Consumer Electricals

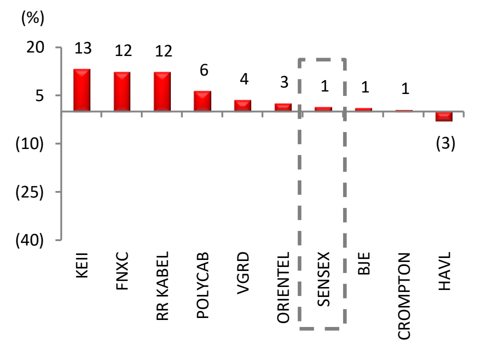
12 April 2024

Cables demand stays strong; low base to support FMEG growth

SECTOR UPDATE

Industry	Consumer Electricals

CE - stock price performance (1-month)



Source: BSE

The consolidated revenue/EBITDA/PAT of the 9 consumer electrical companies under our focus are expected to report a healthy 13%/12%/11% YoY and 15%/26% /23% QoQ growth in 4QFY24, driven by Cables & Wires (C&W) segment (on continued traction in cables) and FMEG segment (low base; demand soft though).

Channel Check KTAs & 4QFY24 estimates:

Cables & Wires (C&W): Demand of electrical cables continues to stay strong driven by infrastructure activities and healthy traction in exports. Wires revenue in 4QFY24 is likely to grow moderately though owing to soft demand and 8% YoY dip in copper prices (on 3M rolling basis). Segment revenue of the 6 companies under our focus is expected to grow 12% YoY and QoQ each, led by KEII (up 21% YoY and 13% QoQ) and HAVL (up 15% YoY and QoQ). Record level of copper prices (up 12% in 3-month) may hinder demand due to likely delay in announcement of new projects.

FMEG: Demand recovery in the FMEG segment remained soft, led by kitchen appliances category and resulted in fierce competition among companies. However, low base is likely to support a decent 12% YoY and 8% QoQ rise in the segment revenue of 8 companies under our focus. Premiumization trend continued, led by fans. B2C lighting further saw price erosion (down ~5% QoQ) after stability while demand of B2B products stayed healthy.

White Goods: Brands could push strong volumes of room air-conditioners (RAC) in channels in anticipation of strong summer season and normal channel inventory. Voltas reported 72%/35% YoY jump in AC volumes in 4Q/FY24. Retail demand of RAC picked up since Feb-end in western and southern India on timely onset of the summer season while it got delayed till end of March in northern and eastern part of the country due to intermittent rains and cool weather. Overall, companies are expecting a strong sale of cooling products in 4Q and 1QFY25 (peak season)

Outlook & View: We remain structurally positive on robust prospects of C&W. Strong and visible earnings growth has driven significant re-rating in KEII and POLYCAB's valuation which we believe is justified and to sustain. Scrips of FMEG names have seen significant price and time correction in last 2 years and can be re-rated on signs of healthy recovery in demand and earnings trajectory.

Preferred picks: POLYCAB, FNXC (Upgraded to BUY), BJE and KEII

Ashish Poddar
ashishpoddar@systematixgroup.in
+91 22 6704 8039

Krisha Zaveri
krishazaveri@systematixgroup.in
+91 22 6704 8023

Exhibit 1: Valuation Table

	M-cap (Rs bn)	CMP 10-Apr	New Reco	New TP (Rs)	Old Reco	Old TP (Rs)	Upside (%)	T PE 26E (x)	P/E			EPS (Rs)			CAGR (%) (FY23-26E)			RoIC (%)	
									FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	Rev	EBITDA	PAT	FY23	FY26E
Bajaj Electric (BJE)	113	985	Buy	1,178	Buy	1,192	20	30	66	32	25	15	30	39	6	21	28	21	27
Crompton (CROMPTON)	181	284	Hold	311	Hold	298	9	28	42	32	26	7	9	11	10	10	15	13	27
Finolex Cables (FNXC)	153	1,000	Buy	1,341	Hold	1,165	34	23	23	20	17	43	50	58	12	18	21	15	24
Havells (HAVL)	940	1,500	Hold	1,511	Hold	1,389	1	45	77	54	45	20	28	34	14	23	25	29	43
KEI Industries (KEII)	338	3,750	Hold	3,804	Hold	3,325	1	40	58	48	39	65	79	95	16	20	22	22	36
Orient Electric (ORIENTEL)	43	203	Hold	223	Hold	225	10	25	47	27	23	4	8	9	12	28	36	26	50
Polycab (POLYCAB)	782	5,220	Buy	6,119	Buy	5,171	17	39	47	40	34	112	130	155	18	20	22	36	45
RR Kabel (RRKABEL)	180	1,571	NR	NA					56	42	32	27	37	48	20	29	25	21	30
V-Guard (VGRD)	149	345	Hold	383	Hold	310	11	35	56	40	31	6	9	11	14	30	36	15	25

Source: BSE, Systematix Institutional Research, Bloomberg

Investors are advised to refer disclosures made at the end of the research report.

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Valuation Tables

Exhibit 2: Valuation table – 1

	M-cap (Rs bn)	CMP 10-Apr	Reco	TP (Rs)	Upside (%)	T PE FY26E (x)	1-yr forward PE (5-year)			P/E			RoIC (%)	
							Mean	+1 SD	-1 SD	FY24E	FY25E	FY26E	FY23	FY26E
Bajaj Electricals	113	985	Buy	1,178	20	30	56	77	35	66	32	25	21	27
Crompton Consumer	181	284	Hold	311	9	28	40	51	29	42	32	26	13	27
Finolex Cables	153	1,000	Buy	1,341	34	23	14	18	10	23	20	17	15	24
Havells	940	1,500	Hold	1,511	1	45	56	69	43	77	54	45	29	43
KEI Industries	338	3,750	Hold	3,804	1	40	21	30	12	58	48	39	22	36
Orient Electric	43	203	Hold	223	10	25	53	71	35	47	27	23	26	50
Polycab	782	5,220	Buy	6,119	17	39	25	34	15	47	40	34	36	45
RR Kabel	180	1,571	NR	NA		NA	41	45	37	56	42	32	21	30
V-Guard	149	345	Hold	383	11	35	42	48	36	56	40	31	15	25

Source: BSE, Systematix Institutional Research, Bloomberg

Exhibit 3: Valuation table – 2

	EPS (Rs)			CAGR (%) (FY18-23)			CAGR (%) (FY23-26E)			RoE (%)		RoCE (%)	
	FY24E	FY25E	FY26E	Rev	EBITDA	PAT	Rev	EBITDA	PAT	FY23	FY26E	FY23	FY26E
Bajaj Electricals	15	30	39	3	4	21	6	21	28	11	17	19	25
Crompton Consumer	7	9	11	14	10	9	10	10	15	17	20	16	21
Finolex Cables	43	50	58	10	3	9	12	18	21	12	14	13	15
Havells	20	28	34	16	9	10	14	23	25	16	20	22	28
KEI Industries	65	79	95	15	16	27	16	20	22	18	19	26	27
Orient Electric	4	8	9	12	3	4	12	28	36	13	23	22	34
Polycab	112	130	155	16	21	29	18	20	22	19	21	28	30
RR Kabel	27	37	48	21	(29)	(33)	20	29	25	17	21	18	24
V-Guard	6	9	11	12	11	7	14	30	36	12	19	15	24

Source: Systematix Institutional Research, Bloomberg

Consumer Electricals - Stock price performance

	1-month	3-month	6-month	12-month	3-years
KEI	13	21	42	117	601
Finolex Cables	12	(4)	(4)	19	163
RR Kabel	12	0	7	NA	NA
Polycab	6	7	0	72	276
V-Guard	4	20	19	37	45
Orient Electric	3	(8)	(5)	(8)	(31)
Bajaj Electricals	1	(5)	(6)	(5)	(6)
Crompton Consumer	1	(10)	(3)	(1)	(26)
Havells	(3)	8	8	28	41

Source: BSE

Consumer Electricals – 4QFY24E Preview

	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24E	YoY (%)	QoQ (%)
Consolidated (9 companies)							
Revenue	**1,87,496**	**1,82,066**	**1,74,484**	**1,84,963**	**2,12,133**	***13***	***15***
EBITDA	20,413	17,907	18,162	18,233	22,914	*12*	*26*
EBITDA margin (%)	*10.9*	*9.8*	*10.4*	*9.9*	*10.8*		
PAT	14,253	12,825	12,451	12,793	15,768	*11*	*23*
Bajaj Electricals							
Revenue	**12,920**	**11,121**	**11,128**	**12,282**	**13,416**	***4***	***9***
EBITDA	946	676	753	576	977	*3*	*69*
EBITDA margin (%)	*7.3*	*6.1*	*6.8*	*4.7*	*7.3*		
PAT	519	371	273	374	510	*(2)*	*36*
Lighting revenue	3,054	2,395	2,553	2,716	3,054	-	12
EBIT margin (%)	7.5	8.1	5.6	8.4	9.0		
Consumer Products revenue	*9,865*	*8,726*	*8,576*	*9,567*	*10,361*	5	8
EBIT margin (%)	6.6	4.7	4.8	1.7	5.7		
Crompton Consumer							
Revenue	**17,910**	**18,769**	**17,823**	**16,927**	**19,663**	***10***	***16***
EBITDA	2,114	1,858	1,745	1,498	2,070	*(2)*	*38*
EBITDA margin (%)	*11.8*	*9.9*	*9.8*	*8.8*	*10.5*		
PAT	1,312	1,183	972	860	1,274	*(3)*	*48*
ECD	*13,257*	*14,290*	*12,380*	*12,093*	*14,583*	*10*	*21*
EBIT margin (%)	*16.4*	*12.7*	*14.2*	*13.6*	*14.2*		
Lighting	*2,786*	*2,290*	*2,387*	*2,494*	*3,064*	*10*	*23*
EBIT margin (%)	*10.9*	*11.9*	*10.5*	*11.2*	*11.5*		
Butterfly Products	*1,867*	*2,189*	*3,056*	*2,341*	*2,016*	*8*	*(14)*
EBIT margin (%)	*2.0*	*7.3*	*6.6*	*(0.8)*	*7.5*		
Finolex Cables							
Revenue	**12,243**	**12,043**	**11,874**	**12,217**	**13,830**	***13***	***13***
EBITDA	1,457	1,465	1,461	1,337	1,709	*17*	*28*
EBITDA margin (%)	*11.9*	*12.2*	*12.3*	*10.9*	*12.4*		
PAT	1,750	1,604	1,542	1,510	1,860	*6*	*23*
Electrical wires	*10,318*	*10,115*	*9,885*	*10,209*	*11,556*	*12*	*13*
EBIT margin (%)	*12.8*	*13.1*	*14.2*	*11.7*	*12.5*		
Communication cables	*1,400*	*1,365*	*1,365*	*1,303*	*1,540*	*10*	*18*
EBIT margin (%)	*2.3*	*2.0*	*2.0*	*2.1*	*2.5*		
ECD + Lighting	*453*	*465*	*549*	*599*	*634*	*40*	*6*
EBIT margin (%)	*0.9*	*1.5*	*1.6*	*1.2*	*1.3*		
Havells							
Revenue	**48,496**	**48,237**	**38,912**	**44,006**	**55,865**	***15***	***27***
EBITDA	5,308	4,024	3,735	4,326	6,229	*17*	*44*
EBITDA margin (%)	*10.9*	*8.3*	*9.6*	*9.8*	*11.1*		
PAT	3,617	2,874	2,491	2,879	3,996	*10*	*39*
ECD + Lighting	*20,174*	*20,331*	*19,281*	*21,813*	*22,916*	*14*	*5*
EBIT margin (%)	*17.6*	*15.1*	*14.9*	*13.7*	*15.9*		
Cables & Wires	*15,682*	*14,852*	*14,702*	*15,727*	*18,034*	*15*	*15*
EBIT margin (%)	*12.0*	*11.4*	*11.6*	*10.4*	*12.0*		
Lloyd	*12,640*	*13,055*	*4,930*	*6,467*	*14,915*	*18*	*131*
EBIT margin (%)	*(1.7)*	*(4.7)*	*(14.9)*	*(10.1)*	*(1.0)*		

	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24E	YoY (%)	QoQ (%)
KEI Industries							
Revenue	**19,545**	**17,826**	**19,466**	**20,617**	**22,993**	***18***	***12***
EBITDA	2,038	1,783	2,039	2,169	2,462	*21*	*14*
EBITDA margin (%)	*10.4*	*10.0*	*10.5*	*10.5*	*10.7*		
PAT	1,381	1,214	1,402	1,507	1,727	*25*	*15*
Cables & Wires	*17,600*	*16,220*	*17,860*	*18,850*	*21,280*	*21*	*13*
EBIT margin (%)	*9.4*	*8.7*	*10.7*	*10.5*	*10.5*		
Stainless steel wires	*630*	*580*	*580*	*460*	*599*	*(5)*	*30*
EBIT margin (%)	*9.4*	*5.4*	*6.2*	*7.8*	*7.8*		
EPC	*1,350*	*1,110*	*1,130*	*1,460*	*1,215*	*(10)*	*(17)*
EBIT margin (%)	*6.5*	*13.9*	*10.0*	*11.6*	*10.0*		
Orient Electric							
Revenue	**6,579**	**7,056**	**5,669**	**7,519**	**7,883**	***20***	***5***
EBITDA	464	440	207	489	563	*21*	*15*
EBITDA margin (%)	*7.0*	*6.2*	*3.6*	*6.5*	*7.1*		
PAT	246	197	185	243	297	*20*	*22*
ECD	*4,577*	*5,150*	*3,634*	*5,352*	*5,721*	*25*	*7*
EBIT margin (%)	*9.7*	*9.5*	*8.2*	*11.3*	*11.3*		
Lighting & Switchgear	*2,003*	*1,906*	*2,035*	*2,167*	*2,163*	*8*	*(0)*
EBIT margin (%)	*19.5*	*16.1*	*13.2*	*14.2*	*14.0*		
Polycab							
Revenue	**43,237**	**38,894**	**42,177**	**43,405**	**48,357**	***12***	***11***
EBITDA	6,095	5,486	6,089	5,695	6,255	*3*	*10*
EBITDA margin (%)	*14.1*	*14.1*	*14.4*	*13.1*	*12.9*		
PAT	4,248	3,996	4,256	4,129	4,410	*4*	*7*
Cables & Wires	*40,783*	*35,338*	*38,047*	*39,041*	*43,554*	*7*	*12*
EBIT margin (%)	*14.5*	*14.8*	*14.6*	*14.0*	*14.0*		
ECD + Lighting	*3,052*	*3,145*	*3,300*	*2,962*	*3,663*	*20*	*24*
EBIT margin (%)	*(2.3)*	*(1.8)*	*(1.8)*	*(12.4)*	*(10.0)*		
EPC	*1,338*	*1,496*	*2,015*	*2,475*	*2,140*	*60*	*(14)*
EBIT margin (%)	*6.1*	*12.3*	*11.2*	*15.9*	*11.5*		
RR Kabel							
Revenue	**15,165**	**15,973**	**16,097**	**16,335**	**17,227**	***10***	***1***
EBITDA	1,004	1,129	1,209	1,126	1,321	*(4)*	*(7)*
EBITDA margin (%)	*6.6*	*7.1*	*7.5*	*6.9*	*7.7*		
PAT	653	743	741	710	873	*(1)*	*(4)*
Wires & Cables	*13,218*	*14,231*	*14,504*	*14,331*	*14,937*	*9*	*(1)*
EBIT	*914*	*1,246*	*1,329*	*1,147*	*1,270*	*(15)*	*(14)*
EBIT margin (%)	*6.9*	*8.8*	*9.2*	*8.0*	*8.5*		
FMEG	*1,974*	*1,851*	*1,598*	*2,005*	*2,290*	*17*	*25*
EBIT	*41*	*(170)*	*(198)*	*(124)*	*(46)*		
EBIT margin (%)	*2.1*	*(9.2)*	*(12.4)*	*(6.2)*	*(2.0)*		

	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24E	YoY (%)	QoQ (%)
V-Guard							
Revenue	**11,401**	**12,148**	**11,338**	**11,654**	**12,900**	***13***	***11***
EBITDA	987	1,048	925	1,016	1,328	*35*	*31*
EBITDA margin (%)	*8.7*	*8.6*	*8.2*	*8.7*	*10.3*		
PAT	527	642	590	582	822	*56*	*41*
Electronics (stabliser, invertor etc.)	*2,717*	*3,637*	*2,551*	*2,236*	*3,109*	*14*	*39*
EBIT margin (%)	*12.0*	*16.1*	*14.5*	*12.9*	*14.6*		
Electricals (wires, switchgears etc.)	*5,253*	*4,567*	*4,623*	*4,727*	*5,749*	*9*	*22*
EBIT margin (%)	*9.1*	*6.3*	*8.3*	*9.1*	*9.7*		
ECD + Lighting	*2,862*	*3,312*	*3,547*	*3,928*	*3,291*	*15*	*(16)*
EBIT margin (%)	*(0.4)*	*0.3*	*(0.0)*	*3.0*	*3.0*		
Sunflame	*569*	*632*	*617*	*763*	*750*		*(2)*
EBIT margin (%)	-	-	*14.1*	*9.2*	*6.0*		

Source: Company, Systematix Institutional Research

Cables & Wires – 4QFY24E Preview (revenue)

(Rs mn)	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24E	YoY (%)	QoQ (%)
Finolex Cables	10,318	10,115	9,885	10,209	11,556	*12*	*13*
Havells	15,682	14,852	14,702	15,727	18,034	*15*	*15*
KEI Industries	17,600	16,220	17,860	18,850	21,280	*21*	*13*
Polycab	40,783	35,338	38,047	39,041	43,554	*7*	*12*
RR Kabel	13,218	14,231	14,504	14,331	14,937	*13*	*4*
V-Guard	5,253	4,567	4,623	4,727	5,749	*9*	*22*
Total	**1,02,853**	**95,322**	**99,621**	**1,02,885**	**1,15,109**	***12***	***12***

Source: Company, Systematix Institutional Research

ECD + Lighting – 4QFY24E Preview (revenue)

(Rs mn)	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24E	YoY (%)	QoQ (%)
Bajaj Electricals	12,920	11,121	11,128	12,282	13,416	*4*	*9*
Crompton Consumer	17,910	18,769	17,823	16,927	19,663	*10*	*16*
Finolex Cables	453	465	549	599	634	*40*	*6*
Havells	20,174	20,331	19,281	21,813	22,916	*14*	*5*
Orient Electric	6,579	7,056	5,669	7,519	7,883	*20*	*5*
Polycab	3,052	3,145	3,300	2,962	3,663	*20*	*24*
RR Kabel	1,974	1,851	1,598	2,005	2,290	*16*	*14*
V-Guard	3,431	3,943	4,164	4,691	4,041	*18*	*(14)*
Total	**66,493**	**66,681**	**63,511**	**68,797**	**74,506**	***12***	***8***

Source: Company, Systematix Institutional Research

Consumer Electricals - Change in estimates + Variance with Bloomberg estimates

(Rs mn)	Old Estimates			New Estimates			% Var			Bloomberg estimates			% Var vs. Systematix		
	FY24	FY25	FY26	FY24	FY25	FY26	FY24	FY25	FY26	FY24	FY25	FY26	FY24	FY25	FY26
Bajaj Electricals															
Total Income	48,533	58,436	65,449	48,084	58,265	65,257	(1)	(0)	(0)	50,606	57,271	64,331	5	(2)	(1)
EBITDA	2,983	5,408	6,893	3,118	5,123	6,270	5	(5)	(9)	3,004	4,352	5,595	(4)	(15)	(11)
EBITDA margin (%)	*6.1*	*9.3*	*10.5*	*6.5*	*8.8*	*9.6*				*5.9*	*7.6*	*8.7*			
PAT	1,768	3,810	5,083	1,712	3,508	4,519	(3)	(8)	(11)	2,002	3,013	3,285	17	(14)	(27)
EPS (Rs)	15.4	33.1	44.2	14.9	30.5	39.3	(3)	(8)	(11)	17.2	26.2	33.7			
Crompton Consumer															
Total Income	72,898	81,643	91,438	73,181	81,961	91,793	0	0	0	72,943	81,950	92,089	(0)	(0)	0
EBITDA	7,273	9,370	11,107	7,171	8,875	10,417	(1)	(5)	(6)	7,181	8,801	10,369	0	(1)	(0)
EBITDA margin (%)	*10.0*	*11.5*	*12.1*	*9.8*	*10.8*	*11.3*				*9.8*	*10.7*	*11.3*			
PAT	4,367	6,065	7,633	4,289	5,684	7,103	(2)	(6)	(7)	4,384	5,740	7,046	2	1	(1)
EPS (Rs)	6.8	9.5	11.9	6.7	8.9	11.1	(2)	(6)	(7)	6.9	9.0	11.1			
Finolex Cables															
Total Income	50,079	56,206	63,085	49,963	56,436	63,750	(0)	0	1	50,812	58,629	66,222	2	4	4
EBITDA	6,035	7,468	8,878	5,972	7,179	8,421	(1)	(4)	(5)	6,158	7,755	8,621	3	8	2
EBITDA margin (%)	*12.1*	*13.3*	*14.1*	*12.0*	*12.7*	*13.2*				*12.1*	*13.2*	*13.0*			
PAT	6,458	7,887	9,429	6,516	7,591	8,948	1	(4)	(5)	6,326	7,491	8,747	(3)	(1)	(2)
EPS (Rs)	42.2	51.6	61.6	42.6	49.6	58.5	1	(4)	(5)	41.4	49.0	57.2			
Havells															
Total Income	1,87,515	2,13,766	2,43,215	1,87,485	2,16,781	2,50,763	(0)	1	3	1,86,733	2,12,854	2,41,751	(0)	(2)	(4)
EBITDA	18,292	25,004	29,340	17,869	25,139	29,694	(2)	1	1	18,110	23,353	28,120	1	(7)	(5)
EBITDA margin (%)	*9.8*	*11.7*	*12.1*	*9.5*	*11.6*	*11.8*				*9.7*	*11.0*	*11.6*			
PAT	12,530	17,436	20,715	12,264	17,557	21,031	(2)	1	2	12,268	16,037	19,657	0	(9)	(7)
EPS (Rs)	20.0	27.8	33.1	19.6	28.0	33.6	(2)	1	2	20.0	26.0	31.8			
KEI Industries															
Total Income	80,902	93,266	1,07,979	80,902	93,266	1,07,979	-	-	-	81,463	95,672	1,13,064	1	3	5
EBITDA	8,453	10,164	12,081	8,453	10,164	12,081	-	-	-	8,560	10,545	12,841	1	4	6
EBITDA margin (%)	*10.4*	*10.9*	*11.2*	*10.4*	*10.9*	*11.2*				*10.5*	*11.0*	*11.4*			
PAT	5,849	7,111	8,577	5,849	7,111	8,577	-	-	-	5,890	7,267	8,957	1	2	4
EPS (Rs)	64.9	78.8	95.1	64.9	78.8	95.1	-	-	-	65.3	79.8	98.8			
Orient Electric															
Total Income	28,031	31,394	35,162	28,128	31,503	35,284	0	0	0	28,777	33,008	36,814	2	5	4
EBITDA	1,716	2,832	3,200	1,698	2,816	3,182	(1)	(1)	(1)	1,841	2,659	3,140	8	(6)	(1)
EBITDA margin (%)	*6.1*	*9.0*	*9.1*	*6.0*	*8.9*	*9.0*				*6.4*	*8.1*	*8.5*			
PAT	938	1,632	1,916	921	1,617	1,899	(2)	(1)	(1)	884	1,444	1,765	(4)	(11)	(7)
EPS (Rs)	4.4	7.7	9.0	4.3	7.6	8.9	(2)	(1)	(1)	4.4	6.9	8.4			
Polycab															
Total Income	1,74,974	2,02,135	2,33,517	1,72,832	1,99,608	2,30,534	(1)	(1)	(1)	1,74,522	2,00,534	2,30,477	1	0	(0)
EBITDA	24,432	29,034	33,775	23,525	27,259	31,990	(4)	(6)	(5)	24,277	27,803	32,024	3	2	0
EBITDA margin (%)	*14.0*	*14.4*	*14.5*	*13.6*	*13.7*	*13.9*				*13.9*	*13.9*	*13.9*			
PAT	17,414	20,787	24,532	16,791	19,509	23,239	(4)	(6)	(5)	16,943	19,321	22,448	1	(1)	(3)
EPS (Rs)	116.3	138.8	163.8	112.1	130.3	155.2	(4)	(6)	(5)	113.2	128.8	149.8			
RR Kabel															
Total Income				65,632	75,881	87,745				66,291	81,049	95,372	1	7	9
EBITDA				4,785	6,443	8,260				4,887	6,537	8,395	2	1	2
EBITDA margin (%)				7.3	8.5	9.4				7.4	8.1	8.8			
PAT				3,067	4,135	5,403				3,138	4,290	5,572	2	4	3
EPS (Rs)				27.2	36.7	47.9				27.8	38.0	49.4	2	4	3
V-Guard															
Total Income	47,688	53,669	60,404	48,039	54,523	61,914	1	2	2	48,081	54,251	60,967	0	(0)	(2)
EBITDA	4,368	5,507	6,705	4,317	5,646	7,062	(1)	3	5	4,282	5,356	6,314	(1)	(5)	(11)
EBITDA margin (%)	*9.2*	*10.3*	*11.1*	*9.0*	*10.4*	*11.4*				*8.9*	*9.9*	*10.4*			
PAT	2,666	3,603	4,460	2,637	3,710	4,728	(1)	3	6	2,588	3,452	4,207	(2)	(7)	(11)
EPS (Rs)	6.2	8.3	10.3	6.1	8.6	11.0	(1)	3	6	6.0	7.8	9.4			

Source: Bloomberg, Systematix Institutional Research

Commodity prices, currency movement

Exhibit 4: LME Copper price

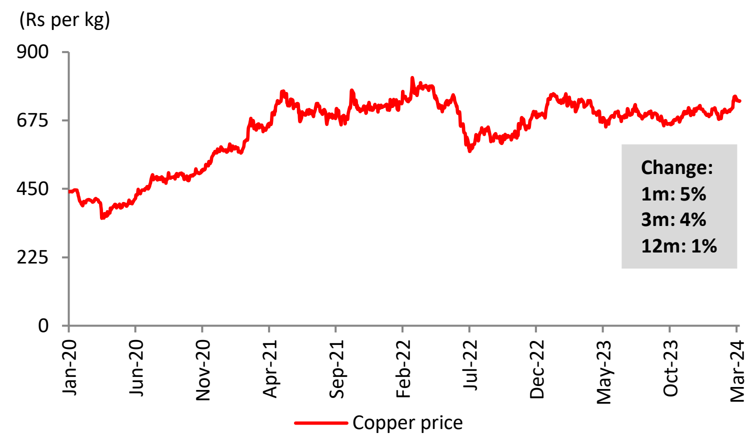


Exhibit 5: LME Copper price - 3-month rolling average

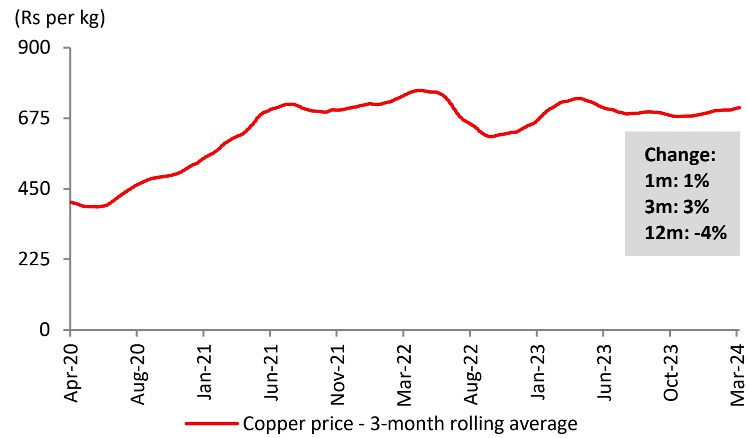


Exhibit 6: LME Aluminium price

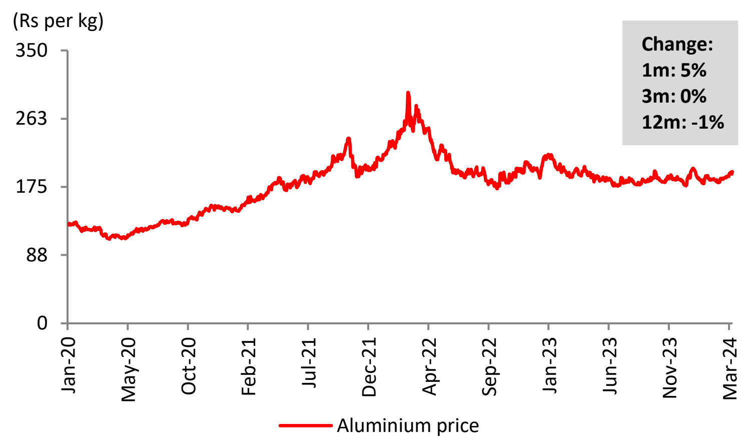


Exhibit 7: LME Aluminium price - 3-month rolling average

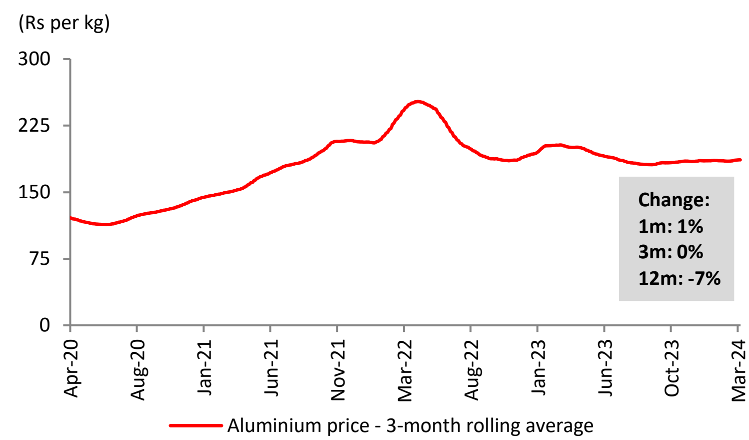


Exhibit 8: Polypropylene (PP) price - 3m rolling average

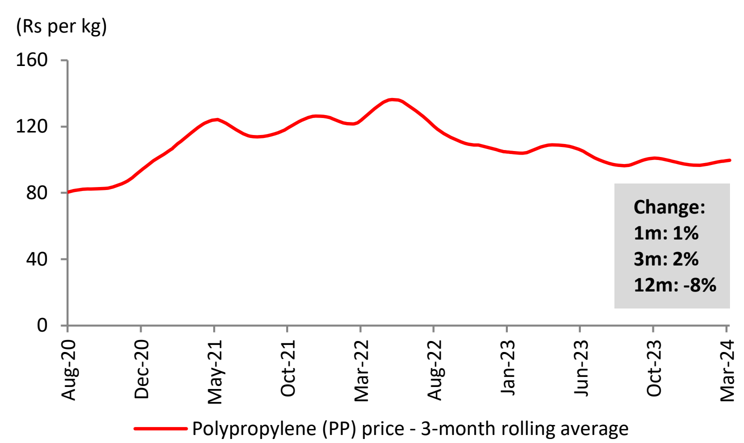
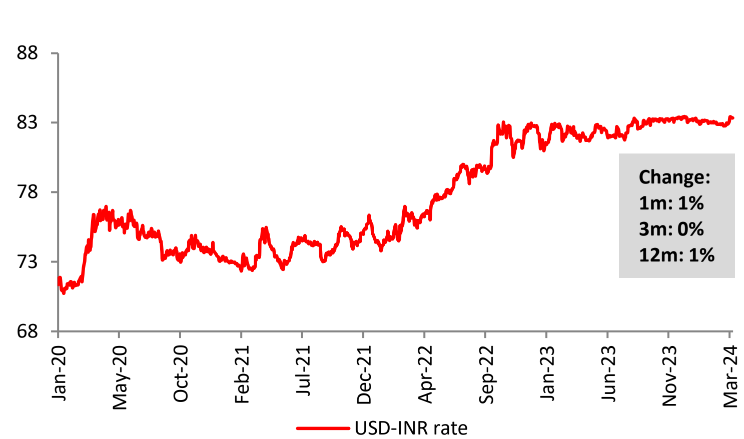


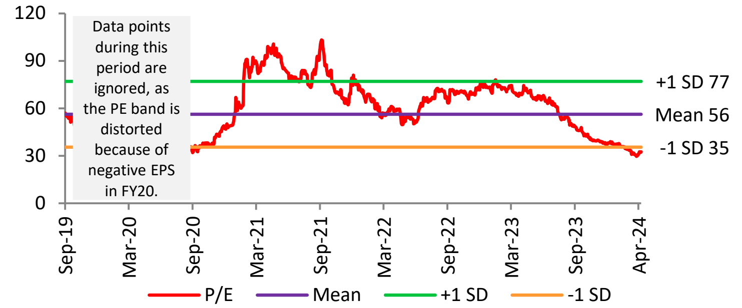
Exhibit 9: USD-INR rate



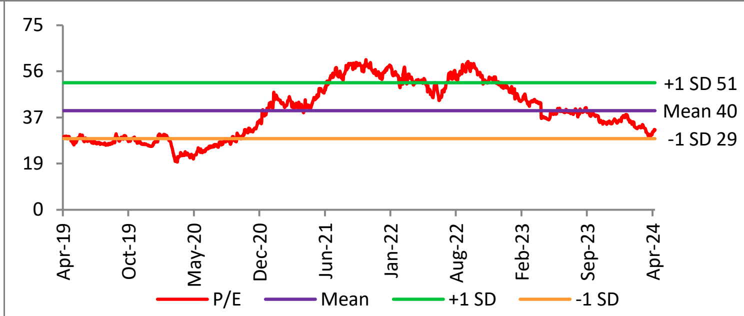
Source: Bloomberg

PE band and standard deviation (one-year forward)

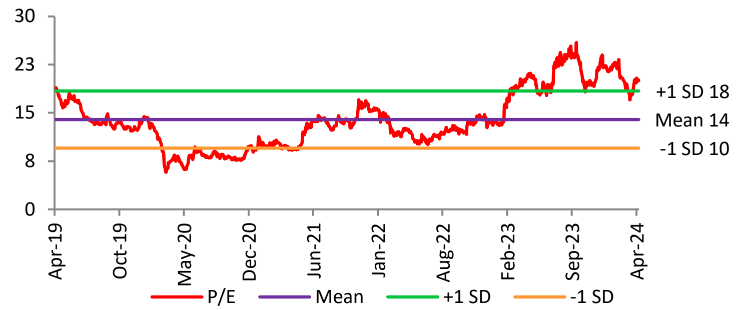
Bajaj Electricals



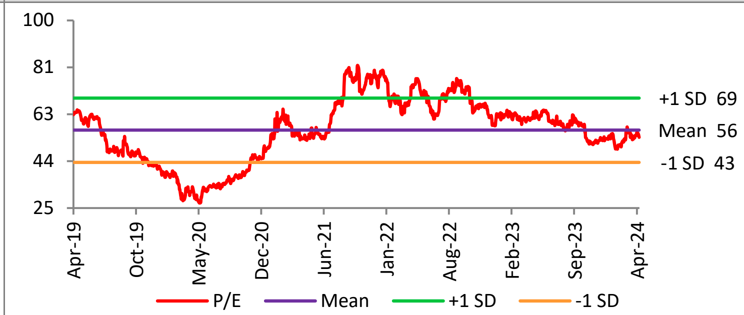
Crompton Consumer



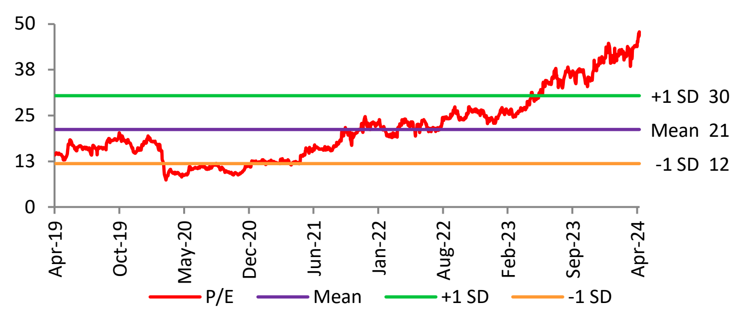
Finolex Cables



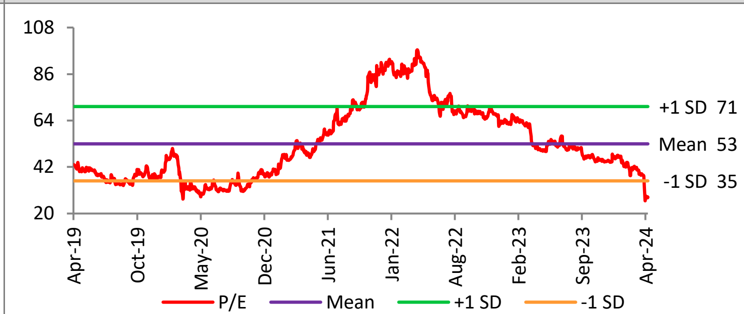
Havells



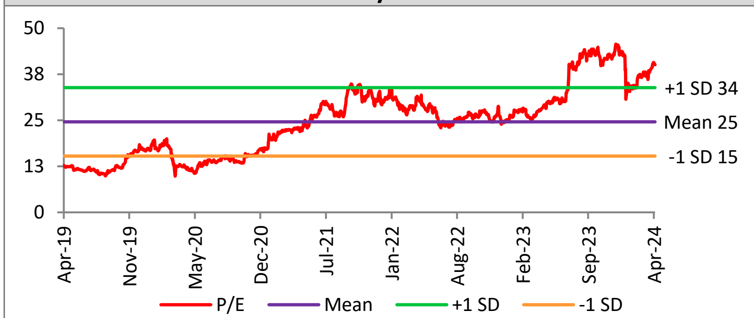
KEI Industries



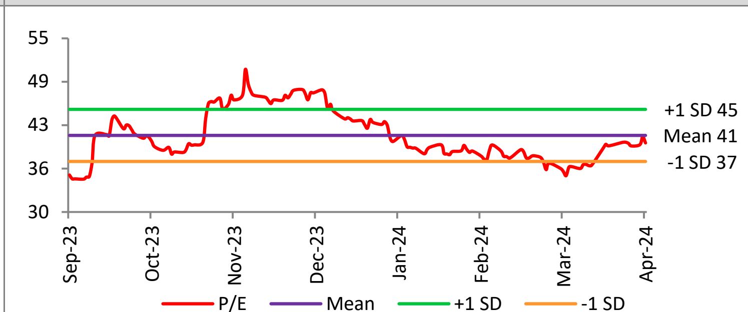
Orient Electric



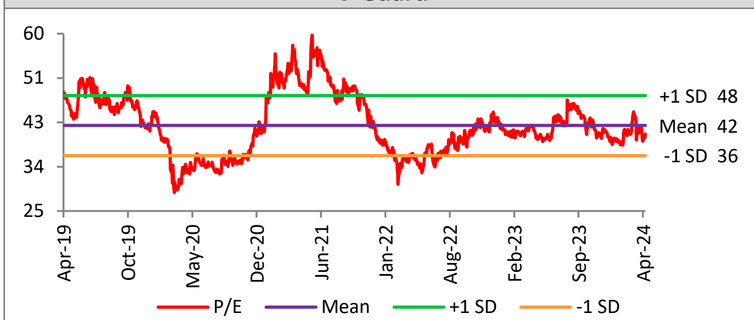
Polycab



RR Kabel



V-Guard



Source: BSE, Systematix Institutional Research

Consumer Electricals – Detailed financial peer comparison

								CAGR (%)	
	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E	FY23-26E	FY20-23
Revenue (Rs bn)									
Finolex Cables	28.8	27.7	37.7	44.8	50.0	56.4	63.7	12	16
KEI	48.9	41.8	57.3	69.1	80.9	93.3	108.0	16	12
Polycab	88.3	87.9	122.0	141.1	172.8	199.6	230.5	18	17
RR Kabel	24.8	27.2	43.9	56.0	65.6	75.9	87.7	16	31
Bajaj Electricals	49.9	45.8	48.1	54.3	48.1	58.3	65.3	6	3
Crompton	45.2	48.0	53.9	68.7	73.2	82.0	91.8	10	15
Havells	94.4	104.6	139.4	169.1	187.5	216.8	250.8	14	21
Orient Electric	20.6	20.3	24.5	25.3	28.1	31.5	35.3	12	7
V-Guard	25.0	27.2	35.0	41.3	48.0	54.5	61.9	14	18
Total	**425.9**	**430.7**	**561.8**	**669.7**	**754.2**	**868.2**	**995.0**	**14**	**16**
EBITDA (Rs mn)									
Finolex Cables	3,834	3,702	4,285	5,094	5,972	7,179	8,421	18	10
KEI	4,971	4,556	5,887	7,062	8,453	10,164	12,081	20	12
Polycab	11,350	11,111	12,652	18,521	23,525	27,259	31,990	20	18
RR Kabel	2,048	2,301	3,032	3,223	4,785	6,443	8,260	37	16
Bajaj Electricals	2,083	3,032	2,502	3,577	3,118	5,123	6,270	21	20
Crompton	5,991	7,205	7,695	7,769	7,171	8,875	10,417	10	9
Havells	10,287	15,718	17,604	15,991	17,869	25,139	29,694	23	16
Orient Electric	1,764	2,195	2,313	1,510	1,698	2,816	3,182	28	(5)
V-Guard	2,580	3,121	3,402	3,199	4,317	5,646	7,062	30	7
PAT (Rs mn)									
Finolex Cables	3,910	4,615	5,991	5,043	6,516	7,591	8,948	21	9
KEI	2,563	2,696	3,759	4,773	5,849	7,111	8,577	22	23
Polycab	7,591	8,821	9,086	12,700	16,791	19,509	23,239	22	19
RR Kabel	1,224	1,354	2,139	1,899	3,067	4,135	5,403	42	16
Bajaj Electricals	-93	1,906	1,285	2,162	1,712	3,508	4,519	28	
Crompton	4,964	5,346	5,784	4,632	4,289	5,684	7,103	15	(2)
Havells	7,356	10,443	11,965	10,717	12,264	17,557	21,031	25	13
Orient Electric	786	1,197	1,266	758	921	1,617	1,899	36	(1)
V-Guard	1,871	2,008	2,277	1,891	2,637	3,710	4,728	36	0

	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
EBITDA margin (%)							
Finolex Cables	13.3	13.4	11.4	11.4	12.0	12.7	13.2
KEI	10.2	10.9	10.3	10.2	10.4	10.9	11.2
Polycab	12.9	12.6	10.4	13.1	13.6	13.7	13.9
RR Kabel	8.3	8.4	6.9	5.8	7.3	8.5	9.4
Bajaj Electricals	4.2	6.6	5.2	6.6	6.5	8.8	9.6
Crompton	13.3	15.0	14.3	11.3	9.8	10.8	11.3
Havells	10.9	15.0	12.6	9.5	9.5	11.6	11.8
Orient Electric	8.6	10.8	9.4	6.0	6.0	8.9	9.0
V-Guard	10.3	11.5	9.7	7.8	9.0	10.4	11.4
PAT margin (%)							
Finolex Cables	13.6	16.7	15.9	11.3	13.0	13.5	14.0
KEI	5.2	6.4	6.6	6.9	7.2	7.6	7.9
Polycab	8.6	10.0	7.4	9.0	9.7	9.8	10.1
RR Kabel	4.9	5.0	4.9	3.4	4.7	5.4	6.2
Bajaj Electricals	(0.2)	4.2	2.7	4.0	3.6	6.0	6.9
Crompton	11.0	12.8	10.7	6.7	5.9	6.9	7.7
Havells	7.8	10.0	8.6	6.3	6.5	8.1	8.4
Orient Electric	3.8	5.9	5.2	3.0	3.3	5.1	5.4
V-Guard	7.5	7.4	6.5	4.6	5.5	6.8	7.6
Net debt to equity (x)							
Finolex Cables	(0.5)	(0.2)	(0.2)	(0.4)	(0.4)	(0.4)	(0.4)
KEI	0.1	0.1	(0.0)	(0.1)	(0.2)	(0.2)	(0.3)
Polycab	(0.1)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.4)
RR Kabel	0.2	0.3	0.3	0.2	0.0	0.0	0.0
Bajaj Electricals	0.5	0.2	(0.1)	(0.2)	(0.2)	(0.1)	(0.1)
Crompton	(0.3)	(0.5)	0.0	0.1	0.0	(0.1)	(0.2)
Havells	(0.3)	(0.2)	(0.4)	(0.3)	(0.3)	(0.4)	(0.4)
Orient Electric	0.2	(0.5)	(0.3)	(0.3)	(0.2)	(0.3)	(0.4)
V-Guard	(0.1)	(0.2)	(0.0)	0.3	0.2	0.1	(0.0)
Net Working Capital Days							
Finolex Cables	79	100	62	56	55	55	55
KEI	79	120	109	92	88	84	80
Polycab	90	91	71	57	55	55	55
RR Kabel	90	113	88	66	66	66	66
Bajaj Electricals	170	155	85	72	85	85	85
Crompton	23	12	21	20	20	20	20
Havells	27	55	36	44	46	46	46
Orient Electric	61	20	44	29	30	30	30
V-Guard	73	73	89	75	75	75	75
Debtor days							
Finolex Cables	24	23	17	18	20	20	20
KEI	102	118	89	73	71	69	67
Polycab	66	65	41	34	35	35	35
RR Kabel	62	56	43	39	39	39	39
Bajaj Electricals	186	153	103	105	95	95	95
Crompton	37	35	40	36	36	36	36
Havells	10	20	20	21	21	21	21
Orient Electric	69	69	62	54	50	50	50
V-Guard	47	52	50	50	50	50	50

	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Inventory days							
Finolex Cables	75	100	63	55	55	55	55
KEI	64	67	69	58	56	54	52
Polycab	80	83	66	76	70	70	70
RR Kabel	55	72	59	56	56	56	56
Bajaj Electricals	51	79	76	72	50	50	50
Crompton	37	39	49	40	40	40	40
Havells	72	91	78	80	80	80	80
Orient Electric	51	45	49	41	45	45	45
V-Guard	70	85	90	68	68	68	68
Payable days							
Finolex Cables	20	23	18	17	20	20	20
KEI	87	65	49	40	40	40	40
Polycab	56	56	36	53	50	50	50
RR Kabel	27	15	14	29	29	29	29
Bajaj Electricals	67	76	94	105	60	60	60
Crompton	52	62	68	55	55	55	55
Havells	55	56	62	57	55	55	55
Orient Electric	59	93	67	65	65	65	65
V-Guard	44	64	51	43	43	43	43
RoE (%)							
Finolex Cables	13	14	15	12	13	14	14
KEI	17	15	18	18	19	19	19
Polycab	20	19	16	19	21	21	21
RR Kabel	14	13	17	13	17	21	23
Bajaj Electricals	-1	12	7	11	8	15	17
Crompton	34	32	24	17	15	18	20
Havells	17	20	20	16	16	20	20
Orient Electric	22	26	23	13	15	22	23
V-Guard	19	17	16	12	15	18	19
RoCE (%)							
Finolex Cables	14	12	12	13	15	15	15
KEI	27	21	24	26	27	27	27
Polycab	30	23	21	28	31	31	30
RR Kabel	29	14	18	16	21	24	28
Bajaj Electricals	7	14	13	19	15	23	25
Crompton	42	39	22	16	16	19	21
Havells	20	28	26	22	23	28	28
Orient Electric	32	39	37	22	20	34	34
V-Guard	26	25	22	15	17	21	24
RoIC (%)							
Finolex Cables	19	18	19	15	19	22	24
KEI	18	15	18	22	24	34	36
Polycab	32	23	26	36	43	43	45
RR Kabel	34	17	21	18	27	30	34
Bajaj Electricals	7	13	13	21	17	26	27
Crompton	58	61	26	13	13	23	27
Havells	25	36	36	29	29	38	43
Orient Electric	33	54	60	26	27	46	50
V-Guard	29	29	24	15	18	21	25

	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
OCF/ EBITDA (%)							
Finolex Cables	65	26	95	57	57	62	66
KEI	(3)	32	38	70	50	55	55
Polycab	20	102	38	72	54	53	53
RR Kabel	93	(28)	28	127	43	49	52
Bajaj Electricals	246	177	287	104	55	30	45
Crompton	62	104	87	66	73	73	71
Havells	72	38	90	32	53	58	57
Orient Electric	72	189	(1)	107	70	67	67
V-Guard	50	67	(10)	126	50	55	57
OCF/ PAT (%)							
Finolex Cables	79	25	79	71	66	71	74
KEI	(5)	57	61	108	76	82	82
Polycab	32	142	56	112	82	81	81
RR Kabel	176	(52)	46	239	76	83	83
Bajaj Electricals	(6,751)	345	711	208	132	53	75
Crompton	83	135	127	119	134	121	112
Havells	112	63	144	53	87	90	88
Orient Electric	164	357	(1)	250	141	124	118
V-Guard	75	111	(16)	224	89	91	91
Total asset turnover (x)							
Finolex Cables	0.9	0.8	0.9	1.0	1.0	1.0	1.0
KEI	2.5	2.0	2.3	2.5	2.4	2.4	2.3
RR Kabel	2.3	1.9	2.8	4.0	4.0	4.2	4.3
Bajaj Electricals	1.1	1.1	1.2	1.2	1.2	1.3	1.3
Crompton	2.8	2.0	1.1	1.7	1.7	1.8	1.9
Havells	2.1	1.7	2.1	2.4	2.4	2.3	2.3
Orient Electric	4.5	4.3	4.4	4.3	4.4	4.3	4.2
V-Guard	2.4	2.1	2.4	1.9	2.0	2.1	2.1

Source: Company, Systematix Institutional Research, Bloomberg

COMPANY SECTION

Bajaj Electricals (BJE, BUY, TP: Rs 1,178) - Financials

Profit & Loss Statement

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Net revenues	**48,130**	**54,293**	**48,084**	**58,265**	**65,257**
Growth (%)	*5*	*13*	*(11)*	*21*	*12*
Raw material expenses	32,913	37,119	33,570	39,351	43,685
Gross Margin (%)	*31.6*	*31.6*	*30.2*	*32.5*	*33.1*
Employee & Other exp.	12,716	13,597	11,396	13,792	15,302
EBITDA	**2,502**	**3,577**	**3,118**	**5,123**	**6,270**
EBITDA margins (%)	*5.2*	*6.6*	*6.5*	*8.8*	*9.6*
Depreciation	692	817	1,101	995	1,055
Other income	683	758	964	1,122	1,262
Finance costs	697	484	663	540	410
PBT	1,663	3,034	2,319	4,710	6,067
Effective tax rate (%)	*25.2*	*28.7*	*26.2*	*25.5*	*25.5*
Associates/(Minorities)	41	-	-	-	-
Net Income	**1,285**	**2,162**	**1,712**	**3,508**	**4,519**
Adjusted net income	1,285	2,162	1,712	3,508	4,519
Shares outstanding	115	115	115	115	115
FDEPS (Rs)	11.2	18.8	14.9	30.5	39.3
FDEPS growth (%)	*(33)*	*68*	*(21)*	*105*	*29*

Balance Sheet

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	230	230	230	230	230
Net worth	17,316	19,072	20,324	23,256	27,084
Total debt	756	722	722	722	722
Minority interest	(263)	-	-	-	-
DT Liability/ (Asset)	-	54	54	54	54
Capital Employed	**17,808**	**19,848**	**21,100**	**24,032**	**27,860**
Net tangible assets	4,263	4,785	4,484	4,289	4,033
Net Intangible assets	2,121	2,107	2,107	2,107	2,107
Goodwill	-	-	-	-	-
CWIP	282	410	405	400	395
Investments (Strategic)	-	-	2,000	4,000	6,000
Investments (Financial)	1,357	1,763	2,763	2,763	2,763
Current Assets	30,468	34,002	26,590	30,447	33,033
Cash	1,425	3,705	2,028	1,118	1,910
Current Liabilities	22,108	26,924	19,278	21,091	22,381
Working capital	8,360	7,079	7,313	9,356	10,652
Capital Deployed	**17,808**	**19,848**	**21,100**	**24,032**	**27,860**
Contingent Liabilities	1,256	869	-	-	-

Cash Flow

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
EBIT (incl. other income)	2,248	3,478	2,017	4,128	5,215
Non-cash items	692	817	1,101	995	1,055
OCF before WC changes	2,940	4,296	3,118	5,123	6,270
Incr./(decr.) in WC	(6,647)	(429)	234	2,043	1,297
Others including taxes	446	228	628	1,224	1,570
Operating cash-flow	9,141	4,496	2,256	1,856	3,403
Capex	429	609	795	795	795
Free cash-flow	8,712	3,887	1,461	1,061	2,608
Acquisitions	8	-	-	-	-
Dividend	-	345	460	576	691
Equity raised	143	90	-	-	-
Debt raised	(6,582)	(669)	-	-	-
Fin Investments	1	353	3,000	2,000	2,000
Misc. Items (CFI + CFF)	1,548	381	(323)	(604)	(874)
Net cash-flow	732	2,229	(1,677)	(910)	792

Ratios @ Rs 985

YE: Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	88.0	52.4	66.2	32.3	25.1
EV/EBITDA (x)	45.0	30.7	35.5	21.8	17.7
EV/sales (x)	2.3	2.0	2.3	1.9	1.7
P/B (x)	6.5	5.9	5.6	4.9	4.2
RoE (%)	7.4	11.3	8.4	15.1	16.7
RoCE (%)	12.9	18.7	14.6	23.3	25.0
ROIC (%)	13.2	21.3	17.0	26.2	27.4
DPS (Rs per share)	3.0	4.0	4.0	5.0	6.0
Dividend yield (%)	0.3	0.4	0.4	0.5	0.6
Dividend payout (%)	26.8	21.3	26.9	16.4	15.3
Net debt/equity (x)	(0.1)	(0.2)	(0.2)	(0.1)	(0.1)
Receivables (days)	103	105	95	95	95
Inventory (days)	76	72	50	50	50
Payables (days)	94	105	60	60	60
CFO:PAT (%)	711	208	132	53	75

Source: Company, Systematix Institutional Research

Crompton Consumer (CROMPTON, HOLD, TP: Rs 311) - Financials

Profit & Loss Statement

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Net revenues	**53,941**	**68,696**	**73,181**	**81,961**	**91,793**
Growth (%)	*12*	*27*	*7*	*12*	*12*
Raw material expenses	37,018	46,804	50,302	55,574	61,856
Gross Margin (%)	*31.4*	*31.9*	*31.3*	*32.2*	*32.6*
Employee & Other exp.	9,229	14,124	15,709	17,511	19,520
EBITDA	**7,695**	**7,769**	**7,171**	**8,875**	**10,417**
EBITDA margins (%)	*14.3*	*11.3*	*9.8*	*10.8*	*11.3*
Depreciation	423	1,159	1,268	1,324	1,380
Other income	727	668	681	574	734
Finance costs	353	1,092	856	656	459
PBT	7,515	6,121	5,729	7,469	9,313
Effective tax rate (%)	*23.0*	*22.2*	*23.9*	*23.0*	*23.0*
Associates/(Minorities)	-	(132)	(68)	(68)	(68)
Net Income	**5,784**	**4,632**	**4,289**	**5,684**	**7,103**
Adjusted net income	5,784	4,632	4,289	5,684	7,103
Shares outstanding	633	636	640	640	640
FDEPS (Rs per share)	9.1	7.3	6.7	8.9	11.1
FDEPS growth (%)	*(6)*	*(20)*	*(8)*	*33*	*25*

Balance Sheet

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	1,267	1,272	1,280	1,280	1,280
Net worth	24,530	26,600	28,657	31,780	36,002
Total debt	16,517	9,781	8,581	8,281	7,981
Minority interest	7,825	4,477	4,477	4,477	4,477
DT Liability/ (Asset)	394	123	123	123	123
Capital Employed	**49,265**	**40,981**	**41,838**	**44,661**	**48,583**
Net tangible assets	4,756	4,840	4,572	4,248	3,868
Net Intangible assets	15,124	15,016	15,016	15,016	15,016
Goodwill	12,855	12,855	12,855	12,855	12,855
CWIP	130	55	55	55	55
Investments (Strategic)	-	-	-	-	-
Investments (Financial)	6,242	5,482	7,482	10,482	14,482
Current Assets	16,228	17,203	18,177	20,034	22,109
Cash	9,152	1,095	239	171	201
Current Liabilities	15,221	15,564	16,557	18,200	20,002
Working capital	1,007	1,640	1,620	1,834	2,107
Capital Deployed	**49,265**	**40,981**	**41,838**	**44,661**	**48,583**
Contingent Liabilities	1,922	2,038	-	-	-

Cash Flow

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
EBIT (incl. other income)	7,734	6,804	5,903	7,551	9,037
Non-cash items	423	1,159	1,268	1,324	1,380
OCF before WC changes	8,157	7,963	7,171	8,875	10,417
Incr./(decr.) in WC	(1,005)	1,039	(20)	215	273
Others including taxes	1,798	1,399	1,423	1,770	2,194
Operating cash-flow	7,364	5,526	5,767	6,891	7,951
Capex	1,706	708	1,000	1,000	1,000
Free cash-flow	5,658	4,818	4,767	5,891	6,951
Acquisitions	14	-	-	-	-
Dividend	1,564	1,578	2,241	2,561	2,881
Equity raised	603	416	8	-	-
Debt raised	10,769	(6,842)	(1,200)	(300)	(300)
Fin Investments	16,023	(2,908)	2,000	3,000	4,000
Misc. Items (CFI + CFF)	365	670	191	98	(259)
Net cash-flow	(908)	(948)	(855)	(68)	29

Ratios @ Rs 284

YE: Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	31.1	39.0	42.4	32.0	25.6
EV/EBITDA (x)	23.5	23.7	25.5	20.2	16.8
EV/sales (x)	3.4	2.7	2.5	2.2	1.9
P/B (x)	7.3	6.8	6.3	5.7	5.0
RoE (%)	23.6	17.4	15.0	17.9	19.7
RoCE (%)	21.9	16.1	15.9	18.8	21.0
ROIC (%)	25.8	13.4	12.5	22.8	27.3
DPS (Rs per share)	2.5	3.0	3.5	4.0	4.5
Dividend yield (%)	0.9	1.1	1.2	1.4	1.6
Dividend payout (%)	27.5	41.2	52.2	45.1	40.6
Net debt/equity (x)	0.0	0.1	0.0	(0.1)	(0.2)
Receivables (days)	40	36	36	36	36
Inventory (days)	49	40	40	40	40
Payables (days)	68	55	55	55	55
CFO:PAT (%)	127	119	134	121	112

Source: Company, Systematix Institutional Research

Finolex Cables (FNXC, Upgraded to BUY, TP: Rs 1,341) - Financials

Profit & Loss Statement

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Net revenues	**37,681**	**44,811**	**49,963**	**56,436**	**63,750**
Growth (%)	*36*	*19*	*11*	*13*	*13*
Raw material expenses	29,663	35,445	39,244	43,662	49,002
Gross Margin (%)	*21.3*	*20.9*	*21.5*	*22.6*	*23.1*
Employee & Other exp.	3,734	4,273	4,747	5,595	6,327
EBITDA	**4,285**	**5,094**	**5,972**	**7,179**	**8,421**
EBITDA margins (%)	*11.4*	*11.4*	*12.0*	*12.7*	*13.2*
Depreciation	389	464	436	607	668
Other income	714	1,177	1,657	1,535	1,631
Finance costs	15	12	16	20	24
PBT	4,596	5,795	7,178	8,088	9,361
Effective tax rate (%)	*40.8*	*25.1*	*28.7*	*28.4*	*27.8*
Associates/(Minorities)	3,271	700	1,398	1,798	2,187
Net Income	**5,991**	**5,043**	**6,516**	**7,591**	**8,948**
Adjusted net income	5,991	5,043	6,516	7,591	8,948
Shares outstanding	153	153	153	153	153
FDEPS (Rs per share)	39.2	33.0	42.6	49.6	58.5
FDEPS growth (%)	*30*	*(16)*	*29*	*17*	*18*

Balance Sheet

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	306	306	306	306	306
Net worth	39,221	43,704	49,302	55,975	64,005
Total debt	3	3	4	5	6
Minority interest	-	-	-	-	-
DT Liability/ (Asset)	2,617	2,695	2,645	2,595	2,545
Capital Employed	**41,841**	**46,402**	**51,951**	**58,575**	**66,556**
Net tangible assets	3,799	4,335	6,400	7,793	8,625
Net Intangible assets	3	14	14	14	14
Goodwill	-	-	-	-	-
CWIP	868	210	190	170	150
Investments (Strategic)	10,954	10,935	10,935	10,935	10,935
Investments (Financial)	9,189	15,164	17,664	21,664	25,664
Current Assets	19,748	18,412	20,106	21,787	23,640
Cash	379	734	809	848	2,678
Current Liabilities	3,099	3,403	4,098	4,496	4,941
Working capital	16,649	15,009	16,008	17,290	18,699
Capital Deployed	**41,841**	**46,402**	**52,021**	**58,715**	**66,766**
Contingent Liabilities	2,392	2,469	-	-	-

Cash Flow

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
EBIT (incl. other income)	4,167	4,747	6,525	7,960	9,530
Non-cash items	389	464	436	607	668
OCF before WC changes	4,555	5,211	6,960	8,567	10,197
Incr./(decr.) in WC	(1,520)	318	999	1,282	1,409
Others including taxes	1,345	1,330	1,630	1,864	2,170
Operating cash-flow	4,731	3,563	4,331	5,420	6,619
Capex	668	310	2,480	1,980	1,480
Free cash-flow	4,063	3,253	1,851	3,440	5,139
Acquisitions	-	-	-	-	-
Dividend	838	915	918	918	918
Equity raised	-	-	-	-	-
Debt raised	(16)	(39)	1	1	1
Fin Investments	4,302	3,244	2,500	4,000	4,000
Misc. Items (CFI + CFF)	(1,172)	(1,296)	(1,641)	(1,516)	(1,608)
Net cash-flow	78	350	76	39	1,830

Ratios @ Rs 1,000

YE: Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	25.5	30.3	23.5	20.1	17.1
EV/EBITDA (x)	33.7	27.2	22.8	18.4	15.0
EV/sales (x)	3.8	3.1	2.7	2.3	2.0
P/B (x)	3.9	3.5	3.1	2.7	2.4
RoE (%)	15.3	11.5	13.2	13.6	14.0
RoCE (%)	11.8	13.2	14.6	14.7	15.0
ROIC (%)	18.8	15.4	19.3	21.9	23.7
DPS (Rs per share)	6.0	7.0	6.0	6.0	6.0
Dividend yield (%)	0.6	0.7	0.6	0.6	0.6
Dividend payout (%)	15.3	21.2	14.1	12.1	10.3
Net debt/equity (x)	(0.2)	(0.4)	(0.4)	(0.4)	(0.4)
Receivables (days)	17	18	20	20	20
Inventory (days)	63	55	55	55	55
Payables (days)	18	17	20	20	20
CFO:PAT (%)	79	71	66	71	74

Source: Company, Systematix Institutional Research

Havells (HAVL, HOLD, TP: Rs 1,511) - Financials

Profit & Loss Statement

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Net revenues	**1,39,385**	**1,69,107**	**1,87,485**	**2,16,781**	**2,50,763**
Growth (%)	*33*	*21*	*11*	*16*	*16*
Raw material expenses	94,220	1,17,055	1,28,589	1,45,351	1,68,347
Gross Margin (%)	*32.4*	*30.8*	*31.4*	*33.0*	*32.9*
Employee & Other exp.	27,561	36,061	41,027	46,291	52,721
EBITDA	**17,604**	**15,991**	**17,869**	**25,139**	**29,694**
EBITDA margins (%)	*12.6*	*9.5*	*9.5*	*11.6*	*11.8*
Depreciation	2,609	2,962	3,348	3,638	3,928
Other income	1,604	1,777	2,331	2,315	2,678
Finance costs	534	336	380	216	175
PBT	16,066	14,471	16,472	23,600	28,270
Effective tax rate (%)	*25.5*	*25.9*	*25.5*	*25.6*	*25.6*
Associates/(Minorities)	-	-	-	-	-
Net Income	**11,965**	**10,717**	**12,264**	**17,557**	**21,031**
Adjusted net income	11,965	10,717	12,264	17,557	21,031
Shares outstanding	626	627	627	627	627
FDEPS (Rs per share)	19.1	17.1	19.6	28.0	33.6
FDEPS growth (%)	*15*	*(10)*	*14*	*43*	*20*

Balance Sheet

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	626	627	627	627	627
Net worth	60,029	66,255	75,386	89,184	1,05,830
Total debt	3,955	-	-	-	-
Minority interest	-	-	-	-	-
DT Liability/ (Asset)	3,506	3,615	3,715	3,815	3,915
Capital Employed	**67,490**	**69,870**	**79,101**	**92,999**	**1,09,745**
Net tangible assets	20,603	22,279	23,981	25,393	26,515
Net Intangible assets	14,126	13,958	13,908	13,858	13,808
Goodwill	-	-	-	-	-
CWIP	568	1,634	1,134	634	134
Investments (Strategic)	-	-	-	-	-
Investments (Financial)	2,727	200	10,200	20,200	30,200
Current Assets	41,729	54,802	60,793	69,723	79,954
Cash	25,480	18,702	13,710	13,330	15,493
Current Liabilities	37,742	41,705	44,624	50,139	56,359
Working capital	3,987	13,097	16,169	19,585	23,595
Capital Deployed	**67,490**	**69,870**	**79,101**	**92,999**	**1,09,745**
Contingent Liabilities	820	616	-	-	-

Cash Flow

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
EBIT (incl. other income)	15,582	13,571	14,521	21,501	25,767
Non-cash items	2,609	2,962	3,348	3,638	3,928
OCF before WC changes	18,191	16,532	17,869	25,139	29,694
Incr./(decr.) in WC	(3,031)	6,964	3,071	3,416	4,010
Others including taxes	3,944	3,919	4,099	5,934	7,130
Operating cash-flow	17,278	5,649	10,698	15,789	18,555
Capex	2,583	5,878	4,500	4,500	4,500
Free cash-flow	14,695	(229)	6,198	11,289	14,055
Acquisitions	-	-	-	-	-
Dividend	4,071	4,703	3,133	3,759	4,386
Equity raised	312	267	-	-	-
Debt raised	(1,467)	(4,563)	-	-	-
Fin Investments	6,051	(5,204)	10,000	10,000	10,000
Misc. Items (CFI + CFF)	(795)	(917)	(1,942)	(2,090)	(2,494)
Net cash-flow	4,212	(3,107)	(4,992)	(380)	2,163

Ratios @ Rs 1,500

YE: Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	78.5	87.7	76.6	53.5	44.7
EV/EBITDA (x)	52.1	57.6	51.3	36.1	30.1
EV/sales (x)	6.6	5.4	4.9	4.2	3.6
P/B (x)	15.6	14.2	12.5	10.5	8.9
RoE (%)	19.9	16.2	16.3	19.7	19.9
RoCE (%)	26.0	21.6	22.6	27.7	28.1
ROIC (%)	36.4	28.9	28.8	38.4	42.7
DPS (Rs per share)	7.5	4.5	5.0	6.0	7.0
Dividend yield (%)	0.5	0.3	0.3	0.4	0.5
Dividend payout (%)	39.3	26.3	25.5	21.4	20.9
Net debt/equity (x)	(0.4)	(0.3)	(0.3)	(0.4)	(0.4)
Receivables (days)	20	21	21	21	21
Inventory (days)	78	80	80	80	80
Payables (days)	62	57	55	55	55
CFO:PAT (%)	144	53	87	90	88

Source: Company, Systematix Institutional Research

KEI Industries (KEII, HOLD, TP: Rs 3,804) - Financials

Profit & Loss Statement

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Net revenues	**57,266**	**69,123**	**80,902**	**93,266**	**1,07,979**
Growth (%)	*37*	*21*	*17*	*15*	*16*
Raw material expenses	42,142	51,724	60,587	69,614	80,498
Gross Margin (%)	*26.4*	*25.2*	*25.1*	*25.4*	*25.5*
Employee & Other exp.	9,237	10,338	11,862	13,488	15,400
EBITDA	**5,887**	**7,062**	**8,453**	**10,164**	**12,081**
EBITDA margins (%)	*10.3*	*10.2*	*10.4*	*10.9*	*11.2*
Depreciation	555	571	620	727	842
Other income	146	276	406	468	594
Finance costs	404	347	383	354	313
PBT	5,074	6,420	7,856	9,550	11,519
Effective tax rate (%)	*25.9*	*25.6*	*25.5*	*25.5*	*25.5*
Associates/(Minorities)	-	-	-	-	-
Net Income	**3,759**	**4,773**	**5,849**	**7,111**	**8,577**
Adjusted net income	3,759	4,773	5,849	7,111	8,577
Shares outstanding	90	90	90	90	90
FDEPS (Rs)	41.7	52.9	64.9	78.8	95.1
FDEPS growth (%)	*39*	*27*	*23*	*22*	*21*

Balance Sheet

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	180	180	180	180	180
Net worth	21,355	25,892	31,380	37,950	45,805
Total debt	3,520	1,572	1,482	1,392	1,302
Minority interest	(0)	(0)	(0)	(0)	(0)
DT Liability/ (Asset)	294	266	256	246	236
Capital Employed	**25,170**	**27,730**	**33,118**	**39,588**	**47,343**
Net tangible assets	5,288	5,656	7,537	9,309	10,967
Net Intangible assets	21	17	17	17	17
Goodwill	-	-	-	-	-
CWIP	165	146	166	186	206
Investments (Strategic)	-	-	-	-	-
Investments (Financial)	20	13	3,013	6,013	9,013
Current Assets	26,176	26,498	29,935	33,311	37,186
Cash	3,600	5,372	3,888	3,717	4,702
Current Liabilities	10,101	9,972	11,437	12,965	14,747
Working capital	16,075	16,527	18,498	20,346	22,438
Capital Deployed	**25,170**	**27,730**	**33,118**	**39,588**	**47,343**
Contingent Liabilities	2,867	2,084	-	-	-

Cash Flow

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
EBIT (incl. other income)	5,483	6,693	7,833	9,437	11,239
Non-cash items	554	571	620	727	842
OCF before WC changes	6,038	7,264	8,453	10,164	12,081
Incr./(decr.) in WC	2,505	280	1,972	1,848	2,092
Others including taxes	1,246	1,844	2,020	2,453	2,956
Operating cash-flow	2,286	5,139	4,461	5,863	7,033
Capex	584	755	2,520	2,520	2,520
Free cash-flow	1,703	4,384	1,941	3,343	4,513
Acquisitions	-	-	-	-	-
Dividend	224	271	361	541	722
Equity raised	1	0	-	-	-
Debt raised	(191)	(202)	(90)	(90)	(90)
Fin Investments	9	550	3,000	3,000	3,000
Misc. Items (CFI + CFF)	(110)	2,153	(26)	(117)	(284)
Net cash-flow	1,389	1,208	(1,484)	(171)	986

Ratios @ Rs 3,750

YE: Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	89.9	70.9	57.8	47.6	39.4
EV/EBITDA (x)	57.4	47.4	39.4	32.5	27.0
EV/sales (x)	5.9	4.8	4.1	3.5	3.0
P/B (x)	15.8	13.1	10.8	8.9	7.4
RoE (%)	17.6	18.4	18.6	18.7	18.7
RoCE (%)	23.6	25.6	27.1	27.2	27.2
ROIC (%)	18.5	21.7	24.1	34.0	35.7
DPS (Rs per share)	2.5	3.0	4.0	6.0	8.0
Dividend yield (%)	0.1	0.1	0.1	0.2	0.2
Dividend payout (%)	6.0	5.7	6.2	7.6	8.4
Net debt/equity (x)	(0.0)	(0.1)	(0.2)	(0.2)	(0.3)
Receivables (days)	89	73	71	69	67
Inventory (days)	69	58	56	54	52
Payables (days)	49	40	40	40	40
CFO:PAT (%)	61	108	76	82	82

Source: Company, Systematix Institutional Research

Orient Electric (ORIENTEL, HOLD, TP: Rs 223) - Financials

Profit & Loss Statement

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Net revenues	**24,484**	**25,292**	**28,128**	**31,503**	**35,284**
Growth (%)	*20*	*3*	*11*	*12*	*12*
Raw material expenses	17,666	18,242	19,557	21,305	23,834
Gross Margin (%)	*27.8*	*27.9*	*30.5*	*32.4*	*32.5*
Employee & Other exp.	4,504	5,540	6,873	7,382	8,268
EBITDA	**2,313**	**1,510**	**1,698**	**2,816**	**3,182**
EBITDA margins (%)	*9.4*	*6.0*	*6.0*	*8.9*	*9.0*
Depreciation	471	535	590	655	715
Other income	58	266	150	160	180
Finance costs	203	222	220	170	120
PBT	1,698	1,019	1,226	2,151	2,527
Effective tax rate (%)	*25.4*	*25.6*	*24.8*	*24.8*	*24.8*
Associates/(Minorities)	-	-	-	-	-
Net Income	**1,266**	**758**	**921**	**1,617**	**1,899**
Adjusted net income	1,266	758	921	1,617	1,899
Shares outstanding	212	213	213	213	213
FDEPS (Rs)	6.0	3.6	4.3	7.6	8.9
FDEPS growth (%)	*6*	*(40)*	*21*	*75*	*17*

Balance Sheet

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	212	213	213	213	213
Net worth	5,413	5,846	6,236	7,214	8,369
Total debt	147	101	101	101	101
Minority interest	-	-	-	-	-
DT Liability/ (Asset)	-	-	-	-	-
Capital Employed	**5,560**	**5,947**	**6,337**	**7,315**	**8,470**
Net tangible assets	1,900	2,075	2,280	2,220	2,099
Net Intangible assets	234	216	221	226	231
Goodwill	-	-	-	-	-
CWIP	15	827	829	831	833
Investments (Strategic)	-	-	-	-	-
Investments (Financial)	-	-	500	1,500	2,500
Current Assets	8,219	7,887	8,673	9,582	10,596
Cash	1,505	1,642	1,062	836	813
Current Liabilities	6,313	6,699	7,228	7,879	8,603
Working capital	1,905	1,188	1,445	1,702	1,993
Capital Deployed	**5,560**	**5,947**	**6,337**	**7,315**	**8,470**
Contingent Liabilities	178	178	-	-	-

Cash Flow

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
EBIT (incl. other income)	1,930	1,144	1,295	2,161	2,467
Non-cash items	471	535	590	655	715
OCF before WC changes	2,401	1,679	1,885	2,816	3,182
Incr./(decr.) in WC	1,969	(714)	257	257	291
Others including taxes	445	496	326	556	649
Operating cash-flow	(13)	1,897	1,302	2,003	2,242
Capex	423	1,136	802	602	602
Free cash-flow	(435)	761	500	1,401	1,640
Acquisitions	-	-	-	-	-
Dividend	424	425	532	638	745
Equity raised	-	89	-	-	-
Debt raised	(168)	(46)	-	-	-
Fin Investments	(1,172)	58	500	1,000	1,000
Misc. Items (CFI + CFF)	45	185	48	(12)	(82)
Net cash-flow	99	137	(580)	(226)	(23)

Ratios @ Rs 203

YE: Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	34.0	56.9	46.8	26.7	22.7
EV/EBITDA (x)	18.0	27.6	24.5	14.5	12.6
EV/sales (x)	1.7	1.6	1.5	1.3	1.1
P/B (x)	8.0	7.4	6.9	6.0	5.2
RoE (%)	23.4	13.0	14.8	22.4	22.7
RoCE (%)	37.0	21.6	20.5	34.0	33.5
ROIC (%)	60.4	26.0	26.6	45.9	49.9
DPS (Rs per share)	2.0	1.5	2.5	3.0	3.5
Dividend yield (%)	1.0	0.7	1.2	1.5	1.7
Dividend payout (%)	34	42	58	39	39
Net debt/equity (x)	(0.3)	(0.3)	(0.2)	(0.3)	(0.4)
Receivables (days)	62	54	50	50	50
Inventory (days)	49	41	45	45	45
Payables (days)	67	65	65	65	65
CFO:PAT (%)	(1)	250	141	124	118

Source: Company, Systematix Institutional Research

Polycab (POLYCAB, BUY, TP: Rs 6,119) - Financials

Profit & Loss Statement

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Net revenues	**1,22,038**	**1,41,078**	**1,72,832**	**1,99,608**	**2,30,534**
Growth (%)	*39*	*16*	*23*	*15*	*15*
Raw material expenses	94,657	1,05,109	1,27,196	1,46,812	1,69,051
Gross Margin (%)	*22.4*	*25.5*	*26.4*	*26.5*	*26.7*
Employee & Other exp.	14,729	17,448	22,111	25,537	29,493
EBITDA	**12,652**	**18,521**	**23,525**	**27,259**	**31,990**
EBITDA margins (%)	*10.4*	*13.1*	*13.6*	*13.7*	*13.9*
Depreciation	2,015	2,092	2,422	2,800	3,115
Other income	899	1,333	2,261	2,793	3,312
Finance costs	352	598	1,089	1,036	997
PBT	11,184	17,165	22,274	26,217	31,191
Effective tax rate (%)	*24.2*	*24.8*	*23.9*	*25.0*	*25.0*
Associates/(Minorities)	(113)	(216)	(154)	(154)	(154)
Net Income	**9,086**	**12,700**	**16,791**	**19,509**	**23,239**
Adjusted net income	9,086	12,700	16,791	19,509	23,239
Shares outstanding	149	150	150	150	150
FDEPS (Rs)	60.8	84.8	112.1	130.3	155.2
FDEPS growth (%)	*3*	*39*	*32*	*16*	*19*

Balance Sheet

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	1,494	1,498	1,498	1,498	1,498
Net worth	55,437	66,311	79,508	94,703	1,12,767
Total debt	831	1,551	1,451	1,351	1,251
Minority interest	251	374	411	452	497
DT Liability/ (Asset)	272	409	399	389	379
Capital Employed	**56,791**	**68,646**	**81,769**	**96,896**	**1,14,895**
Net tangible assets	16,522	20,466	25,039	27,234	29,115
Net Intangible assets	230	203	208	213	218
Goodwill	-	-	-	-	-
CWIP	3,755	2,508	508	488	468
Investments (Strategic)	93	-	-	-	-
Investments (Financial)	7,641	13,505	19,505	26,505	33,505
Current Assets	41,809	50,607	58,855	67,592	77,524
Cash	4,071	6,952	6,694	7,666	11,199
Current Liabilities	17,328	25,596	29,039	32,802	37,133
Working capital	24,481	25,011	29,815	34,790	40,391
Capital Deployed	**56,791**	**68,646**	**81,770**	**96,896**	**1,14,895**
Contingent Liabilities	2,564	4,583	-	-	-

Cash Flow

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
EBIT (incl. other income)	11,342	16,945	21,403	24,460	28,876
Non-cash items	2,088	2,092	2,422	2,800	3,115
OCF before WC changes	13,430	19,037	23,825	27,259	31,990
Incr./(decr.) in WC	4,974	1,058	4,804	4,975	5,600
Others including taxes	3,340	3,704	5,201	6,425	7,669
Operating cash-flow	5,115	14,275	13,820	15,859	18,721
Capex	5,265	4,584	5,000	4,980	4,980
Free cash-flow	(150)	9,691	8,820	10,879	13,741
Acquisitions	-	-	-	-	-
Dividend	1,492	2,094	3,594	4,313	5,176
Equity raised	-	-	-	-	-
Debt raised	(168)	332	(100)	(100)	(100)
Fin Investments	(769)	7,665	6,000	7,000	7,000
Misc. Items (CFI + CFF)	121	252	(916)	(1,506)	(2,068)
Net cash-flow	(1,161)	11	42	971	3,533

Ratios @ Rs 5,220

YE: Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	85.9	61.6	46.6	40.1	33.6
EV/EBITDA (x)	60.8	41.2	32.2	27.5	23.1
EV/sales (x)	6.3	5.4	4.4	3.8	3.2
P/B (x)	14.1	11.8	9.8	8.3	6.9
RoE (%)	16.4	19.2	21.1	20.6	20.6
RoCE (%)	21.5	28.3	31.1	30.5	30.4
ROIC (%)	26.2	36.1	42.6	43.0	45.0
DPS (Rs per share)	14.0	20.0	24.0	28.8	34.6
Dividend yield (%)	0.3	0.4	0.5	0.6	0.7
Dividend payout (%)	23.0	23.6	21.4	22.1	22.3
Net debt/equity (x)	(0.2)	(0.3)	(0.3)	(0.3)	(0.4)
Receivables (days)	41	34	35	35	35
Inventory (days)	66	76	70	70	70
Payables (days)	36	53	50	50	50
CFO:PAT (%)	56	112	82	81	81

Source: Company, Systematix Institutional Research

RR Kabel (RRKABEL, NOT RATED) - Financials

Profit & Loss Statement

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Net revenues	35,002	41,260	48,039	54,523	61,914
Growth (%)	29	18	16	13	14
Raw material expenses	24,139	28,844	31,928	35,709	40,023
Gross Margin (%)	*31.0*	*30.1*	*33.5*	*34.5*	*35.4*
Employee & Other exp.	7,461	9,217	11,794	13,167	14,828
EBITDA	**3,402**	**3,199**	**4,317**	**5,646**	**7,062**
EBITDA margins (%)	*9.7*	*7.8*	*9.0*	*10.4*	*11.4*
Depreciation	491	644	788	872	929
Other income	108	164	351	463	495
Finance costs	79	162	391	327	371
PBT	2,940	2,557	3,489	4,910	6,257
Effective tax rate (%)	*22.3*	*26.1*	*24.4*	*24.4*	*24.4*
Associates/(Minorities)	7	(1)	(1)	(1)	(1)
Net Income	**2,277**	**1,891**	**2,637**	**3,710**	**4,728**
Adjusted net income	2,277	1,891	2,637	3,710	4,728
Shares outstanding	432	432	432	432	432
FDEPS (Rs)	5.3	4.4	6.1	8.6	11.0
FDEPS growth (%)	*13*	*(17)*	*39*	*41*	*27*

Balance Sheet

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	432	432	432	432	432
Net worth	14,070	16,076	18,065	21,041	24,947
Total debt	662	5,119	4,719	4,319	3,919
Minority interest	55	-	-	-	-
DT Liability/ (Asset)	-	1,033	1,033	1,033	1,033
Capital Employed	**14,786**	**22,227**	**23,816**	**26,392**	**29,898**
Net tangible assets	4,505	5,665	5,878	6,005	6,077
Net Intangible assets	200	6,822	6,822	6,822	6,822
Goodwill	-	-	-	-	-
CWIP	92	237	137	37	(63)
Investments (Strategic)	3	18	18	18	18
Investments (Financial)	334	334	834	1,834	2,834
Current Assets	15,220	15,324	17,669	19,919	22,462
Cash	613	669	263	489	1,516
Current Liabilities	6,180	6,842	7,805	8,732	9,767
Working capital	9,040	8,482	9,864	11,186	12,694
Capital Deployed	**14,786**	**22,227**	**23,816**	**26,392**	**29,898**
Contingent Liabilities	3,334	566	-	-	-

Cash Flow

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
EBIT (incl. other income)	3,213	2,668	3,529	4,774	6,133
Non-cash items	491	644	788	872	929
OCF before WC changes	3,705	3,313	4,317	5,646	7,062
Incr./(decr.) in WC	3,185	(1,414)	1,382	1,322	1,508
Others including taxes	888	488	589	936	1,266
Operating cash-flow	(368)	4,238	2,346	3,388	4,288
Capex	1,245	7,627	900	900	900
Free cash-flow	(1,613)	(3,389)	1,446	2,488	3,388
Acquisitions	-	-	-	-	-
Dividend	516	561	648	735	821
Equity raised	46	20	-	-	-
Debt raised	(84)	3,964	(400)	(400)	(400)
Fin Investments	(3)	106	500	1,000	1,000
Misc. Items (CFI + CFF)	36	141	303	127	140
Net cash-flow	(2,200)	(213)	(406)	226	1,027

Ratios @ Rs 1,571

YE: Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	65.4	78.7	56.5	40.1	31.5
EV/EBITDA (x)	43.8	48.0	35.4	26.8	21.1
EV/sales (x)	4.3	3.7	3.2	2.8	2.4
P/B (x)	10.6	9.3	8.2	7.1	6.0
RoE (%)	16.2	11.8	14.6	17.6	19.0
RoCE (%)	21.9	14.7	16.9	20.9	23.6
ROIC (%)	24.3	14.9	17.5	21.3	24.9
DPS (Rs per share)	1.3	1.3	1.5	1.7	1.9
Dividend yield (%)	0.4	0.4	0.4	0.5	0.6
Dividend payout (%)	24.6	29.7	24.5	19.8	17.3
Net debt/equity (x)	(0.0)	0.3	0.2	0.1	(0.0)
Receivables (days)	50	50	50	50	50
Inventory (days)	90	68	68	68	68
Payables (days)	51	43	43	43	43
CFO:PAT (%)	(16)	224	89	91	91

Source: Company, Systematix Institutional Research

V-Guard (VGRD, HOLD, TP: Rs 383) - Financials

Profit & Loss Statement

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Net revenues	**35,002**	**41,260**	**48,039**	**54,523**	**61,914**
Growth (%)	*29*	*18*	*16*	*13*	*14*
Raw material expenses	24,139	28,844	31,928	35,709	40,023
Gross Margin (%)	*31.0*	*30.1*	*33.5*	*34.5*	*35.4*
Employee & Other exp.	7,461	9,217	11,794	13,167	14,828
EBITDA	**3,402**	**3,199**	**4,317**	**5,646**	**7,062**
EBITDA margins (%)	*9.7*	*7.8*	*9.0*	*10.4*	*11.4*
Depreciation	491	644	788	872	929
Other income	108	164	351	463	495
Finance costs	79	162	391	327	371
PBT	2,940	2,557	3,489	4,910	6,257
Effective tax rate (%)	*22.3*	*26.1*	*24.4*	*24.4*	*24.4*
Associates/(Minorities)	7	(1)	(1)	(1)	(1)
Net Income	**2,277**	**1,891**	**2,637**	**3,710**	**4,728**
Adjusted net income	2,277	1,891	2,637	3,710	4,728
Shares outstanding	432	432	432	432	432
FDEPS (Rs)	5.3	4.4	6.1	8.6	11.0
FDEPS growth (%)	*13*	*(17)*	*39*	*41*	*27*

Balance Sheet

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	432	432	432	432	432
Net worth	14,070	16,076	18,065	21,041	24,947
Total debt	662	5,119	4,719	4,319	3,919
Minority interest	55	-	-	-	-
DT Liability/ (Asset)	-	1,033	1,033	1,033	1,033
Capital Employed	**14,786**	**22,227**	**23,816**	**26,392**	**29,898**
Net tangible assets	4,505	5,665	5,878	6,005	6,077
Net Intangible assets	200	6,822	6,822	6,822	6,822
Goodwill	-	-	-	-	-
CWIP	92	237	137	37	(63)
Investments (Strategic)	3	18	18	18	18
Investments (Financial)	334	334	834	1,834	2,834
Current Assets	15,220	15,324	17,669	19,919	22,462
Cash	613	669	263	489	1,516
Current Liabilities	6,180	6,842	7,805	8,732	9,767
Working capital	9,040	8,482	9,864	11,186	12,694
Capital Deployed	**14,786**	**22,227**	**23,816**	**26,392**	**29,898**
Contingent Liabilities	3,334	566	-	-	-

Cash Flow

YE: Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
EBIT (incl. other income)	3,213	2,668	3,529	4,774	6,133
Non-cash items	491	644	788	872	929
OCF before WC changes	3,705	3,313	4,317	5,646	7,062
Incr./(decr.) in WC	3,185	(1,414)	1,382	1,322	1,508
Others including taxes	888	488	589	936	1,266
Operating cash-flow	(368)	4,238	2,346	3,388	4,288
Capex	1,245	7,627	900	900	900
Free cash-flow	(1,613)	(3,389)	1,446	2,488	3,388
Acquisitions	-	-	-	-	-
Dividend	516	561	648	735	821
Equity raised	46	20	-	-	-
Debt raised	(84)	3,964	(400)	(400)	(400)
Fin Investments	(3)	106	500	1,000	1,000
Misc. Items (CFI + CFF)	36	141	303	127	140
Net cash-flow	(2,200)	(213)	(406)	226	1,027

Ratios @ Rs 345

YE: Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	65.4	78.7	56.5	40.1	31.5
EV/EBITDA (x)	43.8	48.0	35.4	26.8	21.1
EV/sales (x)	4.3	3.7	3.2	2.8	2.4
P/B (x)	10.6	9.3	8.2	7.1	6.0
RoE (%)	16.2	11.8	14.6	17.6	19.0
RoCE (%)	21.9	14.7	16.9	20.9	23.6
ROIC (%)	24.3	14.9	17.5	21.3	24.9
DPS (Rs per share)	1.3	1.3	1.5	1.7	1.9
Dividend yield (%)	0.4	0.4	0.4	0.5	0.6
Dividend payout (%)	24.6	29.7	24.5	19.8	17.3
Net debt/equity (x)	(0.0)	0.3	0.2	0.1	(0.0)
Receivables (days)	50	50	50	50	50
Inventory (days)	90	68	68	68	68
Payables (days)	51	43	43	43	43
CFO:PAT (%)	(16)	224	89	91	91

Source: Company, Systematix Institutional Research

Institutional Equities Team

Nikhil Khandelwal	**Managing Director**	**+91-22-6704 8001**	**nikhil@systematixgroup.in**

Equity Research

Analysts	Industry Sectors	Desk-Phone	E-mail
Dhananjay Sinha	Co Head of Equities & Head of Research - Strategy & Economics	+91-22-6704 8095	dhananjaysinha@systematixgroup.in
Abhishek Mathur	FMCG	+91-22-6704 8059	abhishekmathur@systematixgroup.in
Ashish Poddar	Consumer Durables, EMS, Building Materials, Small-Mid Caps	+91-22-6704 8039	ashishpoddar@systematixgroup.in
Himanshu Nayyar	Consumer Staples & Discretionary	+91-22-6704 8079	himanshunayyar@systematixgroup.in
Manjith Nair	Banking, Insurance	+91-22-6704 8065	manjithnair@systematixgroup.in
Pradeep Agrawal	NBFCs & Diversified Financials	+91-22-6704 8024	pradeepagrawal@systematixgroup.in
Pratik Tholiya	Specialty & Agro Chem, Fertilisers, Sugar, Textiles and Select Midcaps	+91-22-6704 8028	pratiktholiya@systematixgroup.in
Sameer Pardikar	IT & ITES	+91-22-6704 8041	sameerpardikar@systematixgroup.in
Santosh Yellapu	Capital Goods	+91-22-6704 8094	santoshyellapu@systematixgroup.in
Sudeep Anand	Oil & Gas, Logistics, Cement, Wagons	+91-22-6704 8085	sudeepanand@systematixgroup.in
Vishal Manchanda	Pharmaceuticals and Healthcare	+91-22-6704 8064	vishalmanchanda@systematixgroup.in
Chetan Mahadik	Consumer Staples & Discretionary	+91-22-6704 8091	chetanmahadik@systematixgroup.in
Deeksha Bhardwaj	Strategy & Economics	+91-22-6704 8017	deekshabhardwaj@systematixgroup.in
Devanshi Kamdar	IT & ITES	+91-22-6704 8098	devanshikamdar@systematixgroup.in
Hinal Kothari	Metals & Mining	+91-22-6704 8076	hinalkothari@systematixgroup.in
Jennisa Popat	Oil & Gas, Logistics, Cement, Wagons	+91-22-6704 8066	jennisapopat@systematixgroup.in
Kalash Jain	Midcaps	+91-22-6704 8038	kalashjain@systematixgroup.in
Krisha Zaveri	Consumer Durables, EMS, Building Materials, Small-Mid Caps	+91-22-6704 8023	krishazaveri@systematixgroup.in
Mahek Shah	Consumer Durables, EMS, Building Materials, Small-Mid Caps	+91-22-6704 8040	mahekshah@systematixgroup.in
Nirali Chheda	Banking, Insurance	+91-22-6704 8019	niralichheda@systematixgroup.in
Pashmi Chheda	Banking, Insurance	+91-22-6704 8063	pashmichheda@systematixgroup.in
Pratik Oza	Midcaps	+91-22-6704 8036	pratikoza@systematixgroup.in
Pravin Mule	NBFCs & Diversified Financials	+91-22-6704 8034	pravinmule@systematixgroup.in
Prathmesh Kamath	Oil & Gas, Logistics, Cement, Wagons	+91-22-6704 8022	prathmeshkamath@systematixgroup.in
Purvi Mundhra	Macro-Strategy	+91-22-6704 8078	purvimundhra@systematixgroup.in
Rajesh Mudaliar	Consumer Staples & Discretionary	+91-22-6704 8084	rajeshmudaliar@systematixgroup.in
Ronak Dhruv	NBFCs & Diversified Financials	+91-22-6704 8045	ronakdhruv@systematixgroup.in
Shweta Dikshit	Metals & Mining	+91-22-6704 8042	shwetadikshit@systematixgroup.in
Swati Saboo	Midcaps	+91-22-6704 8043	swatisaboo@systematixgroup.in
Vivek Mane	Pharmaceuticals and Healthcare	+91-22-6704 8046	vivekmane@systematixgroup.in
Yogeeta Rathod	Midcaps	+91-22-6704 8081	yogeetarathod@systematixgroup.in

Equity Sales & Trading

Name		Desk-Phone	E-mail
Vipul Sanghvi	Co Head of Equities & Head of Sales	+91-22-6704 8062	vipulsanghvi@systematixgroup.in
Jignesh Desai	Sales	+91-22-6704 8068	jigneshdesai@systematixgroup.in
Sidharth Agrawal	Sales	+91-22-6704 8090	sidharthagrawal@systematixgroup.in
Shreya Chaudhary	Sales	+91-22-6704 8033	shreyachaudhary@systematixgroup.in
Rahul Khandelwal	Sales	+91-22-6704 8003	rahul@systematixgroup.in
Chintan Shah	Sales	+91-22-6704 8061	chintanshah@systematixgroup.in
Pawan Sharma	Director and Head - Sales Trading	+91-22-6704 8067	pawansharma@systematixgroup.in
Mukesh Chaturvedi	Vice President and Co Head - Sales Trading	+91-22-6704 8074	mukeshchaturvedi@systematixgroup.in
Vinod Bhuwad	Sales Trading	+91-22-6704 8051	vinodbhuwad@systematixgroup.in
Rashmi Solanki	Sales Trading	+91-22-6704 8097	rashmisolanki@systematixgroup.in
Karan Damani	Sales Trading	+91-22-6704 8053	karandamani@systematixgroup.in
Vipul Chheda	Dealer	+91-22-6704 8087	vipulchheda@systematixgroup.in
Paras Shah	Dealer	+91-22-6704 8047	parasshah@systematixgroup.in
Rahul Singh	Dealer	+91-22-6704 8054	rahulsingh@systematixgroup.in

Corporate Access

Mrunal Pawar	Vice President & Head Corporate Access	+91-22-6704 8088	mrunalpawar@systematixgroup.in
Darsha Hiwrale	Associate Corporate Access	+91-22-6704 8083	darshahiwrale@systematixgroup.in

Production

Madhu Narayanan	Editor	+91-22-6704 8071	madhunarayanan@systematixgroup.in
Mrunali Pagdhare	Production	+91-22-6704 8057	mrunalip@systematixgroup.in
Vijayendra Achrekar	Production	+91-22-6704 8089	vijayendraachrekar@systematixgroup.in

Operations

Sachin Malusare	Vice President	+91-22-6704 8055	sachinmalusare@systematixgroup.in
Jignesh Mistry	Manager	+91-22-6704 8049	jigneshmistry@systematixgroup.in

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Systematix Shares and Stocks (India) Limited:
Registered and Corporate address: The Capital, A-wing, No. 603 – 606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
Tel no. 022-66198000/40358000 Fax no. 022-66198029/40358029 Email id contactus@systematixgroup.in. Visit us at: www.systematixgroup.in
Details of Compliance officer: Ms Nipa Savla, Compliance officer Tel no. 022-66198092/4035808092 Email id compliance@systematixgroup.in
Details of Email id grievance redressal cell : grievance@systematixgroup.in
Details of Registration : CIN - U65993MH1995PLC268414 | BSE SEBI Reg. No.: INZ000171134 (Member Code: 182) | NSE SEBI Reg. No.: INZ000171134 (Member Code: 11327) | MCX SEBI Reg. No.: INZ000171134 (Member Code: 56625) | NCDEX SEBI Reg. No.: INZ000171134 (Member Code: 1281) | Depository Participant SEBI Reg. No.: IN-DP-480-2020 (DP Id: 12034600) | PMS SEBI Reg. No.: INP000002692 | Research Analyst SEBI Reg. No.: INH200000840 | AMFI : ARN - 64917