AXIS SECURITIES

FESTIVAL

Unlock Picks

September-2021

6 power packed stock ideas

About Festival Unlock Picks

As Indian stock market touches new highs and economy unlocks during this festive season, our experts bring you Festival Unlock Picks – A curated list of 6 power packed stocks ideas that are expected to perform well during this festive season as companies hopes of a pent up demand in the products.

Moreover, we suggest revisiting your investments portfolio; booking partial or full profits and celebrate wealth creation.

6 Stock Ideas. Multiple Opportunities.

Stock	CMP	Target	Upside
HUL	2785	3110	12%
HERO MOTOCORP	2,849	3,400	19%
SBI CARDS	1,062	1,210	14%
Relaxo Footwear	1162	1290	11%
ABFRL	214	250	17%
Safari Industries	824	922	12%

Source: Company, Axis Securities

CMP as on 22nd September 2021

HINDUSTAN UNILEVER – GEARING TO BE AN INTELLIGENT AND FUTURE FIT ORGANIZATION

Hindustan Unilever (HUVR) is the largest FMCG player in India. HUVR's product portfolio consists of a wide spectrum including Home Care, Personal Care, Foods & Refreshments, Nutrition and Water Purifiers. In terms of direct distribution, HUVR has one of the largest distribution networks with ~8million outlets in the FMCG sector serviced by over 3,500 distributors.

Industry view

Equal weight

CMP
2785

Target Price
3110

Upside
12%

Key Rationale

- **Upbeat about medium term growth:** Management remains upbeat on the growth opportunities across segments. It aims to drive double digit EPS growth over the coming decade led by modest margin improvement. Further, with easing of lockdown restrictions and accelerating vaccination drive has led to improved mobility of people. This augurs well for the discretionary products across skin care and premium laundry segments. Management indicated that rural demand has displayed resilience supported by higher MSP, pick up in monsoon in the last fortnight and opening up of economy. Upcoming festive season spending is likely to be seen on higher margin premium products in its Beauty & Personal Care categories thus aiding profitability.
- **Leveraging Data and Technology:** With digitization taking centre stage in the post pandemic world, HUVRis focusing on developing and building an inter-connected ecosystem by leveraging its data and technology capabilities therbey making it future-fit. HUVR is taking initiatives across the digital eco-system by focusing on consumer (insights, always on-trend products, agile innovation, faster product launch time etc), operational sustainability (nano-factories, reduce wastage etc) and on customer engagement. HUVRs eB2B app Shikhar has received encouraging response (on boarded 0.6million retailers which is 10%+ of total retailer orders). It continues to focus on digitization of the local Kirana stores which will continue to be a critical part of the FMCG distribution value chain in the coming decade.
- **Key risks:** a) disruptions caused by third wave of COVID and reinstatement of lockdowns if any; b) RM price volatility
- **Strengthen the core, premiumization and market development bedrock principles of growth:** These factors are the backbone for HUVR's superior growth performance versus peers over the medium term. It reiterated its consistent growth strategy of growing the core by launching superior products, relevant innovations/renovations (liquids in laundry, body wash across price points), de-averaging with right pack-price architecture (satchets/access packs), investing behind brands across media and improved distribution.
- **Peaking out inflation; Margin sustenance:**HUVR remains hopeful of maintaining 24-25% margins in the near term. Even when about half of the business has been impacted owing to rise in price of crude oil, palm oil and tea (seeing moderate decline QoQ). HUVR has taken judicious and calibrated price increases of 5-14% across the 3 categories of laundry, tea and skin cleansing. Besides this, it would continue to drive on high quality cost savings thereby maintaining its profitability in the medium term.
- **Valuation**: We like HUVR's superior agility and nimbleness despite it being larger than peers in capitalizing on the emerging growth trends and remaining ahead of competition. Management has set a target to achieve modest EBITDA Margin improvement while driving double digit EPS growth over FY21-30. Near term growth drivers like pick up in discretionary portfolio, tailwinds from GSK-CH integration and gains from investments in digitization, distribution are key growth enablers. We marginally revise our FY23E/24E and maintain BUY with a revised TP of Rs. 3,100 (earlier Rs. 2,670) as we raise our target PE to 56x FY24E EPS (earlier 50x FY24E EPS).

Key Financials (Consolidated)

Y/E Mar	Net sales (Rs Cr)	EBIDTA (Rs Cr)	Net Profit (Rs Cr)	EPS (Rs)	PER (x)	EV/EBIDTA (x)	ROE (%)	ROCE (%)
FY21	45,996	11,324	7,954	33.9	80.0	57.4	17.2%	28.9%
FY22E	52,173	12,935	9,505	40.5	68.8	50.1	17.4%	18.6%
FY23E	58,035	15,218	11,278	48.0	58.0	42.7	21.9%	21.3%
FY24E	63,929	17,437	12,936	55.1	50.6	36.8	22.6%	23.9%

Source: Company, Axis Securities

Profit & Loss (Rs Cr)

Y/E Mar	FY21	FY22E	FY23E	FY24E
Net sales	**45,996**	**52,173**	**58,035**	**63,929**
Growth, %	18.6	13.4	11.2	10.2
Other income	513	944	1,086	1,140
Total income	4,651	5,312	5,912	6,507
Raw material expenses	-21,677	-24,495	-26,945	-29,370
Employee expenses	-2,229	-2,363	-2,505	-2,680
Other Operating expenses	-32,281	-36,553	-39,873	-43,287
EBITDA (Core)	**11,324**	**12,935**	**15,218**	**17,437**
Growth, %	18.0	14.2	17.6	14.6
Margin, %	24.6	24.8	26.2	27.3
Depreciation	-1,012	-1,063	-1,116	-1,172
EBIT	**10,312**	**11,872**	**14,102**	**16,266**
Growth, %	19.0	15.1	18.8	15.3
Margin, %	22.4	22.8	24.3	25.4
Interest paid	-108	-109	-110	-111
Pre-tax profit	**10,490**	**12,707**	**15,077**	**17,294**
Tax provided	-2,536	-3,202	-3,799	-4,358
Profit after tax	**7,954**	**9,505**	**11,278**	**12,936**
Net Profit	**7,954**	**9,505**	**11,278**	**12,936**
Growth, %	18.0	16.2	18.7	14.7

Source: Company, Axis Research

Balance Sheet (Rs Cr)

Y/E Mar	FY21	FY22E	FY23E	FY24E
Cash & bank	4,321	5,647	3,927	11,978
Debtors	1,648	1,820	1,982	2,146
Inventory	3,383	3,433	3,488	3,548
Loans & advances	520	520	520	520
Other current assets	1,605	1,605	1,605	1,605
Total current assets	11,477	13,025	11,523	19,797
Investments	2,995	2,995	2,995	2,995
Net fixed assets	34,334	34,271	34,156	33,984
Non-current assets	19,310	19,310	19,310	19,310
Total assets	**68,116**	**69,602**	**67,984**	**76,086**
Current liabilities	18,640	12,277	14,118	16,236
Provisions	2,042	2,136	2,350	2,585
Total current liabilities	2,068	1,441	1,647	1,882
Total liabilities	20,682	14,413	16,468	18,821
Paid-up capital	235	235	235	235
Reserves & surplus	47,199	54,954	51,281	57,030
Shareholders' equity	47,434	55,189	51,516	57,265
Total equity & liabilities	**68,116**	**69,602**	**67,984**	**76,086**

Source: Company, Axis Research

Cash Flow (Rs Cr)

Y/E Mar	FY21	FY22E	FY23E	FY24E
Pre-tax profit	10,490	12,707	15,077	17,294
Depreciation	1,012	1,063	1,116	1,172
Chg in working capital	-9,419	-6,585	1,624	1,895
Total tax paid	-412	-3,108	-3,586	-4,123
Cash flow from operating activities	**1,671**	**4,076**	**14,231**	**16,237**
Capital expenditure	-29,777	-1,000	-1,000	-1,000
Chg in investments	-1,477	0	0	0
Cash flow from investing activities	**-31,254**	**-1,000**	**-1,000**	**-1,000**
Free cash flow	-29,583	3,076	13,231	15,237
Equity raised/(repaid)	40,298	6,164	-6,491	1,838
Debt raised/(repaid)	0	0	0	0
Dividend (incl. tax)	-11,409	-7,896	-8,460	-9,024
Cash flow from financing activities	**28,889**	**-1,732**	**-14,951**	**-7,186**
Net chg in cash	-694	1,344	-1,720	8,051

Source: Company, Axis Research

Ratio Analysis (%)

Key Ratios	FY21	FY22E	FY23E	FY24E
Per Share data				
EPS (INR)	33.9	40.5	48.0	55.1
Growth, %	8.4	16.2	18.7	14.7
Book NAV/share (INR)	201.9	234.9	219.3	243.7
FDEPS (INR)	34.8	40.5	48.0	55.1
DPS (INR)	37.5	28.0	30.0	32.0
Return Ratios				
Return on equity (%)	17.2	17.2	21.9	22.6
Return on capital employed (%)	28.9	18.6	21.3	23.9
Turnover ratios				
Asset turnover (x)	3.6	2.0	2.0	2.4
Sales/Total assets (x)	1.0	0.8	0.8	0.9
Sales/Net FA (x)	2.3	1.5	1.7	1.9
Working capital/Sales (x)	(0.3)	(0.1)	(0.2)	(0.2)
Receivable days	13.1	12.7	12.5	12.3
Inventory days	26.8	24.0	21.9	20.3
Payable days	90.8	82.0	82.7	83.0
Working capital days	(107.3)	(49.2)	(55.8)	(62.8)
Liquidity ratios				
Current ratio (x)	0.6	0.9	0.7	1.1
Quick ratio (x)	0.4	0.7	0.5	0.9
Net debt/Equity (%)	(9.1)	(10.2)	(7.6)	(20.9)
Valuation				
PER (x)	80.0	68.8	58.0	50.6
Price/Book (x)	13.8	11.9	12.7	11.4
EV/Net sales (x)	14.1	12.4	11.2	10.0
EV/EBITDA (x)	57.4	50.1	42.7	36.8
EV/EBIT (x)	63.0	54.6	46.1	39.5

Source: Company, Axis Research

HERO MOTOCORPLTD– FESTIVE DEMAND TO DRIVE RECOERY

Hero Motocorp Ltd (HMCL) is the market leader in the 2W industry with a market share of ~36% (as of Aug'21). Hero is present in both the motorcycles and the scooter segments, having market share of about ~50% and ~9%, respectively. Motorcycles contribute significantly to the company's total revenues with ~90% to its total volumes, while scooters contribute10% to its total volumes. Hero is a domestically focused company deriving ~96% of volumes from the Indian market. Entry-levelmotorcycles (75 cc to 110 cc) form a significant part of ~70% of overall volumes. The company has six plants in India and twointernational plants: one in Villa Rica, Columbia and the other in Jessore, Bangladesh. Hero has a combined manufacturingcapacity of 9.5 Mn units per annum.

Industry view

Equal Weight

CMP
2,849

Target Price
3,400

Upside
19%

Key Rationale

- **Key beneficiary of demand recovery:** Herois well placed to benefit from the demand revival post Covid 2.0 in light of rural economic recovery, and enhanced need for personal mobility over shared mobility. Hero is best-placed to benefit from this expected revival in the rural economy (50% of the company's domestic volumes are derived from rural India) considering its apt product portfolio, strong brand recall, & robust distribution network.
- **Upcoming Festive season to bode well:**The 2W sales have seen a higher impact as compared to PV sales due to several factors such as sharp price increases in 2W, economic impact of the pandemic, high fuel prices, lower middle class being financially impacted and educational institutions being closed. The upcoming festive season is expected to be the key trigger for the sales recovery in the segment. With an apt product portfolio, strong brand recall, and a robust distribution network we expect Hero to achieve strong sales during the festive period.
- **Strong Focus on Electrification**: Hero plans to aggressively enter electric mobility through a three-pronged strategy comprising (a) Speedily expand distributor network to the larger cities through the acquisition of Ather Energy, (b) Launching electric scooter (E-Maestro) towards FY22 end, and (c) setting up of battery swappable charging stations across India througha recent alliance with Gogoro (Taiwan).
- **Diversification to add long-term stability:** Hero continues to diversify its revenue base by focusing more on exports, spares, services, premium motorcycles, scooters, and EVs. This resulted inhealthy revenue growth in these segments even during the year hit by the pandemic and will add to long term stability of the company.
- **Price hikes & cost savings to support margins:** Hero has announced an upward revision in the ex-showroom prices of its motorcycles and scooters (uptoRs 3,000), with effect from 20th Sep'21. This will partially offset the impact of a continuous increase in commodity prices. The company continues to drive a cost savings program aggressively, in order to minimize the impact on its customers.
- **Valuation & Outlook**: We expect Hero to continue its dominance in the 2W industry driven by the benefits of premiumisation of its products, a strong foothold in the entry level motorcycle segments, and aggressive product offerings in the scooters segment. Its partnership with Ather Energy, Harley Davidson &Gogorowill help increase its presence in new technology and premium segment bikes. We expect a strong recovery in FY22 and FY23 driven by normalisation of the economy.**We maintain a BUY rating on the stock and arrive at a TP ofRs 3,400/share as we value the stock at 16x its FY24E EPS. TP implies an upside potential of 19% from CMP.**
- **Key Risks:** a) Gradual pick-up in demand, b) Commodity pressures, c) Higher discounting

Key Financials (Standalone)

Y/E March (Rs Cr)	Net Sales (Rs Cr)	EBIDTA (Rs Cr)	Net Profit (Rs Cr)	EPS (Rs)	PER (x)	EV/EBIDTA (x)	ROE (%)	ROCE (%)
FY21A	30,801	4,024	2,934	146.9	19.8	14.4	18.8	18.4
FY22E	31,765	4,094	2,954	147.9	19.3	13.8	17.7	17.4
FY23E	37,285	5,122	3,727	186.5	15.3	11.0	20.6	20.2
FY24E	41,454	5,856	4,246	212.5	13.4	9.6	21.0	20.7

Source: Company, Axis Securities

Income Statement (Rs Cr)

Y/E March	FY21	FY22E	FY23E	FY24E
Net revenues	**30,801**	**31,765**	**37,285**	**41,454**
Operating expenses	26,777	27,671	32,163	35,598
EBIDTA	**4,024**	**4,094**	**5,122**	**5,856**
EBIDTA margin (%)	**13.1**	**12.9**	**13.7**	**14.1**
Other income	545	606	654	654
Interest	22	24	26	29
Depreciation	677	732	769	807
Profit Before Tax	3,871	3,944	4,981	5,674
Tax	936	990	1,254	1,428
Reported Net Profit	**2,964**	**2,954**	**3,727**	**4,246**
Net Margin (%)	9.6	9.3	10.0	10.2
Adjusted Net Profit	**2,934**	**2,954**	**3,727**	**4,246**

Source: Company, Axis Research

Balance Sheet (Rs Cr)

Y/E March	FY21	FY22E	FY23E	FY24E
Equity capital	40	40	40	40
Reserves & surplus	15,158	16,215	18,044	20,391
Shareholders funds	15,198	16,255	18,084	20,431
Total Loans	0	0	0	0
Deferred tax liability	404	404	404	404
Total Liabilities and Equity	**15,603**	**16,659**	**18,488**	**20,835**
Gross block	10,601	11,437	12,387	13,387
Depreciation	4,612	5,344	6,113	6,920
Net block	5,988	6,093	6,274	6,467
Capital WIP	437	400	450	450
Investments	10,500	10,100	10,900	12,900
Inventory	1,470	1,365	1,410	1,560
Debtors	2,427	2,350	2,554	2,839
Cash & Bank Bal	257	319	483	493
Loans & Advances	1,083	1,164	1,544	1,663
Current Assets	5,236	5,197	5,990	6,555
Sundry Creditors	5,205	3,728	3,673	4,084
Other Current Liability	1,354	1,404	1,454	1,454
Current Liability& Provisions	6,559	5,131	5,127	5,537
Net current assets	-1,322	66	864	1,018
Total Assets	**15,603**	**16,659**	**18,488**	**20,835**

Source: Company, Axis Research

Cash Flow (Rs Cr)

Y/E March	FY21	FY22E	FY23E	FY24E
EBIT	3,347	3,362	4,353	5,049
Other Income	545	606	654	654
Depreciation & Amortisation	677	732	769	807
Interest paid(-)	-22	-24	-26	-29
Tax paid(-)	-936	-990	-1,254	-1,428
Extra Ord Income	30	0	0	0
Operating Cash Flow	**3,641**	**3,686**	**4,496**	**5,053**
Change in Working Capital	1,186	-1,326	-634	-145
Cash flow from Operations	**4,827**	**2,360**	**3,862**	**4,908**
Capex	-1,058	-800	-1,000	-1,000
Strategic Investment	0	0	0	0
Non Strategic Investment	-1,862	400	-800	-2,000
Cash flow from Investing	**-2,921**	**-400**	**-1,800**	**-3,000**
Change in borrowing	0	0	0	0
Others	7	0	-0	0
Dividends paid(-)	-1,898	-1,898	-1,898	-1,898
Cashflow from Financial Activities	**-1,891**	**-1,898**	**-1,898**	**-1,898**
Change in Cash	15	62	164	10
Opening cash	242	257	319	483
Closing cash	257	319	483	493

Source: Company, Axis Research

Ratio Analysis (%)

Y/E March	FY21	FY22E	FY23E	FY24E
Revenue Growth	6.8	3.1	17.4	11.2
EBITDA Margin	13.1	12.9	13.7	14.1
Net Profit Margin	9.5	9.3	10.0	10.2
ROCE (%)	18.4	17.4	20.2	20.7
ROE (%)	18.8	17.7	20.6	21.0
EPS(Rs)	147	148	187	212
P/E (x)	19.8	19.3	15.3	13.4
P/ BV (x)	3.8	3.5	3.1	2.8
EV/ EBITDA (x)	14.4	13.8	11.0	9.6
Fixed Assets Turnover Ratio (x)	4.8	4.9	5.5	6.0
Debt / Equity (x)	0.0	0.0	0.0	0.0
EV/ Sales (x)	1.9	1.8	1.5	1.4

Source: Company, Axis Research

SBI CARDS & PAYMENT SERVICES LTD. – WELL-POSITIONED FOR GROWTH

SBI Cards (SBIC) is a pure-play credit-card issuer in India. It is the 2nd largest credit card issuer in India with a market share of 19.3/19.2% in terms of Cards-in-force (CIF)/Spends as onJul'21. SBIC has a wide portfolio of own and co-branded credit cards catering to a broad target customer base ranging from 'New-to-credit card' to 'Super Premium' customers across product categories such as lifestyle, rewards, travel &fuel, shopping, banking partnership cards, and corporate credit cards.

Industry view

Equalweight

CMP
1,062

Target Price
1,210

Upside
14%

Key Rationale

- **Diversified Product portfolio**:SBIC has a diversified credit card portfolio tailored to meet the diverse needs of both individual and corporate clients, which ensure steady revenue streams.The company also has a strong foothold in the premium cards segment,supporting high-value spends as well as higher fee-income. Focus on augmenting the premium card portfolio along with a pent-up demand with the economic revival, we expect SBIC to deliver healthy spends growth of 28% CAGR over FY21-23E.
- **Unparalleled customer acquisition opportunities**: SBIC's cards sourcing is a perfect mix of leveraging its wide range of co-branded cards (aiding open market sourcing) and accessing the SBI's vast network of branches and customer base through SBI (banca) channels. With penetration levels in SBI's customer base being as low as ~2%, SBIC has ample growth headroom. Additionally,cost-effective sourcing and access to under-penetrated Tier II/III markets through banca channel will aid CIF growth, which is expected to remain robust at 20% CAGR over FY21-23E.
- **Asset Quality trends encouraging**: Despite the unsecured nature of the business, we believe SBIC is well-placed tomaintain strong asset quality on account of the company's strong collection mechanism, higher share of salaried customers in the CIF (~85%), and higher share of the SBI (banca) channel contributing to new customer sourcing. While a higher restructured book and elevated slippages from COVID-19 affected stressed asset book impacted asset quality in FY21, SBIC witnessed an improvement in Q1FY22aided by write-offs. Moving forward, improving macrosare expected to keep the asset quality trend benign. However, incremental restructuring due to COVID 2.0 is likely to keep credit costs elevated in the near term.
- **Outlook**: COVID 2.0 disruptions impacted new customer sourcing and spends over Apr-May'21. However, with the gradual unlocking across geographies and business activity resumption from Jun'21 onwards, SBIC witnessed a strong jump in both new customer sourcing and spends.This trend is likely to sustain going ahead. The pick-up in the domestic travel, entertainment, and other discretionary spends along with the forthcoming festive season will support spends growth in the short term. On the operational front, with 3 categories (Transactors, Revolvers and EMI) contributing equally to the receivables mix, we expect SBIC to witness NIM expansion going ahead. Moreover, robust growth in spends and new customer sourcing will aid to the company's fee-income. We believe in the robustness and resilience of SBIC's business model, given its ability to generate strong ROA/ROE of 3.8/16.9% in FY21 despite tough operating conditions.
- **Valuation**: SBIC has regained its lost momentum in terms of spends and customer sourcing as COVID 2.0 headwinds weakened. The positive trend on the asset quality front and a notably lower quantum of restructuring 2.0 provides relief. We believe SBIC has strong moats which will support robust long-term growth and aiding market share gains. **We recommend a BUY on the stock and value SBIC at 44x FY23E EPS to arrive at a target price of Rs 1,210/share, implying an upside of 14% from CMP.We believe our target multiple reflectsSBIC's superior ROE profile, strong growth visibility, likelihood of market share improvement, and strong business moats.**
- **Key risks**: a) Impact of COVID 3.0 on business momentum and asset quality

Key Financials (Standalone)

Y/E Mar (Rs Cr)	NII (Rs)	Fee Income (Rs)	PPOP (Rs)	PAT (Rs)	EPS (Rs)	P/E (x)	ROAA (%)	NNPA (%)
FY20	3,540	3,979	3,670	1,245	13.3	80.1	5.5%	0.7%
FY21	3,903	3,908	4,024	985	10.5	101.5	3.8%	1.2%
FY22E	4,312	4,662	4,637	1,638	17.4	61.0	5.6%	1.1%
FY23E	5,305	5,858	5,923	2,590	27.5	38.6	7.3%	1.0%

Source: Company, Axis Securities

Operational Data andIncome Statement (Rs Cr)

Y/E March	FY20	FY21	FY22E	FY23E
Cards-in-Force (Cr)	1.05	1.18	1.39	1.71
YoY Change %	28%	12%	18%	23%
Spends (Rs. Cr)	1,30,915	1,22,416	1,55,194	2,01,715
YoY Change %	27%	-6%	27%	30%
Net Interest Income	3,540	3,903	4,312	5,305
Fee Income	3,979	3,908	4,662	5,858
Other Income	932	859	1,153	1,459
Total Income	**8,451**	**8,670**	**10,127**	**12,622**
Total Operating Expenses	4,781	4,646	5,490	6,699
PPOP	**3,670**	**4,024**	**4,637**	**5,923**
Provisions	1,940	2,700	2,448	2,462
PBT	**1,730**	**1,324**	**2,189**	**3,461**
Taxes	485	339	551	871
PAT	**1,245**	**985**	**1,638**	**2,590**

Source: Company, Axis Research

Balance Sheet(Rs Cr)

Y/E March	FY20	FY21	FY22E	FY23E
SOURCES OF FUNDS				
Share Capital	939	941	941	941
Reserves	4,402	5,362	6,754	8,955
Shareholder's Funds	5,341	6,302	7,695	9,896
Borrowings	17,365	18,068	21,079	25,909
Other Liabilities & Provisions	2,597	2,643	2,854	3,197
Total Liabilities	**25,303**	**27,013**	**31,628**	**39,002**
APPLICATION OF FUNDS				
Cash & Bank Balance	676	718	793	868
Investments	1	10	10	10
Advances	22,812	23,459	27,769	34,819
Fixed & Other Assets	1,814	2,826	3,056	3,305
Total Assets	**25,303**	**27,013**	**31,628**	**39,002**

Source: Company, Axis Research

Valuation ratios (%)

Y/E March	FY20	FY21	FY22E	FY23E
EPS	13.3	10.5	17.4	27.5
Earnings growth (%)	*28%*	*-21%*	*66%*	*58%*
Adj. BVPS	55.2	64.1	78.3	101.4
ROAA (%)	5.5	3.8	5.6	7.3
ROAE (%)	27.9	16.9	23.4	29.4
P/E (x)	80.1	101.5	61.0	38.6
Dividend Yield (%)	0.1	0.0	0.2	0.4
PROFITABILITY				
Yield on Advances (%)	21.7	20.1	19.9	19.9
Cost of Funds (%)	7.8	6.1	5.8	5.8
Spread (%)	13.9	14.0	14.0	14.1
NIM (%)	15.8	15.9	15.9	16.0
OPERATING EFFICIENCY				
Cost/Avg. Asset Ratio (%)	21.0	17.8	18.7	19.0
Cost-Income Ratio (%)	56.6	53.6	54.2	53.1

Source: Company, Axis Research

Balance Sheet Structure Ratios (%)

Y/E March	FY20	FY21	FY22E	FY23E
CIF Growth (%)	27.5	11.9	18.0	23.0
Spends Growth (%)	26.8	-6.5	26.8	30.0
Receivables Growth (%)	30.3	4.0	16.9	24.0
Total Capital Adequacy Ratio	22.4	24.8	24.9	24.7
Tier I CAR	17.7	20.9	21.2	21.3
ASSET QUALITY				
Gross NPLs	484	1,254	1,254	1,293
Net NPLs	160	277	327	357
Gross NPLs (%)	2.0	5.0	4.2	3.5
Net NPLs (%)	0.7	1.2	1.1	1.0
Coverage Ratio (%)	67	78	74	73
Provision/Avg. Loans (%)	9.5	11.7	9.6	7.9
ROAA TREE				
Net Interest Income	15.6	14.9	14.7	15.0
Non-Interest Income	21.6	18.2	19.8	20.7
Operating Cost	21.0	17.8	18.7	19.0
Provisions	8.5	10.3	8.3	7.0
Tax	2.1	1.3	1.9	2.5
ROAA	5.5	3.8	5.6	7.3
Leverage (x)	5.1	4.5	4.2	4.0
ROAE	27.9	16.9	23.4	29.4

Source: Company, Axis Research

Relaxo Footwear – Improving Mobility To Aid Recovery

Relaxo is a footwear manufacturing company with headquarter in New Delhi. The company's products include rubber/EVA slippers, canvas shoes, sport shoes, sandals, and school shoes with negligible presence of leather footwear's. It has a market share of ~5% in the footwear market and has prominent presence in mass and value category products catering the entire family. The company has effectively increased its reach in tier II, III & IV cities with limited presence in metro and tier I cities.

Industry view

Equalweight

CMP
1,162

Target Price
1290

Upside
11%

Key Rationale

- **Stable medium term outlook:**FY2022 which started on a strong note was impacted by the second wave of COVID and resultant lockdowns. However, with covid cases remaining under control and acceleration in the pace of vaccination would lead to increased movement of people thus benefitting Relaxo. We expect that the recovery seen from end July 2021 is expected to continue into the festive season as well and thus positive for topline growth of the company. Further, opening up of schools/colleges in most states, corporates functioning at full capacity in a staggered manner and overall improvement in intercity mobility would help a faster recovery in the near term in our view.
- **Large share gains opportunities:** We expect Relaxo to report market share gains from unorganised players, higher presence in e-commerce channels, and higher demand for value-for-money products. Lower per capita consumption in India, Relaxo's lower penetration in South India and sustained product additions remain long-term growth drivers. Raw-material prices have moved up, but a better revenue mix and cost-saving initiatives would help margins to remain at 20-21% levels over FY21-24E in our view.
- **Key risks:** a) slowdown in discretionary demand; b) 3rd wave of COVID and reinstatement of lockdowns; c) aggressive competitive activity; 4) RM price increase
- **Price increases to mitigate RM pressure:** Relaxo has undertaken price increases of 7-8% during Q1FY22 to mitigate the pressure from rise in RM prices. Further, with demand for close ended footwear (~80% of sales in pre-COVID period) inching up on the back of improved mobility and opening up of economy the profitability could improve going ahead in addition to cost rationalization initiatives. We expect the company to report EBITDA Margin of 20-21% over FY22-24E.
- **Valuation**: With a strong portfolio of footwear products and expansion in distribution reach (especially in southern markets), Relaxo is well poised to achieve revenue and earnings CAGR of 19% and 22%, respectively, over FY21-FY24E. Further, strong operating cash flows, healthy asset turns (3x), sustained improvement in EBITDA Margins and efficient working capital are key positives from a longer term perspective. Strong earnings visibility and strengthening of balance sheet will keep valuations at a premium. We upgrade the stock to BUY with a revised TP of Rs. 1,290/share.

Key Financials (Consolidated)

Y/E Mar	Net sales (Rs Cr)	EBIDTA (Rs Cr)	Net Profit (Rs Cr)	EPS (Rs)	PER (x)	EV/EBIDTA (x)	ROE (%)	ROCE (%)
FY21	2,359	495	291	11.7	97.8	57.5	20.5	25.5
FY22E	2,812	554	319	12.9	91.0	52.4	18.8	23.4
FY23E	3,368	680	405	16.3	71.7	42.6	20.3	25.1
FY24E	4,081	845	525	21.2	55.3	34.2	21.9	27.3

Source: Company, Axis Securities

Profit & Loss (Rs Cr)

Y/E Mar	FY21	FY22E	FY23E	FY24E
Total Net Sales	**2,359**	**2,812**	**3,368**	**4,081**
% Change	(2.1)	19.2	19.8	21.2
Total Raw material Consumption	1,003	1,251	1,472	1,767
Staff costs	301	360	431	510
Other Expenditure	559	647	785	959
Total Expenditure	860	1,007	1,216	1,469
EBITDA	**495**	**554**	**680**	**845**
% Change	21.1	11.8	22.8	24.2
EBITDA Margin %	**21.0**	**19.7**	**20.2**	**20.7**
Depreciation	110	133	138	144
EBIT	385	421	542	701
% Change	28.5	9.2	28.8	29.2
EBIT Margin %	16.3	15.0	16.1	17.2
Interest	17	17	20	19
Other Income	23	22	19	20
PBT	391	426	541	702
Tax	100	107	136	177
Tax Rate %	*27.0*	*25.2*	*25.2*	*25.2*
APAT	**291**	**319**	**405**	**525**
% Change	28.5	9.4	27.0	29.6

Source: Company, Axis Research

Balance Sheet (Rs Cr)

Y/E Mar	FY21	FY22E	FY23E	FY24E
Share Capital	25	25	25	25
Reserves & Surplus	1,548	1,803	2,143	2,604
Net Worth	**1,573**	**1,827**	**2,168**	**2,629**
Total Borrowings	-	-	-	-
Deferred Tax Liability	23	25	25	25
Long Term Provisions	16	20	25	25
Other Long Term Liability	115	130	130	130
Capital Employed	**1,727**	**2,002**	**2,348**	**2,809**
Gross Block	1,010	1,093	1,159	1,231
Less: Depreciation	289	354	438	524
Net Block	721	739	722	706
Other Non Current Assets	375	391	393	395
Investments	338	300	450	700
Sundry Debtors	181	247	295	358
Cash & Bank Bal	8	48	96	178
Loans & Advances	0	0	0	0
Inventory	422	521	624	756
Other Current Assets	130	250	350	350
Total Current Assets	**742**	**1,066**	**1,366**	**1,642**
CurrLiab&Prov	449	493	582	635
Net Current Assets	**293**	**572**	**783**	**1,007**
Total Assets	**1,727**	**2,002**	**2,348**	**2,809**

Source: Company, Axis Research

Cash Flow (Rs Cr)

Y/E Mar	FY21	FY22E	FY23E	FY24E
PBT	391	426	541	702
Depreciation & Amortization	110	133	138	144
Net Finance Interest and other expenses	15	(6)	1	(1)
Chg in Working cap	86	(239)	(158)	(142)
Direct tax paid	(89)	(107)	(136)	(177)
Cash flow from operations	**513**	**208**	**386**	**526**
Chg in Gross Block	(453)	(107)	(254)	(361)
Chg in Investments	-	-	-	-
Chg in WIP	-	-	-	-
Cash flow from investing	**(453)**	**(107)**	**(254)**	**(361)**
Proceeds / (Repayment) of ST Borrowings (Net)	(19)	21	-	-
Repayment of LT Borrowings	-	-	-	-
Loans Repayment				
Finance Cost paid	(17)	(17)	(20)	(19)
Dividends paid	-	(64)	(64)	(64)
Other repayment	(20)	-	-	-
Cash flow from financing	**(56)**	**(60)**	**(84)**	**(83)**
Chg in cash	**3**	**42**	**48**	**82**
Cash at start	3	6	48	96
Cash at end	6	48	96	178

Source: Company, Axis Research

Ratio Analysis (%)

Key Ratios	FY21	FY22E	FY23E	FY24E
Growth (%)				
Net Sales	(2.1)	19.2	19.8	21.2
EBITDA	21.1	11.8	22.8	24.2
APAT	28.5	9.4	27.0	29.6
Per Share Data (Rs.)				
Adj. EPS	11.7	12.9	16.3	21.2
BVPS	63	74	87	106
Profitability (%)				
EBITDA Margin	21.0	19.7	20.2	20.7
Adj. PAT Margin	12.4	11.3	12.0	12.9
ROCE	23.6	22.1	23.9	25.7
ROE	18.5	17.5	18.7	20.0
Valuations (X)				
PER	98	91	72	55
P/BV	18	16	13	11
EV / EBITDA	58	52	43	34
EV / Net Sales	12.1	10.3	8.6	7.1
Turnover Days				
Asset Turnover	3.2	3.9	4.6	5.7
Inventory days	65	68	68	68
Debtors days	28	32	32	32
Creditors days	44	38	36	35
Working Capital Days	50	62	64	64
Gearing Ratio				
Net Debt to Equity	(0)	0	(0)	(0)

Source: Company, Axis Research

ADITYA BIRLA FASHION AND RETAIL– PRIME TO PLAY FESTIVE SEASON

ABFRL combines Madura's portfolio of leading power brands (Allen Solly, Van Heusen, Louis Philippe and Peter England) with Pantaloons' forte of largest value fashion retailer. The company has a robust distribution network with 2874 brand stores along with 342 Pantaloons stores. ABFRL forayed into the Ethnic Wear segment through strategic partnerships with designers like Shantanu& Nikhil, TarunTahiliani and Sabyasachi besides Jaypore.

Industry view

Equalweight

CMP
214

Target Price
250

Upside
17%

Key Rationale

- **Positive festive season pick-up:**Retail sales in August 2021 reached to 88% of the pre-COVID levels of August 2019 as per industry sources with a strong uptick seen in North and South India. We note there is strong pent up demand that would drive growth for offline sales as consumers have remained in isolation and shut downs for over two years now and there is an aching need for celebrations. With speeding up of the vaccination drive and increased mobility of people, festive season sales are expected to be either better or near pre-pandemic levels provided there is no disruption from an adverse 3rd COVID wave. Management too remains upbeat on reporting a steady recovery seen in Q2FY22 owing to increased travel/outing and weddings as restrictions ease out on QoQ/YoY basis.
- **Balance sheet deleveraging:** Owing to aggressive store expansions, renovation of Pantaloons, high value acquisitions in Ethnic wear and pandemic related stress on inventory build up, higher fixed costs etc led to increase in the overall debt levels during FY21 and in Q1FY22. However, with a total fund raise of Rs. 2,500Cr through preferential issue of Rs. 1,500Cr to Flipkartfor 7.8% stake anda Right Issue of nearly Rs. 1,000Cr would aid ABFRL in balance sheet deleveraging going forward. Management is confident of maintaining Debt/EBITDA level in the range of 1-2x going forward. Moreover, working capital is expected to become leaner with adoption of a 12 season model.
- **Key risks:** a) disruptions caused third wave of COVID if any; b) increased value consciousness, c) aggressive competitive intensity.
- **Store Expansion and Omni-channel strategy to drive growth:** ABFRL has aggressive store expansion plan for FY22 with 60+ Pantaloons stores and ~400+ franchise stores for lifestyle brand Madura. Plans are afoot to open ~200+ stores under Peter England Red Stores and Allen Solly Prime Stores to penetrate further in small towns. To further strengthen its omni-channel strategy ABFRL plans to make 2000+ stores omni enabled from current 1,300 stores. The company also plans to launch a new Pantaloons website in Q3FY22 and a multi-brand app in Q4FY22. Upcoming wedding season bodes well for the company's strategic focus on a more profitable Ethnic market and should support growth over the long term. Ethnic market is ~30% of apparel market with women's ethnic wear being the single largest segment in the Indian apparel market.
- **Valuation**: Over the years, ABFRL has built a strong brand with high growth potential catering to various categories in the fashion segments. We expect lifestyle brands (Louis Philippe, Van Heusen, Peter England and Allen Solly) to lead in the men's formal and casual wear in the mid premium and premium space and yield a healthy return over the medium term. Pantaloon is also well set in the value range apparel market after years of investments and business restructuring. Innerwear and other fashion ventures including ahtleisure and ethnic wear are likely to provide ABFRL with incremental growth opportunity.In light of the immense growth potential we continue with our BUY rating and an SOTP based TP of Rs. 250/share.

Key Financials (Consolidated)

Y/E Mar	Net sales (Rs Cr)	EBIDTA (Rs Cr)	Net Profit (Rs Cr)	EPS (Rs)	PER (x)	EV/EBIDTA (x)	ROE (%)	ROCE (%)
FY21	5,249	555	-736	-23	NM	NM	-27%	-6%
FY22E	7,817	1,352	18	0	1,166	16	1%	6%
FY23E	9,523	1,705	282	3	73	12	9%	11%
FY24E	11,210	2,029	512	6	40	10	14%	15%

Source: Company, Axis Securities

Profit & Loss (Rs Cr)

Y/E March	FY21	FY22E	FY23E	FY24E
Total Net Sales	5,249	7,817	9,523	11,210
% Change	(40.3)	48.9	21.8	17.7
Total Raw material Consumption	2,563	3,760	4,571	5,359
Staff costs	865	977	1,143	1,345
Other Expenditure	1,266	1,728	2,104	2,477
Total Expenditure	2,131	2,705	3,247	3,823
EBITDA	555	1,352	1,705	2,029
% Change	(54.2)	143.7	26.0	19.0
EBITDA Margin %	10.6	17.3	17.9	18.1
Depreciation	963	1097	1083	1090
EBIT	-408	256	622	939
% Change	NA	NA	143.3	51.1
EBIT Margin %	-7.8	3.3	6.5	8.4
Interest	503	322	340	350
Other Income	73	90	95	95
PBT	-837	24	377	684
Tax	(102)	6	95	172
Tax Rate %	25.2	25.2	25.2	25.2
APAT	(736)	18	282	512
% Change	NA	NA	1,502.5	81.6

Source: Company, Axis Research

Balance Sheet (Rs Cr)

Y/E March	FY21	FY22E	FY23E	FY24E
Share Capital	915	938	938	938
Reserves & Surplus	1,761	2,029	2,310	2,822
Net Worth	2,676	2,966	3,248	3,760
Total Borrowings	818	910	760	510
Deferred Tax Liability	11	7	7	7
Long Term Provisions	96	120	130	130
Other Long Term Liability	2,349	2,210	2,500	2,500
Capital Employed	5,951	6,213	6,645	6,907
Gross Block	5,724	7,061	8,148	5,752
Less: Depreciation	2,270	3,194	4,102	1,773
Net Block	3,454	3,867	4,046	3,978
Other Non Current Assets	2,816	3,037	3,107	3,107
Investments	344.31	-	-	-
Sundry Debtors	730	750	913	1,075
Cash & Bank Bal	261	309	253	319
Loans & Advances	7	15	40	40
Inventory	1,847	2,443	2,886	3,397
Other Current Assets	713	250	750	750
Total Current Assets	3,558	3,767	4,841	5,581
CurrLiab&Prov	4,221	4,457	5,349	5,759
Net Current Assets	-663	-691	-508	-178
Total Assets	5,951	6,213	6,645	6,907

Source: Company, Axis Research

Cash Flow (Rs Cr)

Y/E March	FY21	FY22E	FY23E	FY24E
PBT	(837)	24	377	684
Depreciation & Amortization	963	1097	1083	1090
Net Finance Interest and other expenses	129	232	245	255
Chg in Deferred tax				
Chg in Working cap	853	82	(239)	(263)
Direct tax paid	3	6	95	172
Cash flow from operations	1,104	1,428	1,370	1,593
	0	0	0	0
Chg in Gross Block	-161	-1,510	-1,262	-1,022
Chg in Investments	(398)	434	95	95
Chg in WIP	(296)	(222)	(70)	-
Cash flow from investing	(855)	(1,297)	(1,237)	(927)
	0	0	0	0
Proceeds / (Repayment) of ST Borrowings (Net)	-1,655	-33	150	-250
Repayment of LT Borrowings	2,239	250	-	-
Loans Repayment	-	-	-	1.00
Finance Cost paid	(476)	(322)	(340)	(350)
Dividends paid	-	-	-	1
Other repayment	(377)	14	-	-
Cash flow from financing	(269)	(91)	(190)	(599)
Chg in cash	(20)	39	(57)	67
Cash at start	267	247	287	230
Cash at end	247	287	230	297

Source: Company, Axis Research

Ratio Analysis (%)

Y/E March	FY21	FY22E	FY23E	FY24E
Growth (%)				
Net Sales	(40.3)	48.9	21.8	17.7
EBITDA	(54.2)	143.7	26.0	19.0
APAT	NA	NA	1,502.5	81.6
Per Share Data (Rs.)				
Adj. EPS	(22.9)	0.2	3.1	5.6
BVPS	63	35	35	41
Profitability (%)				
EBITDA Margin	10.6	17.3	17.9	18.1
Adj. PAT Margin	(14.0)	0.2	3.0	4.6
ROCE	-5.6	5.6	10.8	15.0
ROE	(27.5)	0.6	8.7	13.6
Valuations (X)				
PER	(9.8)	1,165.7	72.7	40.0
P/BV	3.5	6.4	6.4	5.5
EV / EBITDA	(36.4)	15.6	12.3	10.2
EV / Net Sales	3.3	2.7	2.2	1.8
Turnover Days				
Asset Turnover	1.6	2.1	2.4	2.8
Inventory days	128	114	111	111
Debtors days	51	35	35	35
Creditors days	151	111	111	111
Working Capital Days	28	39	35	35
Gearing Ratio				
Debt: Equity (x)				
Net Debt to Equity	0.21	0.20	0.16	0.05

Source: Company, Axis Research

SAFARI INDUSTRIES – SET TO PACK AND ROLL AS NORMALCY KICKS IN

Safari Industries (India) Limited is engaged in manufacturing and trading of luggage and luggage accessories. The Company's product range includes polycarbonate (PC) zippered luggage. It also offers products under various categories, such as laptop bags and backpacks. It backpacks categories include Everyday Casual Backpack, Laptop Backpacks, Rucksack, Concept Backpacks, Overnighter.

Industry view

Equalweight

CMP
824

Target Price
922

Upside
12%

Key Rationale

- **Improving Travel Industry Prospects:** The aviation industry recently increased the seating capacity of domestic flights to 85% as the travel demand has picked up in the wake of increasing vaccination coverage in the country and reducing COVD-19 cases. On the back of the upcoming festive season, wedding pick up and holiday season, the travel activities are seeing an improvement and likley to hit pre-COVID levels by CY21 end. Further, opening up of international travel in a measured manner too would augur well for Safari in the luggage industry.
- **Healthy Q1FY22 performance:**The revenues for Q1FY22 stood at Rs 120 Cr, up 497% on a YoY basis although QoQ it was impacted due to second wave. Revenues recovered to ~60% of pre-COVID levels, down from ~92% in Q4FY21 as the country was hit by the second COVID-19 wave. While Q1FY22 performance was adversely impacted due to reimposed lockdowns by state governments, acceleration in vaccination and gradual lockdown relaxations are expected to lead to a rising preference for short-haul leisure trips.
- **Market share gains to continue:** Safari has been a beneficiary of a notable downtrading in the luggage industry as consumers' preferences shift to value products where Safari is well-placed vis-a-vis premium brands. Share gains have also come from unorganized players that are struggling due to small-scale operations, liquidity crunch given disruptions in the supply chain, and inability to pass on RM price increases. Shift from unorganised to organized players will bode well for Safari to capitalize on opportunities in the value space as well as in the mid-premium segment.
- **FY22 Outlook:**The management indicated to register growth higher than pre-Covid levels in the Aug-Nov'21 period on account of an increase in the domestic leisure travel, marriage season, corporate gifting, and gradual re-opening of schools and colleges. Further, with gradual opening up of offices business travel too would crawl back from FY23 onwards but would be lower than leisure travel.
- **Outlook & Valuation:** Although the company's near-term earnings outlook remains clouded as travel and people movement continue to be restricted albeit better than previous periods, we think short-haul trips and marriage-led demand could support growth in H2FY22. Moreover, the long-term outlook for the sector looks promising given multiple growth drivers such as 1) accelerated shift in consumer preferences from unorganized labels to brands, 2) rising leisure travel, 3) increased focus on strengthening the Safari brand, and 4) de-risking of sourcing from China to alternate sources such as Bangladesh and India. We maintain our BUY rating and upgrade our FY24E estimates and TP given the strong growth outlook in the domestic leisure travel and gradual opening up of the international travel while continue valuing the stock at 45x P/E on its FY24E EPS (premium to its peer) as we expect Safari to report strong growth over FY21-24E. Our revised TP is Rs 922/share (earlier Rs 900/share).
- **Key Risk:** 1) sudden spike in COVID cases and ensuing restrictions on travel; 2) spike in RM costs; 3) rising competitive activity

Key Financials (Consolidated)

Y/E Mar (Rs Cr)	Net Sales	EBIDTA	Net Profit	EPS (Rs)	PER (x)	EV/EBIDTA (x)	ROE (%)	ROCE (%)
FY21	328	(6)	(21)	(7.2)	NM	NM	(7.5%)	(8.6%)
FY22E	525	33	10	4.3	193.1x	55.7x	3.3%	3.6%
FY23E	735	58	27	12.1	68.9x	30.9x	8.6%	9.0%
FY24E	896	86	46	20.5	40.7x	20.5x	12.8%	13.5%

Source: Company, Axis Securities

Profit & Loss (Rs Cr)

Y/E Mar, Rs. Cr	FY21	FY22E	FY23E	FY24E
Total Net Sales	**328**	**525**	**735**	**896**
% Change	-52%	60%	40%	22%
Total Raw material Consumption	191	303	420	506
Staff costs	60	67	92	106
Other Expenditure	83	121	165	199
Total Expenditure	334	492	677	810
EBITDA	**(6)**	**33**	**58**	**86**
EBITDA Margin %	**--**	**6.3%**	**7.9%**	**9.6%**
Depreciation	20	19	21	25
EBIT	-26	14	37	61
% Change	--	-	163.4%	64.8%
EBIT Margin %	--	2.7%	5.0%	6.8%
Interest	6	5	5	4
Other Income	3	4	4	4
PBT	-29	13	36	61
Tax	-8	3	9	15
Tax Rate %	*27.5%*	*25.2%*	*25.2%*	*25.2%*
APAT	**-21**	**10**	**27**	**46**

Source: Company, Axis Research

Balance Sheet (Rs Cr)

Y/E Mar, Rs. Cr	FY21	FY22E	FY23E	FY24E
Share Capital	4.5	4.5	4.5	4.5
Reserves & Surplus	275	284	310	355
Net Worth	279	288	315	360
Total Loan funds	5	80	75	70
Total Liabilities	**307**	**392**	**413**	**453**
Net Block	37	58	47	42
Sundry Debtors	90	104	145	172
Cash & Bank Bal	5	47	9	6
Inventory	114	129	177	211
Other Current Assets	10	11	15	19
Total Current Assets	280	352	408	469
Current Liabilities & Provision	90	73	99	117
Net Current Assets	190	279	309	352
Total Assets	**307**	**392**	**413**	**453**

Source: Company, Axis Research

Cash Flow (Rs Cr)

Y/E Mar, Rs. Cr	FY21	FY22E	FY23E	FY24E
PBT	**-29**	**13**	**36**	**61**
Depreciation & Amortization	20	19	21	25
Provision for Taxes	6	5	5	4
Chg in Deferred tax	8	0	0	0
Chg in Working cap	-3	3	4	2
Direct tax paid	1	-3	-9	-15
Cash flow from operations	**3**	**36**	**56**	**78**
Chg in Gross Block	-8	-40	-10	-20
Chg in Investments	-93	31	-1	-1
Chg in WIP	1	-6	-1	-1
Cash flow from investing	**-100**	**-15**	**-12**	**-22**
Proceeds / (Repayment) of Short Term Borrowings (Net)	-1	75	-5	-5
Finance Cost paid	-6	-5	-4	-4
Cash flow from financing	**-10**	**70**	**-10**	**-10**
Chg in cash	**1**	**42**	**-37**	**-3**
Cash at start	**1**	**2**	**44**	**6**
Cash at end	**2**	**44**	**6**	**3**

Source: Company, Axis Research

Ratio Analysis (%)

Y/E Mar	FY21	FY22E	FY23E	FY24E
Growth (%)				
Net Sales	--	60.0%	40.0%	22.0%
EBITDA	--	--	75.6%	48.3%
APAT	--	--	180.3%	69.4%
Per Share Data (Rs.)				
Adj. EPS	--	4.3	12.1	20.5
BVPS	124.6	128.8	140.6	160.6
DPS	-0.2	0.1	0.3	0.5
Profitability (%)				
EBITDA Margin	--	6.3%	7.9%	9.6%
Adj. PAT Margin	--	1.8%	3.7%	5.1%
ROCE	--	3.6%	9.0%	13.5%
ROE	--	3.3%	8.6%	12.8%
ROIC	--	4.1%	9.2%	13.7%
Valuations (X)				
PER	--	193.1x	68.9x	40.7x
P/BV	6.7x	6.5x	5.9x	5.2x
EV / EBITDA	--	55.7x	30.9x	20.5x
EV / Net Sales	5.4x	3.5x	2.4x	2.0x
Gearing Ratio				
Debt to Equity	0.0x	0.3x	0.2x	0.2x

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