



INDIAN NIPPON ELECTRICALS LIMITED.

COMPANY BACKGROUND.....

- Established in 1984 by T.K Balaji who has won a gold medal for outstanding scholastic performance and was a member of Development Council for Automobile and Allied Industries. He is the Chairman and Managing Director of Lucas TVS Ltd. and Managing Director of Delphi TVS Technologies Ltd.
- In 1985 the company was converted into a Joint Venture. Converted into a joint venture between Lucas -TVS Ltd and MAHL Electric Drives Japan Corp, Japan. Mr. Arvind Balaji is the Managing Director of the Joint Venture.
- India Nippon Electricals Limited (INEL) is among the leading manufacturers of electronic ignition systems for the automobile industry.
- The manufacturing units are located in Tamil Nadu, Puducherry and Haryana. Key customers include all leading automotive companies located in India and globally.

BUSINESS MIX (9M-FY24).....

- Electric Ignition System** - INEL enjoys a market leadership position in electronic ignition system products. It is a modern automotive ignition system that replaces the conventional one. Expected to take over 35% of the market.
- Controllers Portfolio** – This refers to the various electronic control units (ECUs) and modules that manage and control different systems and functions within the vehicle.
- Sensors Portfolio** - It is the collection of various sensors installed throughout the vehicle to monitor and provide critical data on its operating condition.
- EV Portfolio** – A recently established Technology center in Tamil Nadu is focused on developing EV products and technologies for emission control.

KEY STRENGTHS.....

- Tier 1 supplier to major OEMs. Offers a wide range of products and has a strong customer base and client focus.
- Trust in technology: Advancing new technology that addresses the futuristic needs of our customers.
- Demonstrating a high degree of responsiveness to market trends and offering just-in-time supplies to customers.
- INEL is a zero-debt company .
- Driving operational efficiencies while ensuring strict adherence to quality standards for providing customers with a better value proposition.

FINANCIAL HIGHLIGHTS (CONSOLIDATED).....

(INR Mn)	Net Income	EBITDA	EBITDA%	PAT	PAT%	EPS
FY21	4,812	463	9.6%	396	8.2%	17.52
FY22	5,663	497	8.8%	503	8.9%	22.21
FY23	6,563	578	8.8%	482	7.3%	21.32
9M-FY24	5,284	448	8.5%	389	7.4%	17.19

Key Data

BSE Code	532240
NSE Code	INDNIPPON
Reuters	INEL.NS
Bloomberg	INE:IN

Market Data (INR) as on 31st December, 2023

Face Value	5.0
CMP	534.15
52 Week H/L	574.35/325
MCAP (Mn)	12,083
Shares O/S (Mn)	22.62
1 Yr Avg. Daily Vol. ('000)	46.79

Performance as on 31st December, 2023

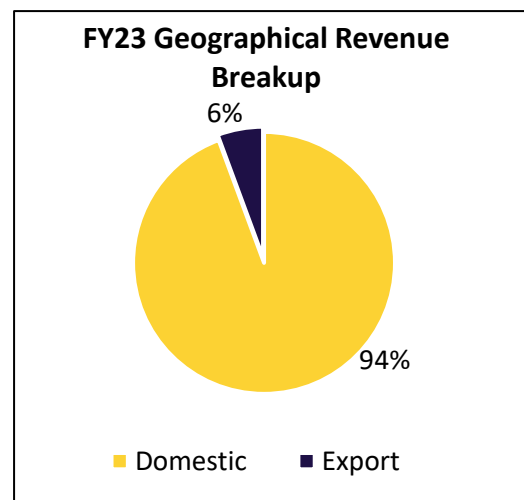
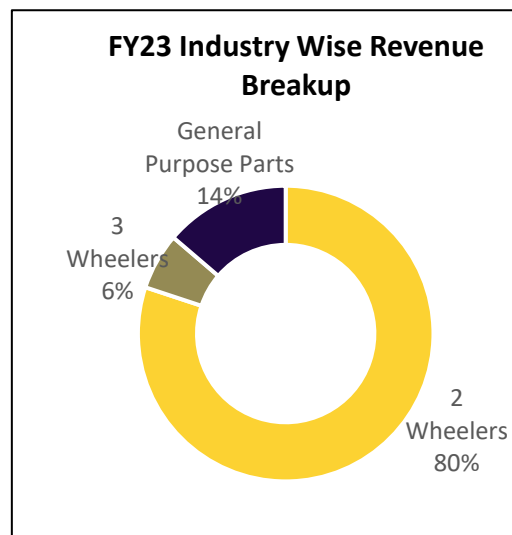
	3M	6M	12M
INEL	4.5%	20.1%	32.4%
SENSEX	9.8%	11.4%	18.7%
BSE MIDCAP	12.4%	25.9%	40.4%

Shareholding Pattern as on 31st December, 2023

Promoters	70.37%
FIIs/DIIs	0.15%
Public	29.48%

PRODUCT PORTFOLIO.....

- Electronic Ignition System:** It is a modern automotive ignition system that replaces the conventional mechanical ignition systems used in older vehicles. Its primary function is to ignite the air-fuel mixture in the engine's cylinders at the right time to facilitate combustion and power generation. The key product in this segment is the flywheel magneto which is a type of ignition system that combines the functions of a flywheel and a magneto to generate electrical power and provide the spark required for engine ignition. It is commonly used in small engines, such as those found in motorcycles, lawnmowers, chainsaws, and other small power equipment. The Flywheel Magneto system is known for its simplicity, reliability, and self-sufficiency.
- Controllers:** These refers to the various electronic control units (ECUs) and modules that manage and control different systems and functions within the vehicle. Modern vehicles are equipped with numerous electronic components and systems, and these controllers are responsible for monitoring, regulating, and coordinating their operations.
- Sensors:** It is the collection of various sensors installed throughout the vehicle to monitor and provide critical data on its operating conditions. These sensors are crucial in modern automotive systems, enabling advanced functionalities, improving safety, and optimizing performance.
- 2W Electric Vehicles:** Recently established world-class Technology center in Tamil Nadu is mainly focused on developing EV technology products and Technologies for emission control and compliance. Mechatronic products with new technology solutions and software are also being designed for wide applications across segments.
- AfterMarket:** A dedicated team is focusing on aftermarket and several measures are taken to strengthen brand image, product range, constant sales promotion efforts and distribution network to extract maximum value for the business. INEL also conducts skill development programme for 2W mechanics.



KEY GROWTH DRIVERS.....

- Entering into a New Technical Partnership. Recently entered into a Technical Licensing partnership with Borg Warner, a globally leading automotive supplier, for the Control unit for Electronic Fuel Injection (EFI ECU) which will enable to enter a new product segment of the EFI system and serve customers for two and three-wheeler applications.
- Growing EV portfolio and exploring new business lines. Focused on expanding presence to new geographical locations and penetrating deeper into existing markets.
- Advancing aftermarkets business and expanding to new geographies.

PEER COMPARISON (TRAILING 12 MONTHS) INR MN

Company	Revenue from Operations	EBITDA	EBITDA%	Net Profit	PAT%	M Cap
INEL	6,864	597	8.7%	531	7.73%	12,083
PRICOL	21,809	2,470	11.33%	1,289	5.91%	46,224
MINDA CORP	45,112	4,931	10.93%	2,782	6.17%	92,428
VARROC ENG.	72,539	6,954	9.59%	5,137	7.08%	84,690
SUPRAJIT	28,118	3,157	11.23%	1,491	5.30%	56,246

INCOME STATEMENT (CONSOLIDATED)

Income Statement (Mn)	FY21	FY22	FY23	9M-FY24
Total Operational Income	4,812	5,663	6,563	5,284
Total Expenses	4,349	5,166	6,034	4,896
EBITDA	463	497	529	488
EBITDA Margins (%)	9.63%	8.78%	8.81%	8.48%
Other Income	152	252	176	166
Depreciation	103	129	146	113
Finance Cost	6	5	4	3
PBT	506	615	604	498
Tax	110	112	122	109
Profit After Tax	396	503	482	389
PAT Margins (%)	8.23%	8.88%	7.34%	7.36%
EPS (After Exceptional Items)	17.52	22.21	21.32	17.19

BALANCE SHEET (CONSOLIDATED)

Liabilities (INR Mn)	FY22	FY23	H1-FY24	Assets (INR Mn)	FY22	FY23	H1-FY24
Shareholders Fund				Assets			
Equity Share Capital	113	113	113	Non-Current Assets			
Other Equity	4,939	5,490	5,756	Property, Plant and Equipment	1,163	1,211	1,243
Total Shareholders Funds	5,052	5,603	5,869	Capital WIP	51	128	155
Non-Current Liabilities				Intangible Assets	17	16	13
Financial Liabilities				Right to use	122	118	113
i) Long-Term Borrowings	-	-	-	Investments	1,456	2,027	2,046
ii) Lease Liabilities	33	29	26	Loans	11	12	10
Deferred Tax Liabilities (Net)	215	299	291	Other Financial Assets	45	8	9
Long Term Provisions	26	32	34	Other Non-current Assets	10	1	2
Total Non-Current Liabilities	274	360	351	Total Non-Current Assets	2,875	3,521	3,591
Current Liabilities				Inventories	496	561	607
Lease Liabilities	6	7	8	Financial Assets			
ii) Trade Payables	901	955	1,248	i) Trade and other Receivable	1,180	1,195	1,394
iii) Other financial Liabilities	28	27	22	ii) Investments	1,327	1,523	1,809
Short-Term Provisions	9	9	11	ii) Cash & Cash Equivalents	366	228	167
Other Current liabilities	142	217	-	iv) Other Financial Assets	11	13	9
Current tax liabilities (Net)	-	-	233	Other Current Assets	90	77	93
Total Current Liabilities	1,085	1,215	1,521	Current Tax Assets	66	60	71
TOTAL LIABILITIES	6,411	7,178	7,741	Total Current Assets	3,536	3,657	4,150
				TOTAL ASSETS	6,411	7,178	7,741

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India Nippon Electricals Limited:

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