

**CMP: INR 620**

**Rating: Buy**

**Target Price: INR 753**

Stock Info

BSE	532509
NSE	SUPRAJIT
Bloomberg	SEL:IN
Reuters	SUPE.NS
Sector	Auto Components & Equipment's
Face Value (INR)	1.00
Equity Capital (INR Mn)	138
Mkt Cap (INR Mn)	85,790
52w H/L (INR)	640/354
Avg Yearly Vol (in 000')	362

**Shareholding Pattern %**

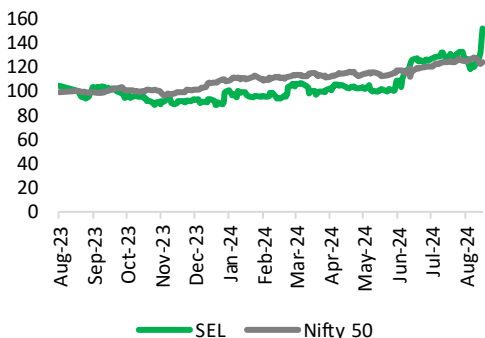
(As on June, 2024)

Promoters	44.6
FII	5.82
DII	16.93
Public & Others	32.64

Stock Performance (%)

	1m	3m	12m
Suprajit	20.0	50.8	51.4
Nifty	-0.09	9.0	23.8

Suprajit Engineering Ltd. Vs Nifty



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Suprajit Engineering Ltd reported its Q1FY25 numbers, with revenue at INR 7,349 Mn, up 8.12% YoY and down by 6.2% QoQ, below our estimates of INR 7,534 Mn. Gross profit for the quarter was INR 3,242 Mn, reflecting a 11.8% YoY increase and a 1.3% QoQ rise, which is in line with our estimate of INR 3,242 Mn. Gross margins increased by 145 bps YoY to 44.0%, an increase of 325 bps QoQ, above our estimate of 43.0%. EBITDA for the quarter was INR 864 Mn, marking an 20.8% YoY increase and a decline of 8.5% QoQ, above our estimate of INR 841 Mn. EBITDA margin increased by 124 bps YoY to 11.8%, registering a decline of 30 bps QoQ, above with our estimate of 11.2%. EBITDA margin increased due to a decrease in COGS compared to Q1FY24. PAT for the quarter was INR 381 Mn, up 15.2% YoY and down by 35.5% QoQ, in line with our estimate of INR 393 Mn. The PAT margin increased by 32 bps YoY and decreased 236 bps QoQ to 5.1% in Q1FY25, compared to 7.6% in Q4FY24. The Board of Directors has approved a buyback of 15,00,000 equity shares, representing 1.08% of the total paid-up capital, at INR 750 per share. The buyback will be conducted on a proportionate basis through the tender offer method, for a total amount not exceeding INR 1,125 mn.

**Investment Rationale**

**Decent growth in SCD and outlook amidst global challenges:** SCD (Surajit Control Division) saw decent growth despite global challenges. In Q1FY25, operational revenue grew by 3.3% and surpassed an 8% EBITDA margin. The division is expected to benefit from strong order wins in the automotive sector. Internationally, the new plant in China is securing new business, and Suprajit Europe is winning large contracts, though growth in Hungary remains slow due to geopolitical issues in North America. Wescon saw margin recovery due to restructuring, operational improvements, and synergies found over recent quarters.

**Margin improvements in Indian exports & Phoenix Lamps Division:** Indian exports are securing significant contracts with strong margins, positioning SEL well for future growth. The Phoenix lamps division has seen notable margin improvements in India, and the restructured Luxlite is performing well with increased sales and better margins. Past improvements in material consumption and productivity have helped counteract high costs, and with material costs now near pre-COVID levels, PLD numbers reflect the benefits of reduced consumption and successful restructuring.

**Outlook and Valuation**

The management is targeting 10% business growth for the group and aims to achieve a consolidated EBITDA margin of ~12% (currently around 11-11.5%). They expect growth in the aftermarket segment in H2FY25 and see opportunities for expansion through consolidation in the global cable business, driven by customer demand for onshoring, near-shoring, and offshoring capabilities. For SCS, losses are expected to continue for the next 2-3 quarters as operations are stabilized and restructured. The Phoenix Lamps Division is expected to maintain its strong margin performance. Additionally, the company is developing new products like an electronic throttle and sensors, which are anticipated to contribute to future growth. **We expect Suprajit's revenue, EBITDA, and PAT to grow at a CAGR of 14.1%, 17.4%, and 23.5%, respectively, over FY25-FY27E. We used DCF model to arrive at a target price of INR 753 per share (Earlier target price of INR 538 per share). Accordingly, we maintain our "BUY" rating on the stock.**

**Exhibit 1: Financial overview**

Year-end	Net Sales	EBITDA	PAT	EPS	EBITDA	EV/EBITDA	P/E	ROE	ROCE
March	(INR Mn)			(INR)	Margin (%)		(x)	(%)	(%)
FY23	27,524	3,006	1,521	11.0	10.9%	30.4	56.4	12.4%	12.7%
FY24	28,959	3,230	1,558	11.3	11.2%	28.1	55.1	11.4%	13.0%
FY25E	32,433	3,794	1,909	13.8	11.7%	24.3	44.9	12.6%	14.5%
FY26E	36,685	4,448	2,373	17.1	12.1%	20.7	36.1	13.8%	16.0%
FY27E	42,225	5,228	2,912	21.0	12.4%	17.6	29.5	14.8%	17.3%

Source: Arihant Research, Company Filings

Exhibit 2: Q1FY25 - Quarterly Performance (Consolidated)

Quarterly Results					
Consolidated (INR Mn)	Q1FY25	Q4FY24	Q1FY24	QoQ%	YoY%
<b>Net Sales</b>	<b>7348.57</b>	<b>7831.22</b>	<b>6796.83</b>	<b>-6.16</b>	<b>8.12</b>
Purchase of stock in trade	4058.45	4375.06	3815.59	-7.24	6.36
Change in inventories	-27.59	164.77	-66.04	116.74	58.22
COGS	4116.48	4641.39	3905.74	-11.31	5.40
GP	3232.09	3189.83	2891.09	1.32	11.79
<b>GP margin</b>	<b>43.98%</b>	<b>40.73%</b>	<b>42.54%</b>	<b>325.03bps</b>	<b>144.67bps</b>
Employees benefits expense	1641.53	1596.69	1535.42	2.81	6.91
Other expenses	726.99	649.02	640.78	12.01	13.45
<b>EBITDA</b>	<b>863.57</b>	<b>944.12</b>	<b>714.89</b>	<b>-8.53</b>	<b>20.80</b>
<b>EBITDA Margin</b>	<b>11.75%</b>	<b>12.06%</b>	<b>10.52%</b>	<b>-30.43bps</b>	<b>123.35bps</b>
Depreciation	261.72	275.29	246.71	-4.93	6.08
<b>EBIT</b>	<b>601.85</b>	<b>668.83</b>	<b>468.18</b>	<b>-10.01</b>	<b>28.55</b>
<b>EBIT Margin (%)</b>	<b>8.19%</b>	<b>8.54%</b>	<b>6.89%</b>	<b>-35.05bps</b>	<b>130.18bps</b>
Other Income	104.92	193.62	128.69	-45.81	-18.47
Finance costs	122.62	128.00	117.52	-4.20	4.34
<b>PBT</b>	<b>584.15</b>	<b>734.45</b>	<b>479.35</b>	<b>-20.46</b>	<b>21.86</b>
Tax	202.78	142.95	148.20	41.85	36.83
<b>Reported PAT</b>	<b>381.37</b>	<b>591.50</b>	<b>331.15</b>	<b>-35.52</b>	<b>15.17</b>
<b>PAT Margin (%)</b>	<b>5.19%</b>	<b>7.55%</b>	<b>4.87%</b>	<b>-236.34</b>	<b>31.76</b>
EPS	2.75	4.27	2.39	-35.52	15.17

Margins	Q1FY25	Q4FY24	Q1FY24	YoY (bps)	QoQ (bps)
<b>Cost Analysis</b>					
RM/Net Sales	55.23	55.87	56.14	-91.00	-63.92
Other Exp/Net Sales	9.89	8.2876	9.43	46.53	160.53
Staff cost/Net sales	22.34	20.39	21.23	110.85	194.93

Source: Arianth Research, Company Filings

**Suprajit Engineering Ltd- Q1FY25 Concall KTAs**

**The company will focus on both onshoring and nearshoring to secure low-cost contracts. Additionally, the company aims to add non-automotive wins and continue growing in the PLD sector, with a target of 10% growth and SEL will remain committed to this target.**

**Share buyback at INR 750 per share, amounting to about INR 1130 Mn, to be completed by September. (Previous Buyback in FY21)**

**Debt:** Reduced from INR 6230 Mn to INR 5810 Mn in Q1FY25, with INR 4930 Mn invested in MF.

**SCD:** The Surajit Control Division (SCD) saw marginal revenue growth of 3.3% and achieved over 8% EBITDA margin in Q1FY25.

**New Plant:** The company's new plant in China is operating well and securing new business for the coming year. Wescon in North America witnessed good margin recovery due to restructuring efforts and operational improvements.

**PLD**

The Phoenix Lamps division (PLD) saw significant margin improvements in India and at Luxelite.

The Phoenix Lamps Division now has about 70% of its sales coming from the aftermarket segment, with only about 30% from direct OEM sales.

The Surajit Electronics Division (SED) made progress with new business wins, including contracts for electronic throttle components from a major Indian 2W EV manufacturer.

**SCS:** Surajit completed the first stage of acquiring SCS, a German light-duty cable manufacturer, on July 16th. The company expects SCS to achieve high single-digit EBITDA margins in 1-2 years after the turnaround.

The company noted that while the global automotive market faces challenges, it continues to win significant contracts with healthy margins in various segments.

**OEMs:** Surajit's strategic approach of onshore, nearshore, and offshore operations has started yielding results, evidenced by support from European OEMs and Tier 1s, and recent wins from leading US OEMs.

**International:** The company's international operations saw positive developments, though growth in Hungary remained muted due to geopolitical situations.

The Indian aftermarket sales, which had de-grown last year, have stabilized and are showing signs of picking up since July, with expectations of growth in H2FY25.

In the Domestic Cable Division, ~65-70% of sales are to OEMs, with the remainder coming from the aftermarket.

**Other expense & RM**

The company noted increased expenses due to significant growth in their technology center staff and the strengthening of corporate teams to support global operations.

Container costs have increased significantly (6-7 times) compared to the previous year, affecting the company's expenses.

Based on the current scenario, The company expects some price increases from September onward, which should help stabilize margins going forward.

In the brake systems business, Suprajit has secured its first customer for ABS (Anti-lock Braking System) and two customers for CombiBreak systems.

The company has won a new sensor business for international non-automotive customers, indicating growing traction for its electronics division products.

**Surajit's Trifa brand, now sold through Luxelite, is positioned as a top-end product against global marquee brands in the halogen lamp market.**

**The company is pursuing business with Chinese OEMs, currently positioned as a Tier 2 supplier but aspiring to become a Tier 1 supplier in the future.**

Surajit's friction products, initially introduced through the aftermarket route, are now gaining interest from OEMs.

**Tax Rate: Higher tax rate due to deferred tax.**

**DCF Valuation**

**Valuation Assumptions**

Risk free rate	7%
Risk premium	10%
Beta (2 yr)	0.75
Terminal Growth rate	4%
CMP (INR)	620

**WACC**

We	93.2%
Wd	6.8%
Ke	9.3%
Kd	5.9%
<b>WACC</b>	<b>9.05%</b>

**Valuation Data**

Total Debt (long term borrowings) (2024)	1,823
Cash & Cash Equivalents (2024)	1,155
Number of Diluted Shares (2024)	138
Tax Rate (2025)	26%
Interest Expense Rate (2025)	8%

MV of Equity	85,790
Total Debt	6,239
<b>Total Capital</b>	<b>92,028</b>

**FCFF & Target Price**

FCFF & Target Price	Explicit Forecast Period											Terminal Year
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
EBIT * (1-Tax Rate)	1,957	2,374	2,874	3,417	3,986	4,563	5,123	5,640	6,085	6,431	6,657	6,890
Dep	1,149	1,239	1,344	2,392	2,790	3,194	3,586	3,948	4,259	4,502	4,660	4,660
Purchase of Assets	1,297	1,284	1,478	1,537	1,794	2,053	2,305	2,538	2,738	2,894	2,995	5,092
Changes in Working Capital	-1,012	-962	-1,018	-1,454	-1,696	-1,941	-2,180	-2,400	-2,589	-2,736	-2,832	-2,931
FCFF	2,821	3,292	3,758	5,724	6,678	7,645	8,584	9,450	10,195	10,776	11,153	9,388
% Growth in Post Tax EBIT		21%	21%	19%	17%	14%	12%	10%	8%	6%	4%	4%
As % of Post Tax EBIT												
Dep												
Purchase of Assets	59%	52%	47%	70%	70%	70%	70%	70%	70%	70%	70%	70%
Changes in Working Capital												
Capital	66%	54%	51%	45%	45%	45%	45%	45%	45%	45%	45%	45%
FCFF	-52%	-41%	-35%	-43%	-43%	-43%	-43%	-43%	-43%	-43%	-43%	-43%
Terminal Value	2,821	3,292	3,758	5,724	6,678	7,645	8,584	9,450	10,195	10,776	11,153	9,388
<b>Total Cash Flow</b>												<b>1,62,565</b>

Enterprise Value (EV)	104912
Less: Debt	1823
Add: Cash	1155
Equity Value	104244

Equity Value per share (INR)	753
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% Returns	21.5%
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Rating	BUY
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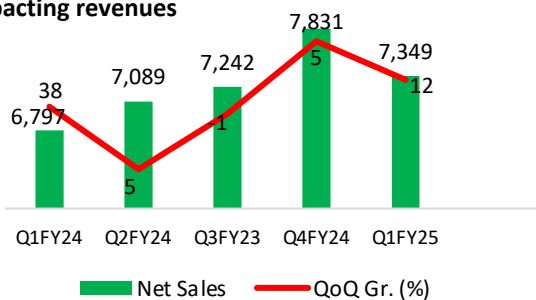
WACC (%)

753	Terminal Growth(%)									
	2.0%	2.3%	2.5%	2.8%	3.5%	3.3%	3.5%	3.8%	4.0%	
8.1%	692	710	729	750	824	797	824	853	884	
8.3%	677	694	713	734	805	780	805	833	864	
8.6%	662	679	698	718	787	762	787	815	844	
8.8%	648	665	683	702	770	745	770	796	825	
9.1%	634	651	668	687	753	729	753	779	807	
9.3%	621	637	654	672	736	713	736	761	789	
9.6%	608	623	640	658	720	697	720	744	771	
9.8%	595	610	626	643	704	682	704	728	754	
10.1%	582	597	613	630	689	668	689	712	737	

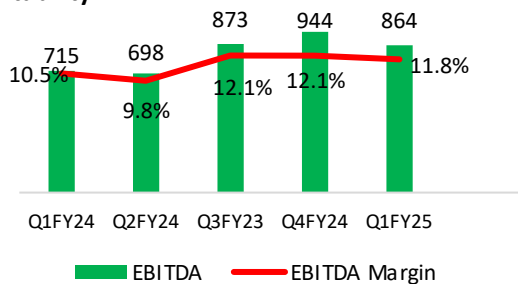
Source: Company reports, Arihant Capital Research, Figures are in INR Mn except share price and percentage data

Story in charts (INR Mn)

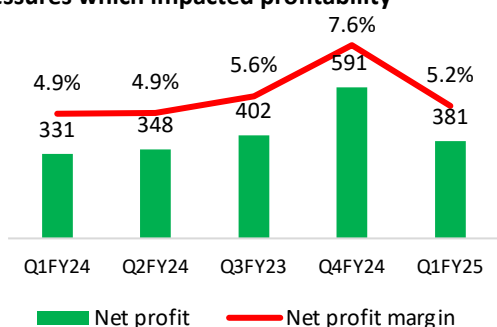
**Exhibit 3 : Price decreases in raw materials this quarter led to reductions passed on to customers, negatively impacting revenues**



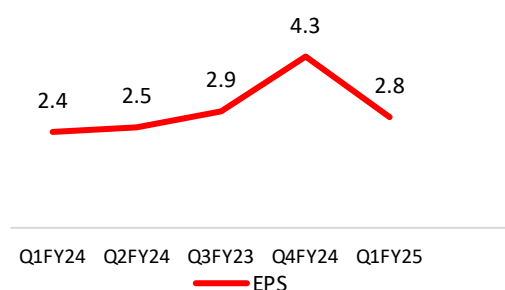
**Exhibit 4: Ongoing expenses related to the acquisition and restructuring of SCS are impacting short-term profitability**



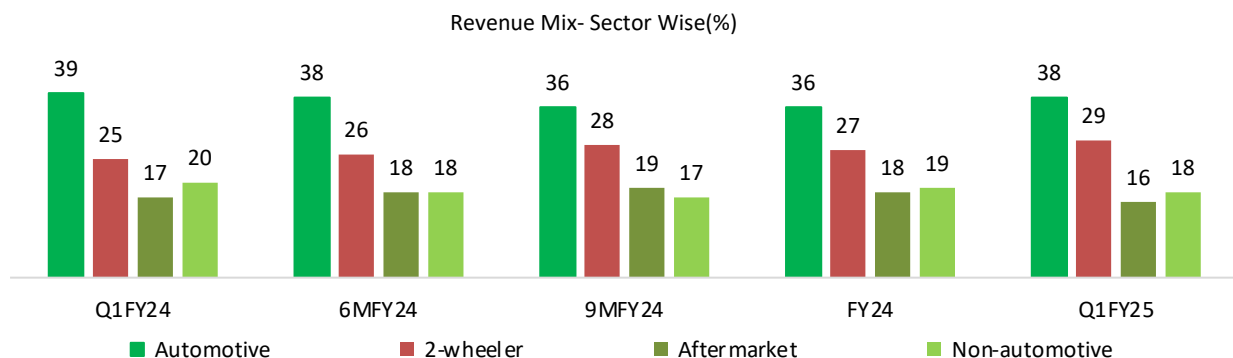
**Exhibit 5: Mexican operations faced wage inflation pressures which impacted profitability**



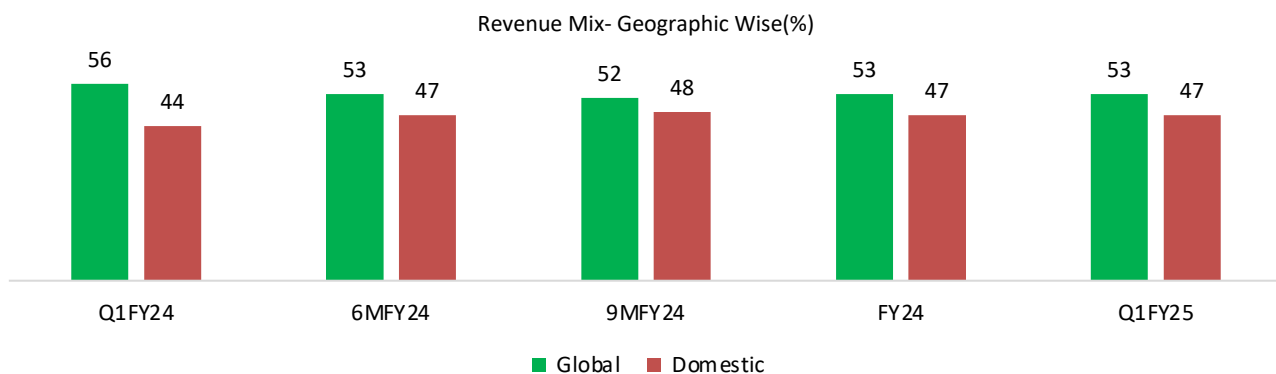
**Exhibit 6: Decline in EPS due to stock buyback**



**Exhibit 7: The non-automotive business in North America faced challenges due to high interest rates and lower consumer spending on outdoor power equipment**



**Exhibit 8: Domestic Cable Division (DCD) saw strong volume growth; Suprajit Europe continues to win large contracts**



Source: Company, Aриhant Research

Key Financials

Income statement (INR Mn)					
Year End-March	FY23	FY24	FY25E	FY26E	FY27E
Gross Sales	27,524	28,959	32,433	36,685	42,225
<b>Net Sales</b>	<b>27,524</b>	<b>28,959</b>	<b>32,433</b>	<b>36,685</b>	<b>42,225</b>
YoY (%)	49.5%	5.2%	12.0%	13.1%	15.1%
<b>Adjusted COGS</b>	<b>16,169</b>	<b>16,982</b>	<b>18,642</b>	<b>20,852</b>	<b>23,852</b>
YoY (%)	49.9%	5.0%	9.8%	11.9%	14.4%
Personnel/ Employee benefit expenses	5,744	6,206	7,073	7,982	9,270
YoY (%)	70.8%	8.0%	14.0%	12.8%	16.1%
<b>Manufacturing &amp; Other Expenses</b>	<b>2,604</b>	<b>2,540</b>	<b>2,924</b>	<b>3,403</b>	<b>3,875</b>
YoY (%)	57.4%	-2.5%	15.1%	16.4%	13.9%
<b>Total Expenditure</b>	<b>24,517</b>	<b>25,729</b>	<b>28,639</b>	<b>32,237</b>	<b>36,997</b>
<b>EBITDA</b>	<b>3,006</b>	<b>3,230</b>	<b>3,794</b>	<b>4,448</b>	<b>5,228</b>
YoY (%)	15.7%	7.4%	17.5%	17.2%	17.5%
<b>EBITDA Margin (%)</b>	<b>10.9%</b>	<b>11.2%</b>	<b>11.7%</b>	<b>12.1%</b>	<b>12.4%</b>
Depreciation	955	1,037	1,149	1,239	1,344
% of Gross Block	10.5%	9.4%	9.4%	9.1%	8.9%
<b>EBIT</b>	<b>2,052</b>	<b>2,192</b>	<b>2,645</b>	<b>3,209</b>	<b>3,884</b>
EBIT Margin (%)	7.5%	7.6%	8.2%	8.7%	9.2%
Interest Expenses	356	514	517	539	567
Non-operating/ Other income	506	599	637	721	830
<b>PBT</b>	<b>2,202</b>	<b>2,278</b>	<b>2,766</b>	<b>3,391</b>	<b>4,147</b>
Tax-Total	681	720	857	1,017	1,236
<b>Adj. Net Profit</b>	<b>1,521</b>	<b>1,558</b>	<b>1,909</b>	<b>2,373</b>	<b>2,912</b>
<b>Reported Profit</b>	<b>1,521</b>	<b>1,558</b>	<b>1,909</b>	<b>2,373</b>	<b>2,912</b>
PAT Margin	5.5%	5.4%	5.9%	6.5%	6.9%
Shares o/s/ paid up equity sh capital	138	138	138	138	138
Adj EPS	11.0	11.3	13.8	17.1	21.0
Dividend per share	2.0	2.2	2.5	2.8	3.0
Dividend payout (%)	18.7%	19.9%	18.1%	16.0%	14.3%
<b>Retained earnings</b>	<b>1,237</b>	<b>1,247</b>	<b>1,563</b>	<b>1,993</b>	<b>2,496</b>

Balance sheet (INR Mn)					
Year-end March	FY23	FY24	FY25E	FY26E	FY27E
<b>Sources of Funds</b>					
Equity Share Capital	138	138	138	138	138
Reserves & Surplus/ Other Equity	12,106	13,483	15,046	17,039	19,535
<b>Networth</b>	<b>12,245</b>	<b>13,622</b>	<b>15,184</b>	<b>17,177</b>	<b>19,674</b>
Unsecured Loans/ Borrowings/ Lease Liabilities	7,175	7,081	7,300	7,581	7,926
Other Liabilities	766	580	606	606	607
<b>Total Liabilities</b>	<b>24,345</b>	<b>25,794</b>	<b>27,845</b>	<b>30,433</b>	<b>33,902</b>
<b>Total Funds Employed</b>	<b>12,100</b>	<b>12,173</b>	<b>12,661</b>	<b>13,256</b>	<b>14,229</b>
<b>Application of Funds</b>					
<b>Net Fixed Assets</b>	<b>5,884</b>	<b>8,079</b>	<b>8,515</b>	<b>9,321</b>	<b>9,366</b>
Capital WIP	274	72	72	72	72
Investments/ Notes/ Fair value measurement	25	1	1	1	1
<b>Current assets</b>	<b>15,622</b>	<b>16,697</b>	<b>17,943</b>	<b>20,486</b>	<b>23,818</b>
Inventory	4,826	4,449	5,230	5,966	6,824
Days	93	100	101	103	103
Debtors	4,608	5,185	5,865	6,633	7,635
Days	61	65	66	66	66
Other Current Assets	760	781	973	1,215	1,522
Cash and Cash equivalent	1,001	1,155	236	469	1,013
<b>Current Liabilities/Provisions</b>	<b>8,154</b>	<b>8,925</b>	<b>9,589</b>	<b>10,367</b>	<b>11,503</b>
Creditors / Trade Payables	2,923	3,281	3,465	3,719	4,280
Days	39	41	39	37	37
Liabilities	887	826	864	904	945
Provisions	348	406	426	447	469
<b>Net Current Assets</b>	<b>7,468</b>	<b>7,773</b>	<b>8,354</b>	<b>10,119</b>	<b>12,316</b>
<b>Total Asset</b>	<b>24,345</b>	<b>25,794</b>	<b>27,845</b>	<b>30,433</b>	<b>33,902</b>
<b>Total Capital Employed</b>	<b>16,877</b>	<b>18,022</b>	<b>19,492</b>	<b>20,314</b>	<b>21,586</b>
<b>Net Current Assets</b>	<b>15,622</b>	<b>16,697</b>	<b>17,943</b>	<b>20,486</b>	<b>23,818</b>
<b>Total assets</b>	<b>24,345</b>	<b>25,794</b>	<b>27,845</b>	<b>30,433</b>	<b>33,902</b>
<b>Net working capital</b>	<b>7,468</b>	<b>7,773</b>	<b>8,354</b>	<b>10,119</b>	<b>12,316</b>

Cash Flow Statement (INR Mn)					
Year End-March	FY23	FY24	FY25E	FY26E	FY27E
<b>Profit before tax</b>	<b>1,521</b>	<b>1,558</b>	<b>1,909</b>	<b>2,373</b>	<b>2,912</b>
<b>Adjustments: Add</b>					
Depreciation and amortisation	955	1,037	1,149	1,239	1,344
Interest adjustment	356	514	517	539	567
<b>Adjustments: Less</b>					
Other changes	-506	-599	-637	-721	-830
<b>Change in assets and liabilities</b>	<b>2,325</b>	<b>2,510</b>	<b>2,937</b>	<b>2,373</b>	<b>2,912</b>
Inventories	-1,393	377	-781	-736	-858
Trade receivables	-1,637	-577	-679	-769	-1,002
Trade payables	984	357	185	253	562
Other Liabilities and provisions	1,425	506	479	524	573
Other Assets	-251	-194	-215	-234	-293
Taxes	-189	-196	0	0	0
<b>Net cash from operating activities</b>	<b>1,549</b>	<b>3,094</b>	<b>2,271</b>	<b>2,849</b>	<b>3,390</b>
Net Sale/(Purchase) of tangible and intangible assets, Capital work in progress	-3,329	-1,272	-1,955	-1,284	-1,480
Net Sale/(Purchase) of investments	-1,833	-676	-513	-564	-620
Others	414	562	637	721	830
<b>Net cash (used) in investing activities</b>	<b>-4,748</b>	<b>-1,386</b>	<b>-1,830</b>	<b>-1,127</b>	<b>-1,270</b>
Interest expense	3,101	-556	-203	-182	-164
Dividend paid	-284	-311	-346	-381	-415
Other financing activities	-429	-724	-836	-920	-981
<b>Net cash (used) in financing activities</b>	<b>2,389</b>	<b>-1,591</b>	<b>-1,385</b>	<b>-1,483</b>	<b>-1,561</b>
<b>Closing Balance</b>	<b>1,069</b>	<b>1,186</b>	<b>242</b>	<b>481</b>	<b>1,040</b>
<b>FCF</b>	<b>3,655</b>	<b>4,697</b>	<b>4,289</b>	<b>4,590</b>	<b>5,326</b>
Capex as % of sales	7.7%	5.5%	4.0%	3.5%	3.5%

Key Ratios					
Year-end March	FY23	FY24	FY25E	FY26E	FY27E
<b>Solvency Ratios</b>					
Debt / Equity	0.52	0.46	0.43	0.39	0.36
Net Debt / Equity	0.45	0.38	0.41	0.37	0.31
Debt / EBITDA	2.13	1.93	1.70	1.52	1.36
Current Ratio	1.82	1.58	1.64	1.41	1.17
<b>DuPont Analysis</b>					
Sales/Assets	1.13	1.12	1.16	1.21	1.25
Assets/Equity	1.99	1.89	1.83	1.77	1.72
RoE	12.42%	11.44%	12.57%	13.82%	14.80%
<b>Per share ratios</b>					
Reported EPS	10.99	11.25	13.79	17.14	21.03
Dividend per share	2.05	2.24	2.50	2.75	3.00
BV per share	88.48	98.38	109.67	124.06	142.09
Cash per Share	7.23	8.34	1.70	3.39	7.32
Revenue per Share	198.88	209.15	234.24	264.95	304.96
<b>Profitability ratios</b>					
Net Profit Margin (PAT/Net sales)	5.53%	5.38%	5.89%	6.47%	6.90%
Gross Profit / Net Sales	41.25%	41.36%	42.52%	43.16%	43.51%
EBITDA / Net Sales	10.92%	11.15%	11.70%	12.12%	12.38%
EBIT / Net Sales	7.45%	7.57%	8.16%	8.75%	9.20%
ROCE (%)	12.67%	13.00%	14.49%	15.99%	17.34%
<b>Activity ratios</b>					
Inventory Days	93.22	99.68	94.76	97.99	97.86
Debtor Days	50.26	61.72	62.18	62.18	61.67
Creditor Days	54.89	66.67	66.04	62.88	61.20
<b>Leverage ratios</b>					
Interest coverage	5.77	4.27	5.12	5.95	6.85
Debt / Asset	0.26	0.24	0.23	0.22	0.21
<b>Valuation ratios</b>					
EV / EBITDA	30.36	28.15	24.25	20.70	17.58
EV / EBIT	44.49	41.46	34.79	28.70	23.66
EV / Net Sales	3.32	3.14	2.84	2.51	2.18
PE(x)	56.37	55.06	44.95	36.15	29.46

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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%

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