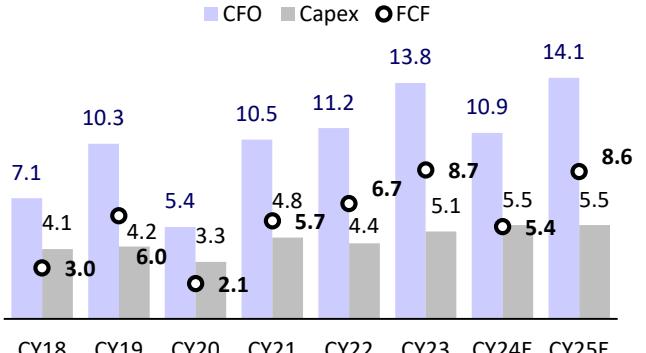
Source: Company, MOFSL

**Exhibit 13: Expect RoE to continue to improve**



Source: Company, MOFSL

**Exhibit 14: FCF to remain at healthy levels**



Source: Company, MOFSL

**Exhibit 15: Key operating metrics**

INR m	CY19	CY20	CY21	CY22	CY23E	CY24E	CY25E
<b>Revenues</b>							
<b>Forgings</b>	<b>50,892</b>	<b>38,119</b>	<b>49,639</b>	<b>64,345</b>	<b>72,568</b>	<b>77,417</b>	<b>59,250</b>
Growth (%)	-10	-25	30	30	13	7	-23
India (ex BFL)	4,265	2,911	4,988	7,745	8,983	9,881	10,869
Growth (%)	-20	-32	71	55	16	10	10
BFL	8,776	6,898	9,238	12,553	13,432	15,044	17,150
Growth (%)	0	-21	34	36	7	12	14
MFE Europe	17,889	13,291	16,488	19,491	21,891	23,229	0
Growth (%)	-16	-26	24	18	12	6	-100
CIE Europe	19,962	15,019	18,925	24,557	28,263	29,263	31,232
Growth (%)	-4	-25	26	30	15	4	7
<b>Gears</b>	<b>7,893</b>	<b>5,128</b>	<b>8,326</b>	<b>9,830</b>	<b>9,740</b>	<b>10,032</b>	<b>11,136</b>
Growth (%)	0	-35	62	18	-1	3	11
India	2,240	1,717	2,836	3,230	3,539	3,964	4,360
Growth (%)	-4	-23	65	14	10	12	10
Metalcastello	5,653	3,411	5,490	6,600	6,201	6,069	6,776
Growth (%)	1	-40	61	20	-6	-2	12
Stampings	8,410	5,265	8,980	12,859	11,797	12,977	14,274
Growth (%)	-17	-37	71	43	-8	10	10
Castings	4,237	3,152	5,021	6,527	6,488	7,267	7,994
Growth (%)	-20	-26	59	30	-1	12	10
Composites	1,069	746	1,227	1,722	2,359	2,643	2,960
Growth (%)	-2	-30	64	40	37	12	12
Magnets	1,068	984	1,342	1,613	1,770	2,000	2,300
Growth (%)	-12	-8	36	20	10	13	15
Aluminum (AEL)	6,385	7,265	9,636	10,060	11,066	12,283	13,634
Growth (%)	14	33	4	10	11	11	11
<b>Total Consol Revenues</b>	<b>79,078</b>	<b>60,501</b>	<b>67,652</b>	<b>87,530</b>	<b>92,803</b>	<b>1,01,012</b>	<b>1,11,249</b>
Growth (%)	-2	-23	12	29	6	9	10
EBITDA Margins	<b>12.2</b>	<b>8.3</b>	<b>13.9</b>	<b>13.4</b>	<b>15.3</b>	<b>15.9</b>	<b>16.4</b>
EBIT Margins	<b>8.2</b>	<b>3.2</b>	<b>9.9</b>	<b>10.0</b>	<b>11.9</b>	<b>12.4</b>	<b>13.0</b>
Adj. EPS (INR/Sh)	<b>9.4</b>	<b>2.8</b>	<b>10.7</b>	<b>18.1</b>	<b>21.1</b>	<b>25.6</b>	<b>29.9</b>
Growth (%)	-33	-70	278	69	17	21	17

Source: Company, MOFSL

## Financials and valuations

### Consolidated - Income Statement

Y/E December	CY19	CY20	CY21	CY22	CY23	CY24E	CY25E
<b>Total Income from Operations</b>	<b>79,078</b>	<b>60,501</b>	<b>67,652</b>	<b>87,530</b>	<b>92,803</b>	<b>1,01,012</b>	<b>1,11,249</b>
Change (%)	-1.5	-23.5	11.8	29.4	6.0	8.8	10.1
<b>EBITDA</b>	<b>9,677</b>	<b>5,016</b>	<b>9,417</b>	<b>11,720</b>	<b>14,239</b>	<b>16,016</b>	<b>18,216</b>
Margin (%)	12.2	8.3	13.9	13.4	15.3	15.9	16.4
Depreciation	3,161	3,064	2,733	2,962	3,222	3,508	3,795
<b>EBIT</b>	<b>6,516</b>	<b>1,952</b>	<b>6,684</b>	<b>8,758</b>	<b>11,017</b>	<b>12,507</b>	<b>14,421</b>
Int. and Finance Charges	523	548	348	227	1,074	595	552
Other Income	331	549	468	583	820	896	1,092
<b>PBT bef. EO Exp.</b>	<b>6,324</b>	<b>1,953</b>	<b>6,805</b>	<b>9,114</b>	<b>10,763</b>	<b>12,808</b>	<b>14,960</b>
EO Items	-46	0	-128	379	0	0	0
<b>PBT after EO Exp.</b>	<b>6,279</b>	<b>1,953</b>	<b>6,677</b>	<b>9,492</b>	<b>10,763</b>	<b>12,808</b>	<b>14,960</b>
Total Tax	2,741	886	2,731	2,401	2,782	3,142	3,670
Tax Rate (%)	43.7	45.4	40.9	25.3	25.8	24.5	24.5
Share of profit from associate	0	0	12	22	-5	15	15
<b>Reported PAT</b>	<b>3,538</b>	<b>1,066</b>	<b>3,958</b>	<b>7,113</b>	<b>7,976</b>	<b>9,681</b>	<b>11,305</b>
<b>Adj. PAT</b>	<b>3,564</b>	<b>1,066</b>	<b>4,034</b>	<b>6,829</b>	<b>7,976</b>	<b>9,681</b>	<b>11,305</b>
Change (%)	-33.2	-70.1	278.3	69.3	16.8	21.4	16.8
Margin (%)	4.5	1.8	6.0	7.8	8.6	9.6	10.2

### Consolidated - Balance Sheet

Y/E December	CY19	CY20	CY21	CY22	CY23	CY24E	CY25E	(INR Million)
Equity Share Capital	3,790	3,790	3,791	3,793	3,794	3,794	3,794	
Total Reserves	42,548	45,290	48,175	47,192	56,086	63,831	72,875	
<b>Net Worth</b>	<b>46,338</b>	<b>49,080</b>	<b>51,966</b>	<b>50,985</b>	<b>59,880</b>	<b>67,625</b>	<b>76,669</b>	
Total Loans	14,691	16,476	12,816	9,234	8,033	5,533	3,033	
Deferred Tax Liabilities	912	1,236	2,459	3,199	3,238	3,238	3,238	
<b>Capital Employed</b>	<b>61,941</b>	<b>66,792</b>	<b>67,241</b>	<b>63,418</b>	<b>71,152</b>	<b>76,397</b>	<b>82,941</b>	
Gross Block	42,936	53,135	50,226	48,348	53,707	58,743	64,243	
Less: Accum. Deprn.	17,619	23,204	20,624	20,921	24,143	27,651	31,446	
<b>Net Fixed Assets</b>	<b>25,316</b>	<b>29,931</b>	<b>29,602</b>	<b>27,427</b>	<b>29,564</b>	<b>31,092</b>	<b>32,797</b>	
Goodwill on Consolidation	35,260	37,554	36,265	28,040	28,540	28,540	28,540	
Capital WIP	542	123	1,247	1,195	537	1,001	1,001	
<b>Total Investments</b>	<b>955</b>	<b>2,340</b>	<b>4,380</b>	<b>5,756</b>	<b>8,206</b>	<b>8,206</b>	<b>8,206</b>	
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>23,553</b>	<b>23,686</b>	<b>26,712</b>	<b>36,780</b>	<b>30,679</b>	<b>35,155</b>	<b>42,662</b>	
Inventory	10,566	10,062	13,486	12,108	11,626	13,739	15,038	
Account Receivables	7,368	7,054	6,687	8,608	6,331	9,686	10,668	
Cash and Bank Balance	1,499	2,380	1,595	859	2,387	3,649	8,057	
Loans and Advances	4,120	4,190	4,943	15,205	10,334	8,081	8,900	
<b>Curr. Liability &amp; Prov.</b>	<b>23,686</b>	<b>26,843</b>	<b>30,965</b>	<b>35,780</b>	<b>26,374</b>	<b>27,596</b>	<b>30,265</b>	
Account Payables	14,771	14,590	19,385	21,350	19,341	18,862	20,646	
Other Current Liabilities	4,745	7,909	7,605	12,876	5,505	7,071	7,787	
Provisions	4,170	4,344	3,976	1,553	1,528	1,663	1,832	
<b>Net Current Assets</b>	<b>-133</b>	<b>-3,157</b>	<b>-4,253</b>	<b>1,000</b>	<b>4,305</b>	<b>7,559</b>	<b>12,398</b>	
<b>Appl. of Funds</b>	<b>61,941</b>	<b>66,791</b>	<b>67,240</b>	<b>63,418</b>	<b>71,152</b>	<b>76,397</b>	<b>82,941</b>	

## Financials and valuations

### Ratios

Y/E December	CY19	CY20	CY21	CY22	CY23	CY24E	CY25E
<b>Basic (INR)</b>							
EPS	<b>9.4</b>	<b>2.8</b>	<b>10.7</b>	<b>18.1</b>	<b>21.1</b>	<b>25.6</b>	<b>29.9</b>
Cash EPS	17.8	10.9	17.9	25.9	29.6	34.9	39.9
BV/Share	122.6	129.8	137.4	134.8	158.4	178.9	202.8
DPS	0.0	0.0	2.5	2.5	5.0	4.3	5.0
Payout (%)	0.0	0.0	23.9	13.3	23.8	16.7	16.7
<b>Valuation (x)</b>							
P/E	50.1	167.6	44.3	26.2	22.4	18.5	15.8
Cash P/E	26.6	43.3	26.4	18.2	16.0	13.5	11.8
P/BV	3.9	3.6	3.4	3.5	3.0	2.6	2.3
EV/Sales	2.4	3.2	2.8	2.1	2.0	1.8	1.6
EV/EBITDA	19.9	38.5	20.2	16.0	13.0	11.3	9.6
Dividend Yield (%)	0.0	0.0	0.5	0.5	1.1	0.9	1.1
FCF per share	15.9	5.4	15.1	17.8	23.0	14.2	22.7
<b>Return Ratios (%)</b>							
RoE	8.0	2.2	8.0	13.3	14.4	15.2	15.7
RoCE (Post-tax)	6.5	2.1	6.3	10.7	13.0	13.7	14.7
RoIC	6.8	1.8	6.5	11.3	14.1	15.3	16.8
<b>Working Capital Ratios</b>							
Fixed Asset Turnover (x)	1.8	1.1	1.3	1.8	1.7	1.7	1.7
Asset Turnover (x)	1.3	0.9	1.0	1.4	1.3	1.3	1.3
Inventory (Days)	49	61	73	50	46	50	49
Debtor (Days)	34	43	36	36	25	35	35
Creditor (Days)	68	88	105	89	76	68	68
<b>Leverage Ratio (x)</b>							
Net Debt/Equity	0.3	0.2	0.1	0.1	0.0	-0.1	-0.2

### Consolidated - Cash Flow Statement

Y/E December	CY19	CY20	CY21	CY22	CY23	CY24E	CY25E
<b>(INR Million)</b>							
OP/(Loss) before Tax	6,279	1,953	6,689	9,514	10,759	12,823	14,975
Depreciation	3,168	3,064	3,431	3,537	3,222	3,508	3,795
Interest & Finance Charges	525	548	533	454	1,074	-301	-539
Direct Taxes Paid	-1,161	-503	-1,053	-1,981	-3,579	-3,142	-3,670
(Inc)/Dec in WC	1,556	761	1,364	-97	-309	-1,992	-431
<b>CF from Operations</b>	<b>10,367</b>	<b>5,823</b>	<b>10,963</b>	<b>11,427</b>	<b>11,166</b>	<b>10,897</b>	<b>14,130</b>
Others	-94	-430	-452	-245	2,667	0	0
<b>CF from Operating incl EO</b>	<b>10,273</b>	<b>5,393</b>	<b>10,511</b>	<b>11,182</b>	<b>13,833</b>	<b>10,897</b>	<b>14,130</b>
(Inc)/Dec in FA	-4,238	-3,343	-4,778	-4,434	-5,122	-5,500	-5,500
<b>Free Cash Flow</b>	<b>6,035</b>	<b>2,050</b>	<b>5,733</b>	<b>6,749</b>	<b>8,711</b>	<b>5,397</b>	<b>8,630</b>
(Pur)/Sale of Investments	-1,871	-1,376	-1,880	-1,273	-2,213	0	0
Others	219	502	-967	-661	-1,714	896	1,092
<b>CF from Investments</b>	<b>-5,890</b>	<b>-4,217</b>	<b>-7,625</b>	<b>-6,368</b>	<b>-9,049</b>	<b>-4,604</b>	<b>-4,408</b>
Issue of Shares	30	0	10	36	7	0	0
Inc/(Dec) in Debt	-3,545	506	-2,787	-3,936	396	-2,500	-2,500
Interest Paid	-525	-477	-465	-378	-1,035	-595	-552
Dividend Paid	0	0	0	-948	-948	-1,614	-1,884
Others	0	-409	-385	349	-2,691	0	0
<b>CF from Fin. Activity</b>	<b>-4,040</b>	<b>-380</b>	<b>-3,627</b>	<b>-4,877</b>	<b>-4,272</b>	<b>-4,708</b>	<b>-4,936</b>
<b>Inc/Dec of Cash</b>	<b>343</b>	<b>796</b>	<b>-740</b>	<b>-63</b>	<b>512</b>	<b>1,584</b>	<b>4,785</b>
Opening Balance	1,247	1,590	2,386	1,646	1,583	2,095	3,679
<b>Closing Balance</b>	<b>1,590</b>	<b>2,386</b>	<b>1,646</b>	<b>1,583</b>	<b>2,095</b>	<b>3,679</b>	<b>8,464</b>

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