

CMP: INR 226

Rating: Buy

Target Price: INR 291

Stock Info

BSE	505714
NSE	GABRIEL
Bloomberg	GRV IN
Reuters	GRVL.BO
Sector	Automotive Industry
Face Value (INR)	1
Equity Capital (INR mn)	144
Mkt Cap (INR mn)	32,276
52w H/L (INR)	129/ 234
Avg Yearly Vol (in 000')	151

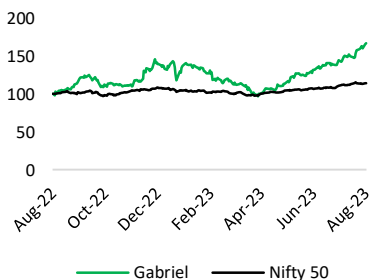
Shareholding Pattern %

(As on June, 2023)

Promoters	55.00
FII	2.69
DII	10.96
Public & Others	31.35

Stock Performance (%)	1m	3m	12m
Gabriel	13.1	33.4	62.1
Nifty 50	-0.6	6.1	9.8

Gabriel Vs Nifty 50



Abhishek Jain
abhishek.jain@arihantcapital.com
022 67114851

Jyoti Singh
jyoti.singh@arihantcapital.com
022 67114834

Gabriel's consolidated revenue from operations stood at INR 8,058 Mn in Q1FY24 against our estimate of INR 8,350 Mn registering a growth 11.8% YoY/9.3% QoQ. EBITDA stood at INR 690 Mn, against our estimate of INR 670 Mn, Registering a growth of 35.7%YoY/ 31.7%QoQ. On the margins front, EBITDA margin expansion by 151 bps YoY/ 145 bps QoQ to 8.56%, above our estimate of 8.0%. Consolidated PAT saw an increase of 29.1% YoY /25.9 % QoQ to INR 425 Mn above our estimate of INR 420 Mn. EPS stood at INR 2.96 in Q1FY24 against INR 2.4 in Q4FY23. Balance sheet remains strong, net cash position at INR 3,237 Mn. Capex of INR 136 Mn invested in R&D and capacity enhancements.

Investment Rationale:

New product ventures and Global market penetration: The company recently introduced a new product line focused on front fork e-bicycles, capitalizing on the rising trend of eco-friendly transportation, particularly in Europe. The initial export of a thousand units under the brand name "Spark" by Hero Cycle has received positive feedback. New product expansion also includes a targeted approach towards tires and tubes. The company aims to tap into new geographies, particularly in the Latin America (LATAM) region.

Expanding EV Presence: The company holds a commanding 73% market share in the EV 2W and 3W segments, supplying major players like Mahindra, Bajaj, and Kinetic Green. Collaboration with Ola, Ather, Ampere, and others further bolsters its position, with Ola's substantial volumes showcasing customer satisfaction. The company's involvement spans diverse EV offerings, including the E-C3 Citroen EV and ongoing discussions for the upcoming Tata Harrier EV model.

Inalfa Sunroof JV- The Inalfa sunroof plant is on the cusp of readiness, driven by robust customer demand. The company has secured orders from Hyundai and Kia, and has engaged with other prominent automotive manufacturers including Mahindra, Tata, Maruti Suzuki, Renault, and MG. The total share capital commitment is INR 600 Mn, split between the two JV partners. The remaining capex will be managed through the entity's internal funding. In the joint venture, Inalfa will hold 51% ownership, and Gabriel will hold 49%.

Outlook & Valuation

We are seeing a strong traction in EV, 3W and FSD domain. The company is introducing new products, with an emphasis on tires and tubes, leading to favourable performance. Efforts are being made in the EV segment to secure new orders in the next quarter with primary focus on expanding its market share in the EV segment and particular attention on making advancements in EV passenger cars. Double-digit export margin to be achieved in the next 5 years. Moving forward healthy improvement in the consolidated margins is expected. We expect Gabriel's revenue, EBITDA, and PAT to grow at a CAGR of 17%, 25%, and 27%, respectively, over FY24E-26E. **We value the consolidated business at EV/EBITDA multiple of 9.2x to FY26E EBITDA of INR 4,274 Mn to FY26E EPS of INR 19.9 and used DCF model to arrive at a target price of of INR 291 per share(Earlier target price of INR 252 per share). Accordingly, we maintain our Buy rating on the stock.**

Exhibit 1: Financial Performance

Year-end March								
(INR Mn)	Net Sales	EBITDA	PAT	EPS (INR)	EBITDA Margin (%)	EV/EBITDA	P/E (x)	
FY22	23,320	1,459	895	6.2	6.3	21.41	36.3	
FY23	29,717	2,137	1,325	9.2	7.2	14.38	24.6	
FY24E	34,499	2,913	1,917	13.3	8.4	10.57	17.0	
FY25E	39,891	3,590	2,453	17.1	9.0	8.29	13.3	
FY26E	44,959	4,274	2,856	19.9	9.5	6.62	11.4	

Source: Arihant Research, Company Filings

Exhibit 2: Quarterly Result

INR Mn (Consolidated)	Q1FY24	Q4FY23	Q1FY23	Q-o-Q	Y-o-Y
Net Sales	8,058	7,370	7,209	9%	12%
Material Cost	6,081	5,586	5,518	9%	9%
Change in Inventory	(55)	26	(2)	-313%	3086%
Gross Profit	2,032	1,799	1,692	13%	20%
<i>Gross Margin %</i>	25.22	24.41	23.47	81 bps	17 5bps
Personnel	497	462	441	8%	13%
Manufacturing & Other Expenses	850	773	743	10%	14%
EBITDA	685	524	509	31%	35%
EBITDA margin %	8.51	7.11	7.05	140 bps	146 bps
Non-operating income	46	64	61	-27%	-24%
Depreciation	137	130	127	6%	8%
EBIT	548	435	382	26%	44%
EBIT Margin %	6.80	5.35	5.29	145 bps	151 bps
Interest Expenses	22	8	14	163%	63%
PBT	572	450	429	27%	33%
Tax-Total	152	112	108	35%	41%
Tax Rate (%) - Total	26.56	24.99	25.16	157 bps	140 bps
Reported Net Profit	420	378	321	24%	31%
PAT Margin %	5.21	4.58	4.46	63 bps	75 bps
<i>Reported EPS (INR)</i>	2.93	2.35	2.24	24%	31%

Exhibit 3: Revenue mix

Segment wise Revenue	Q1FY24	Q4FY23	Q1FY23	Q-o-Q	Y-o-Y
2W/3W	4,915	4,348	4,686	13.04%	4.89%
PV	1,934	1,990	1,586	-2.82%	21.93%
CVR	1,047	884	865	18.44%	21.09%
Trading	161	147	72	9.33%	123.54%
Channel wise revenue	Q1FY24	Q4FY23	Q1FY23	Q-o-Q	Y-o-Y
OE	6,688	6,265	6,056	6.76%	10.44%
Replacement	1,047	811	937	29.21%	11.77%
Exports	322	295	216	9.33%	49.03%
Aftermarket revenue	Q1FY24	Q4FY23	Q1FY23	Q-o-Q	Y-o-Y
2W/3W	3,304	3,169	3,172	4.25%	4.15%
PC	2,981	2,727	2,739	9.33%	8.83%
CVR	806	590	577	36.66%	39.72%
Trading	967	884	721	9.33%	34.13%

Source: Arianth Research, Company Filings

Gabriel India Ltd.-Q1FY24 Concall KTAs

Improved margins

- Gross margin expansion driven by factors like raw materials and price recovery, has significantly contributed to improved margins.
- Commodity impact resulted in a net positive effect of about 1.5% to 2% compared to Q4, with mixed contributions adding around 0.5% to 0.7%.
- Remaining margin enhancement is attributed to improved realization and customer price change settlements.

Inalfa sunroof

- The Inalfa sunroof plant is near completion and anticipates strong customer demand. Orders have been secured from Hyundai and Kia. The market interest for sunroofs, especially panoramic ones, is high, with SUVs showing demand levels of around 70-80% and even 100% in some models.
- The plant is set to commence operations with machinery arriving in September and trial production expected in October. Panoramic sunroofs are priced twice as much as normal ones.
- Currently, many of the sunroofs continue to get imported. Localization efforts are ongoing, with glass and some components already localized. Further localization is needed to fully mature the supplier ecosystem. Import levels currently stand at approximately 50-60%.

The Chennai sunroof plant's anticipated asset turnover is estimated to range from 4.5-5 times and the capex and is expected to reach around INR 120,000 per acre, encompassing initial year installation costs.

Status of Inalfa JV formation

- Regarding the Inalfa joint venture formation, the company is in the initial stages with an investment of around INR 90 Mn made till June 30th. The total share capital commitment of INR 600 Mn will be shared between the two JV partners.
- Inalfa will hold 51% ownership, while Gabriel will hold 49%.
- The remaining capex will be managed by the entity through funding. The JV application, REST Note 3 (PN3), has been submitted globally by Inalfa and is currently under review by authorities.

PV

- The passenger car segment saw a 9% YoY surge in wholesale volumes, driven by new model introductions and increased rural PV demand.
- The company's portfolio now includes the Stellantis E-Citro C3 as its second electric passenger car.
- Secured business from the new platform of Volkswagen. SUVs contribute over 50% of sales in the PV segment.

CV

- In Q1 CV saw a 3% sales decline due to pre-buying ahead of DS2 phase 2 regulations. Despite this, the market share remains strong at around 90%.
- Demand for high damping force dampers is rising, with ongoing discussions for an order from Tata Motors.

Railways

- The company is the sole Indian supplier approved for Vande Bharat and has expanded into electric locomotives.

Their portfolio covers a wide range of Indian Railways and they are exploring overseas opportunities for exports.

2W and 3W

- In 2W and 3W segments, the company holds a 32% market share, contributing to 61% of total sales. With numerous new launches and a robust business pipeline, including the recent Ola launch, the company maintains a strong presence in this sector.
- 2W sales increased by 11% in Q1FY24.
- 3W segment surged 89% with economic reopening and shared transport trends. In Q1FY24 3W recorded its third-highest sales, driven by short-distance commuting and strong electric mobility growth, consistent with previous years.

EV

- The company has a 73% market share in EV 2W and 3W. Key partnerships include supplying to major players like Mahindra, Bajaj, Kinetic Green, Ola, Ather, Ampere, TDS, Okinawa, and Simple Energy. Strong demand is evident from Ola's robust volumes. Discussions are underway for Tata's upcoming Harrier EV model.

New products

- Recently launched a new front fork for e-bicycles, branded as "Spark" by Hero Cycle, targeting the eco-conscious European market. Initial feedback from the export of a thousand units has been positive.
- Plans include addressing weight reduction feedback and expanding customer orders. The company is also exploring opportunities to supply Indian bicycle manufacturers and potentially tap into the domestic market.
- The company's product expansion includes a focus on successful tires and tubes offerings.
- Plans for market expansion, particularly in the Latin America region, are underway.

Technology enhancements

- Increased robotization in one of its plants, aimed at improving processes and operations.

Capex

- Capex plans for FY23-24 including Inalfa is INR 1600 mn. Inalfa's share capital production stands at INR 100 mn.

Export

- Currently stands at 4% of sales. Target margin for export remains 10% in the next 5 years.

Other KTAs

- The opening of the Gabriel European Engineering Center marks a significant milestone for the company, reflecting dedicated efforts in enhancing suspension technology, including active and semi-active suspension, as well as battery suspension.
- The company maintains its position as the sole supplier for OLA electric, covering various models, including the latest motorcycle.
- EV penetration in India's passenger car segment remains modest at 1%, with a projected 20% by 2030.
- FSD traction is strong, particularly with the acclaimed XUV70 model. Demonstrations of the product on models from two other OEMs are underway, showing promising potential for further expansion.

Outlook

- Targeting a substantial share in the sunroof market with plans including expansion with two initial lines and subsequent additions. The total capacity from two lines will be a little less than 4 lakh units. The goal is to achieve nearly INR 10,000 Mn within 4-5 years and a 40% market share by FY30-31.
- Planning for an additional acquisition in FY25, followed by potentially one or two more in the span of 5-7 years.
- Focus remains sustaining EV market share, entering the EV passenger car segment, and progressing the Sunroof venture in Chennai by commissioning machines.

Exhibit 4: Highest-ever Revenue achieved in this quarter

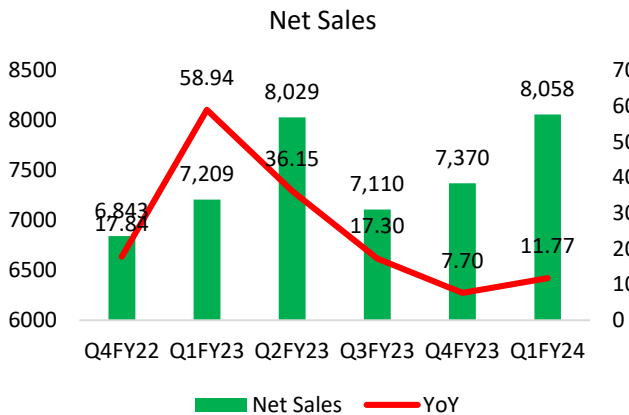


Exhibit 5: Healthy margins led by raw materials and price recovery

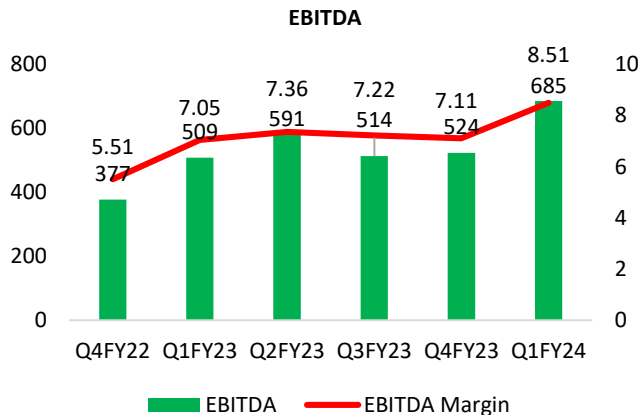


Exhibit 6: Profitability led by cost control and healthy growth across segments

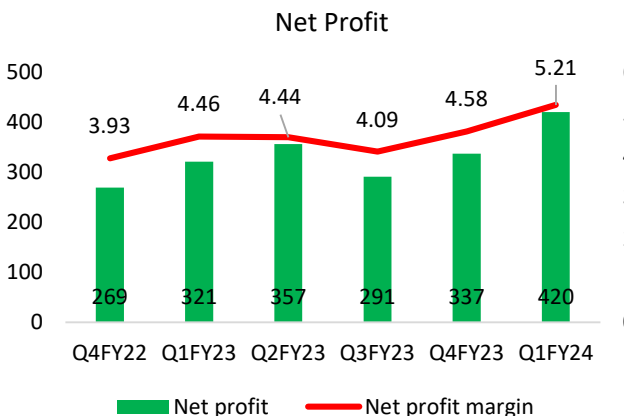


Exhibit 7: Positive trend continues in EPS

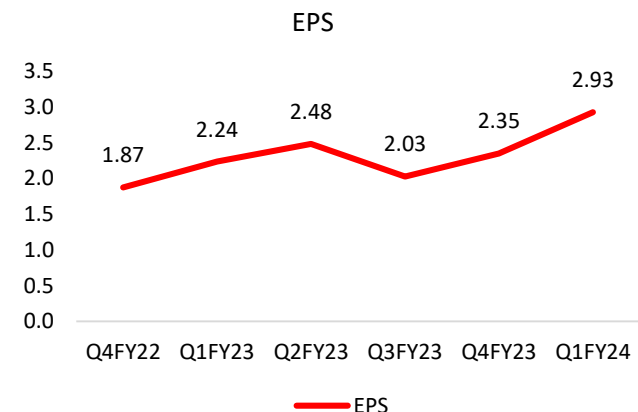
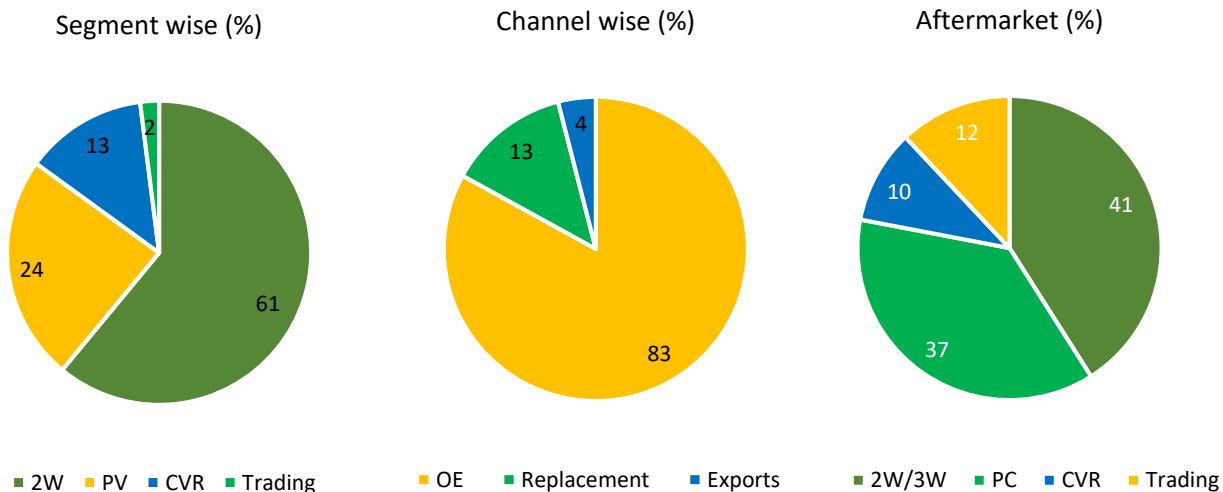


Exhibit 8: : Diversified products segments with strong traction in 3W/2W segment and market share expansion



Source: Arianth Research, Company Filings

DCF Valuation

Valuation Assumptions

g (World Economic Growth)	3%
Rf	7%
Rm	12%
Beta (2 Yr)	0.8
CMP (INR)	226

WACC

We	99.7%
Wd	0.3%
Ke	11.2%
Kd	5.4%
WACC	11.2%

Valuation Data

Total Debt (long term borrowings) (2023)	111
Cash & Cash Equivalents (2023)	1,075
Number of Diluted Shares (2023)	144
Tax Rate (2024)	19.06%
Interest Expense Rate (2024)	6.6%

MV of Equity	32,463
Total Debt	111
Total Capital	32,574

FCFF & Target Price	FCFF & Target Price											
	Explicit Forecast Period						Linear Decline Phase				Terminal Yr	
Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
EBIT * (1-Tax Rate)	1,883	2,300	2,764	2,876	2,987	3,098	3,207	3,315	3,420	3,522	3,622	3,731
Dep	587	750	860	1,010	1,092	1,110	1,149	1,188	1,226	1,263	1,298	1,337
Finance Cost	69	60	60	60								
Purchase of Assets	2,507	2,875	3,232	1,577	1,626	1,693	1,752	1,811	1,868	1,925	1,979	2,038
Changes in Working Capital	(650)	(363)	(226)	(211)	(278)	(258)	(267)	(276)	(284)	(293)	(301)	(310)
FCFF	5,627	6,288	7,082	5,674	2,731	2,773	2,871	2,967	3,062	3,153	3,242	3,340
% Growth in Post Tax EBIT		22.2%	20.1%	4.1%	3.9%	3.7%	3.5%	3.4%	3.2%	3.0%	2.8%	3.0%
As % of Post Tax EBIT												
Dep	31.2%	32.6%	31.1%	35.1%	36.6%	35.8%	35.8%	35.8%	35.8%	35.8%	35.8%	35.8%
Purchase of Assets	133.2%	125.0%	116.9%	54.8%	54.4%	54.6%	54.6%	54.6%	54.6%	54.6%	54.6%	54.6%
Changes in Working Capital	-34.5%	-15.8%	-8.2%	-7.3%	-9.3%	-8.3%	-8.3%	-8.3%	-8.3%	-8.3%	-8.3%	-8.3%
FCFF	5,627	6,288	7,082	5,674	2,731	2,773	2,871	2,967	3,062	3,153	3,242	3,340
Terminal Value												40,921
Total Cash Flow	5,627	6,288	7,082	5,674	2,731	2,773	2,871	2,967	3,062	3,153	3,242	44,163

Enterprise Value (EV)	40,809
Less: Debt	111
Add: Cash	1,075
Equity Value	41,773

Equity Value per share (INR)	291
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% Returns	28.7%
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Rating	BUY
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Sensitivity of Target Price to Terminal growth and WACC

		g(%)								
		2.00%	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%
WACC (%)	291									
	10.15%	301	306	311	316	322	328	334	341	348
	10.40%	295	299	303	308	313	319	325	331	338
	10.65%	288	292	296	301	305	311	316	322	328
	10.90%	282	286	289	294	298	303	308	313	319
	11.15%	276	279	283	287	291	295	300	305	310
	11.40%	270	274	277	281	285	289	293	298	302
	11.65%	265	268	271	275	278	282	286	290	295
	11.90%	260	263	266	269	273	276	280	284	288
	12.15%	255	258	261	264	267	270	274	277	281

Source: Arianth Research, Company Filings

Income statement (INR mn)

Year End-March	FY22	FY23	FY24E	FY25E	FY26E
Gross Sales	23,320	29,717	34,499	39,891	44,959
Net Sales	23,320	29,717	34,499	39,891	44,959
YoY (%)	37.2	27.4	16.1	15.6	12.7
Adjusted RMC	17,863	22,688	25,929	29,121	33,041
YoY (%)	41.2	27.0	14.3	12.3	13.5
Personnel/ Employee benefit expenses	1,597	1,831	2,083	2,792	2,698
YoY (%)	8.3	14.7	13.8	34.0	(3.4)
Manufacturing & Other Expenses	2,401	3061	3574	4388	4945
YoY (%)	33.7	27.5	16.7	22.8	12.7
Total Expenditure	21,861	27,580	31,586	36,301	40,684
YoY (%)	37.3	26.2	14.5	14.9	12.1
EBITDA	1,459	2,137	2,913	3,590	4,274
YoY (%)	35.6	46.4	36.3	23.2	19.1
EBITDA Margin (%)	6.26	7.19	8.44	9.00	9.51
Depreciation	414	485	587	750	860
% of Gross Block	6.8	6.3	6.7	7.5	7.6
EBIT	1,046	1,652	2,326	2,842	3,414
EBIT Margin (%)	4.5	5.6	6.7	7.1	7.6
Interest Expenses	43	46	69	60	60
Non-operating/ Other income	262	173.9	172	231.4	222.4
PBT	1,265	1,780	2,429	3,013	3,576
Tax-Total	369	455	512	560	720
Adj. Net Profit	895	1,325	1,917	2,453	2,856
PAT Margin	3.8	4.5	5.6	6.1	6.4
Shares o/s/ paid up equity sh capital	144	144	144	144	144
Adj EPS	6.2	9.2	13.3	17.1	19.9

Cash Flow Statement

Year End-March	FY22	FY23	FY24E	FY25E	FY26E
Profit before tax	1,265	1,780	2,429	3,013	3,576
Adjustments: Add					
Depreciation and amortisation	414	485	587	750	860
Interest adjustment	43	46	69	60	60
Adjustments: Less					
Interest income on fixed income securities	(80)	(108)	(74)	(74)	(74)
Profit/(loss) on sale of investments, net	(25)	9	(25)	(25)	(25)
Change in assets and liabilities	1,578	2,200	2,986	3,724	4,397
Inventories	(135)	(148)	115	(315)	(387)
Trade receivables	(1,046)	(22)	(302)	(696)	(654)
Trade payables	904	(313)	(498)	620	761
Other Liabilities and provisions	53	42	149	148	179
Other Assets	(72)	17	(114)	(119)	(125)
Net cash from operating activities	965	1,364	1,824	2,801	3,451
Net Sale/(Purchase) of tangible and intangible assets, Capital work in progress	(770)	(920)	(1,085)	(1,253)	(1,411)
Net Sale/(Purchase) of investments	(661)	33	(170)	(170)	(170)
Net cash (used) in investing activities	(442)	(1,038)	(1,181)	(1,348)	(1,506)
Interest expense	(28)	(35)	(69)	(60)	(60)
Dividend paid	(180)	(274)	(422)	(540)	(628)
Net cash (used) in financing activities	(241)	(337)	(491)	(600)	(689)
Closing Balance	410	399	448	1,300	2,556

Balance sheet

Year-end March	FY22	FY23	FY24E	FY25E	FY26E
Sources of Funds					
Equity Share Capital	144	144	144	144	144
Reserves & Surplus/ Other Equity	7524	8559	10107	12021	14249
Network	7668	8703	10251	12165	14393
Unsecured Loans/ Borrowings/ Lease Liabilities	111	93.72	111	111	111
Total Debt	111	94	111	111	111
Total Funds Employed	7,779	8,796	10,362	12,276	14,504
Application of Funds					
Gross block	6,127	6,635	8,744	9,981	11,374
Less: depreciation	2,273	2,377	3,449	4,199	5,059
Net Fixed Assets	3,854	4,258	5,295	5,781	6,315
Capital WIP	203	296.42	327	343	360
Investments/ Notes/ Fair value measurement	838	795	1238	1438	1638
Current assets	8,636	8,931	9,983	11,966	14,388
Inventory	2,100	2,248.07	2,557	2,872	3,259
Debtors	3,824	3,837.15	4,455	5,151	5,805
Other Current Assets	2166	1771	2388	2507	2632
Bank	136	676	136	136	136
Cash	410	399	448	1,300	2,556
Current Liabilities/Provisions	5752	5484	6481	7253	8143
Creditors / Trade Payables	4762	4405	5,034	5,653	6,414
Liabilities	541	585	1,066	1,197	1,358
Provisions	305	335	336	353	370
Net Core Working Capital	1,162	1,681	1,978	2,370	2,650
Net Current Assets	2,883	3,447	3,503	4,713	6,245
Deferred Tax Asset	-145	159.3	-145	-145	-145
Total Asset	13,531	14,281	16,843	19,529	22,791
Total Capital Employed	7,779	8,796	10,362	12,276	14,504

Key Ratios

Year-end March	FY22	FY23	FY24E	FY25E	FY26E
Solvency Ratios					
Debt / Equity	0.01	0.01	0.01	0.01	0.01
Net Debt / Equity	-0.17	-0.20	-0.17	-0.23	-0.29
Debt / EBITDA	0.08	0.04	0.04	0.03	0.03
DuPont Analysis					
Sales/Assets	299.79	337.83	332.94	324.97	309.98
Assets/Equity	176	164	164	161	158
RoE	11.67	15.22	18.70	20.17	19.85
Per share ratios					
Reported EPS	6.2	9.2	13.3	17.1	19.9
Dividend per share	1.6	1.7	2.9	3.8	4.4
BV per share	53.4	60.6	71.4	84.7	100.2
Profitability ratios					
Net Profit Margin (PAT/Net sales)	3.84	4.46	5.56	6.15	6.35
Gross Profit / Net Sales	23.4	23.7	24.8	27.0	26.5
EBITDA / Net Sales	6.26	7.19	8.44	9.00	9.51
PAT / Net Sales	3.84	4.46	5.56	6.15	6.35
ROCE (%)	13.4	18.8	22.4	23.2	23.5
Activity ratios					
Inventory Days	42.9	36.2	36.0	36.0	36.0
Debtor Days	59.9	47.1	47.1	47.1	47.1
Creditor Days	97.3	70.9	70.9	70.9	70.9
Valuation ratios					
EV / EBITDA	21.41	14.38	10.57	8.29	6.62
P/E based Valuation:					
EPS	6.23	9.22	13.35	17.08	19.89
PE (x)	36.34	24.55	16.97	13.26	11.39
EV/EBITDA based Valuation:					
EBITDA	1459	2137	2913	3590	4274
EV	12404	18165	24762	30517	36333

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Arihant Research Desk

Email: research@arihantcapital.com

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park Building No. 10, 1 st Floor Andheri Ghatkopar Link Road Chakala, Andheri (E) Mumbai – 400093 Tel: (91-22) 42254800 Fax: (91-22) 42254880	Arihant House E-5 Ratlam Kothi Indore - 452003, (M.P.) Tel: (91-731) 3016100 Fax: (91-731) 3016199

Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

Research Analyst Registration No.	Contact	Website	Email Id
INH000002764	SMS: 'Arihant' to 56677	www.arihantcapital.com	research@arihantcapital.com

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Arihant Capital Markets Ltd.
1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800 Fax. 022-42254880

DCF Valuation

Valuation Assumptions

g (World Economic Growth)	3%
Rf	7%
Rm	12%
Beta (2 Yr)	0.8
CMP (INR)	226

WACC

We	99.7%
Wd	0.3%
Ke	11.2%
Kd	5.4%
WACC	11.2%

Valuation Data

Total Debt (long term borrowings) (2023)	111
Cash & Cash Equivalents (2023)	1,075
Number of Diluted Shares (2023)	144
Tax Rate (2024)	19.06%
Interest Expense Rate (2024)	6.6%

MV of Equity	32,463
Total Debt	111
Total Capital	32,574

FCFF & Target Price

FCFF & Target Price	Explicit Forecast Period						Linear Decline Phase					Terminal Yr
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
EBIT * (1-Tax Rate)	1,883	2,300	2,764	2,876	2,987	3,098	3,207	3,315	3,420	3,522	3,622	3,731
Dep	587	750	860	1,010	1,092	1,110	1,149	1,188	1,226	1,263	1,298	1,337
Finance Cost	69	60	60	60								
Purchase of Assets	2,507	2,875	3,232	1,577	1,626	1,693	1,752	1,811	1,868	1,925	1,979	2,038
Changes in Working Capital	(650)	(363)	(226)	(211)	(278)	(258)	(267)	(276)	(284)	(293)	(301)	(310)
FCFF	5,627	6,288	7,082	5,674	2,731	2,773	2,871	2,967	3,062	3,153	3,242	3,340
% Growth in Post Tax EBIT		22.2%	20.1%	4.1%	3.9%	3.7%	3.5%	3.4%	3.2%	3.0%	2.8%	3.0%
As % of Post Tax EBIT												
Dep	31.2%	32.6%	31.1%	35.1%	36.6%	35.8%	35.8%	35.8%	35.8%	35.8%	35.8%	35.8%
Purchase of Assets	133.2%	125.0%	116.9%	54.8%	54.4%	54.6%	54.6%	54.6%	54.6%	54.6%	54.6%	54.6%
Changes in Working Capital	-34.5%	-15.8%	-8.2%	-7.3%	-9.3%	-8.3%	-8.3%	-8.3%	-8.3%	-8.3%	-8.3%	-8.3%
FCFF	5,627	6,288	7,082	5,674	2,731	2,773	2,871	2,967	3,062	3,153	3,242	3,340
Terminal Value												40,921
Total Cash Flow	5,627	6,288	7,082	5,674	2,731	2,773	2,871	2,967	3,062	3,153	44,163	

Enterprise Value (EV)	40,809
Less: Debt	111
Add: Cash	1,075
Equity Value	41,773

Equity Value per share (INR)	291
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% Returns	28.7%
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Rating	BUY
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Terminal Growth(%)

WACC (%)	291	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%
		10.15%	301	306	311	316	322	328	334	341
10.40%	295	299	303	308	313	319	325	331	338	345
10.65%	288	292	296	301	305	311	316	322	328	335
10.90%	282	286	289	294	298	303	308	313	319	326
11.15%	276	279	283	287	291	295	300	305	310	317
11.40%	270	274	277	281	285	289	293	298	302	310
11.65%	265	268	271	275	278	282	286	290	295	305
11.90%	260	263	266	269	273	276	280	284	288	300
12.15%	255	258	261	264	267	270	274	277	281	295

Source: Company reports, Aриhant Capital Research, Figures are in INR cr except share price and percentage data