



India Nippon Electricals Ltd

REGD. OFFICE

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CIN : L31901TN1984PLC011021

June 13, 2024

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot no C 1,
G Block, IFB Centre, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051
Scrip: INDNIPPON

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001
Scrip: 532240

Dear Sir/ Madam,

Sub: Investor Presentation on the Audited Financial Results of the Company for quarter and year ended March 31, 2024.

Ref: Regulation 30 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015

Please find enclosed the Investor Presentation on the Audited Financial Results of the Company for quarter and year ended March 31, 2024.

The presentation is also being made available on our website www.indianippon.com

Kindly take the above information on record.

Thanking you

Yours Sincerely

For India Nippon Electricals Limited

SEKAR Digitally signed
by SEKAR
LOGITHA
Date: 2024.06.13
10:23:25 +05'30'

S Logitha

Company Secretary & Compliance Officer

Encl: as above

UNIT I - Hosur: Thalli Road, Uliveeranapalli, Hosur - 635 114, Tamil Nadu, India

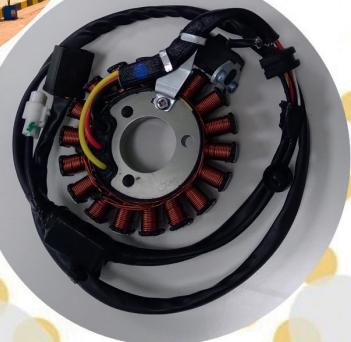
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Web : www.indianippon.com inelmkt@inel.co.in





India Nippon Electricals Ltd



**EARNINGS
PRESENTATION**

Q4-FY24/FY24

39 Years
Of
Experience

3
Manufacturing
Plants

1
State of the
Research
Center

Tier 1
Supplier to Major
Auto OEM's

1,605+
Employees

Debt Free

14.59%
3 Year Revenue
CAGR

INR 15,351
Market Cap

30%+
Consistent
Dividend Payout
track record

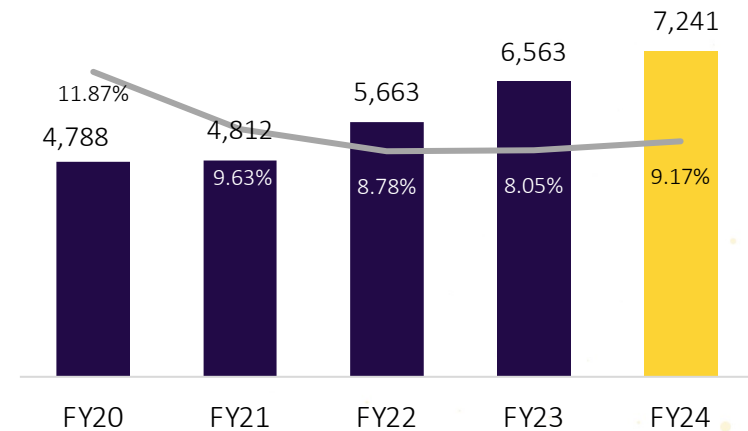
COMPANY OVERVIEW



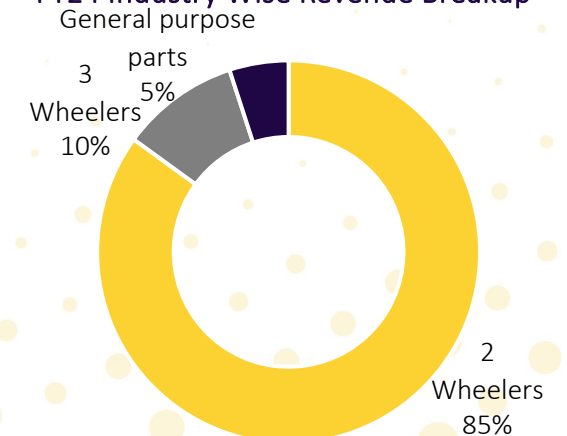
India Nippon Electricals Ltd

- India Nippon Electricals Limited (INEL) was incorporated in 1984 and converted into a joint venture in 1986 between Lucas Indian Service Limited, a wholly-owned subsidiary of Lucas-TVS Limited, and MAHLE Electric Drives Japan Corporation, Japan – a company of MAHLE Group, Germany, to manufacture electronic ignition systems for two-wheelers, three-wheelers and portable engines.
- INEL's product offerings cover all custom-built ignition system parts for various applications to meet the whole range of OEMs in the vehicle industry and enjoys a market leadership position in the electronic ignition system products, and has also recently entered the market for electric vehicles.
- The Company continues to expand its product portfolio and capabilities with future technologies such as sensors, controllers, converters and engine control units etc., in addition to its offerings for internal combustion engines.
- The Company has 3 Manufacturing facilities located at Tamil Nadu, Puducherry, and Haryana.
- Over the years, the Company has developed a range of high-quality, differentiated products, which has allowed it to establish a solid customer base in India and an expanding clientele abroad.
- INEL has built a strong presence in North America, Japan, and Europe and remains committed to increasing its aftermarket and export operations as well.

Revenue (INR Mn) & EBITDA Margins (INR Mn)



FY24 Industry Wise Revenue Breakup



TWO
WHEELER



THREE
WHEELER

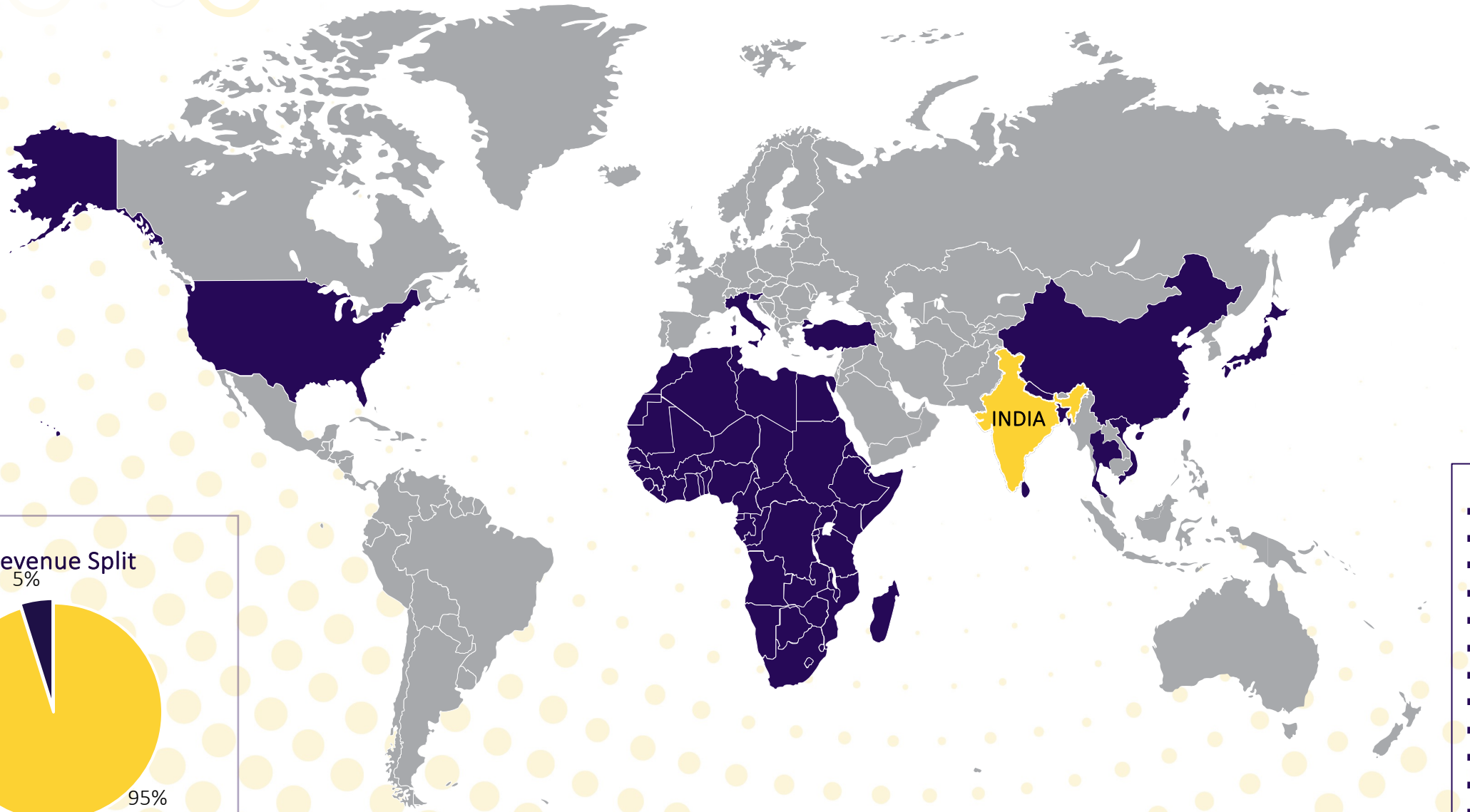


GENERAL PURPOSE
ENGINES

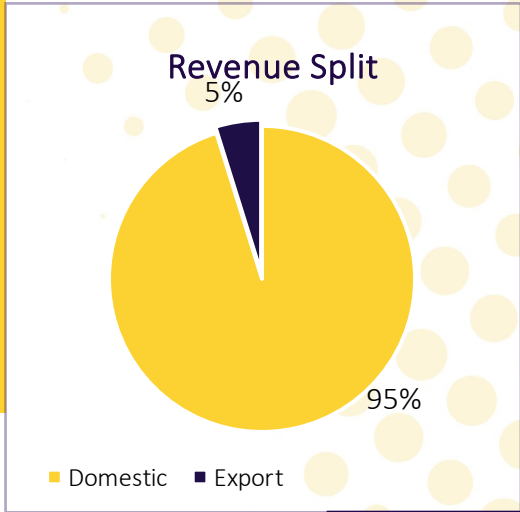
GEOGRAPHICAL PRESENCE



India Nippon Electricals Ltd



- USA
- ITALY
- CHINA
- SLOVENIA
- TURKEY
- VIETNAM
- THAILAND
- JAPAN
- NEPAL
- SRI LANKA
- BANGLADESH
- AFRICA





*Logos are meant for representative purposes only

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.



Controllers

It 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.

Integrated Starter Generator system [ISG], combines the functions of a starter motor and an electric generator into a single unit.



Sensors

It is the collection of various sensors installed throughout the vehicle to monitor and provide critical data on its operating conditions.

These sensors play a crucial role in modern automotive systems, enabling advanced functionalities, improving safety, and optimizing performance.



Electric Vehicles

Recently established world-class Technology center in Tamil Nadu is particularly 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.



After Market

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 business.

INEL also conducts skill development programme for 2W mechanics.



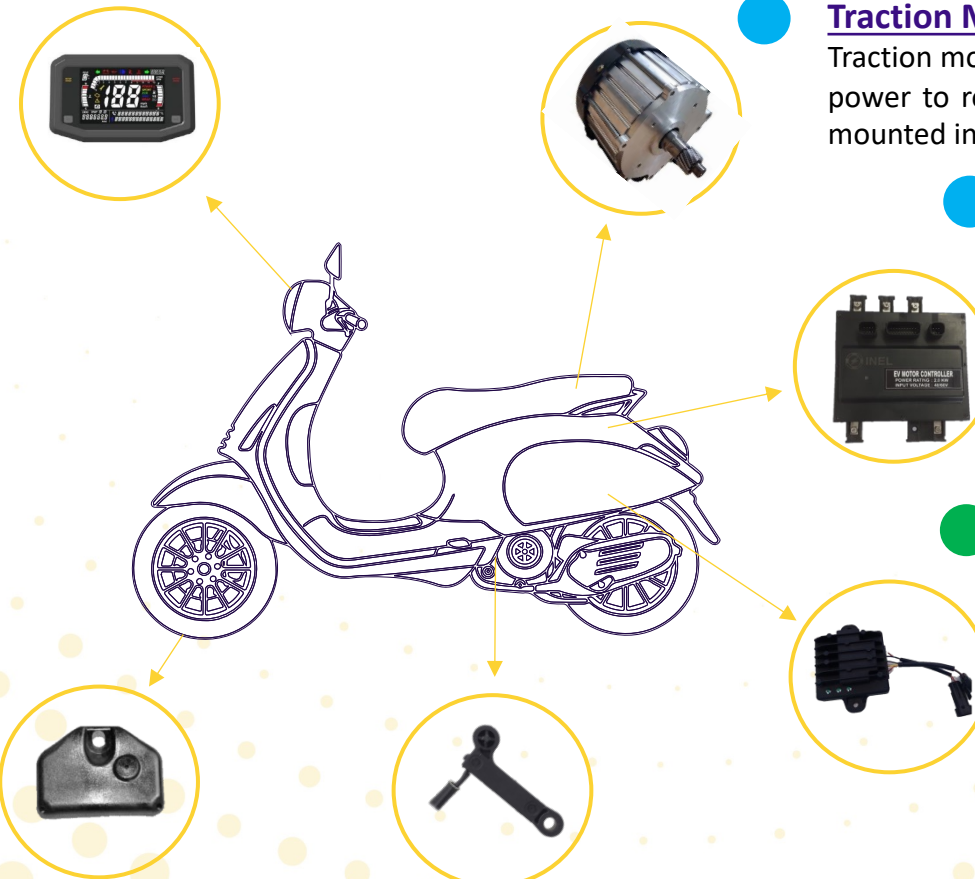
Cluster

It refers to the instrument cluster or dashboard panel found on a two-wheeled vehicle's handlebars or front section. It provides essential information to the rider about the vehicle's performance, speed, fuel level, engine status, and various other parameters.

Colored LCD cluster in proto stage and TFT Cluster is in development stage.

TPMS

Tire Pressure Monitoring System is an important safety feature in both conventional and electric vehicles. It is designed to monitor the air pressure in the vehicle's tires and alert the driver if there is a significant drop in pressure, which can lead to decreased vehicle performance, increased tire wear, and potential safety risks.



Traction Motor

Traction motors are powered by electricity and generate the power to rotate the wheels. Traction motors are typically mounted in the trucks where the wheels are housed.

Motor Controller

It is a critical component in an electric vehicle (EV) that regulates and controls the operation of the electric motor. It manages the power flow from the vehicle's battery to the motor, allowing precise control over the motor's speed, torque, and direction.

DC-DC Converter

It helps manage the power flow and compatibility between these systems. The main purpose of a DC-DC converter in an electric vehicle is to convert the high-voltage DC power from the main battery pack (usually several hundred volts) to lower voltages.

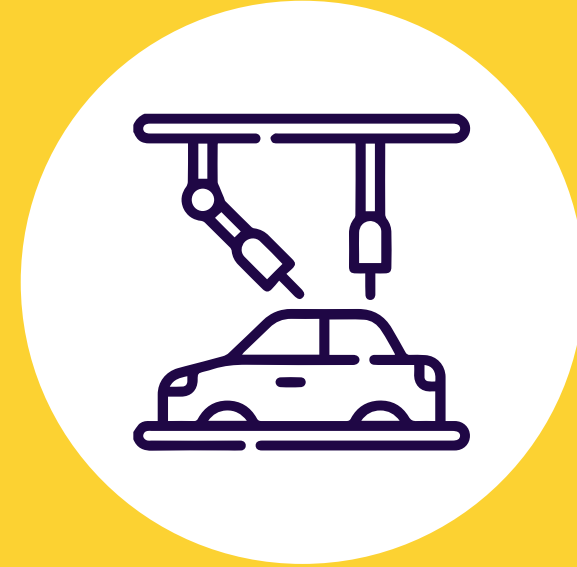
Side Stand Sensor

It gives safety alert to ECU to stall the engine if the side stand is in the lowered position and not dis-engaged.

● Under Development

● In Mass Production

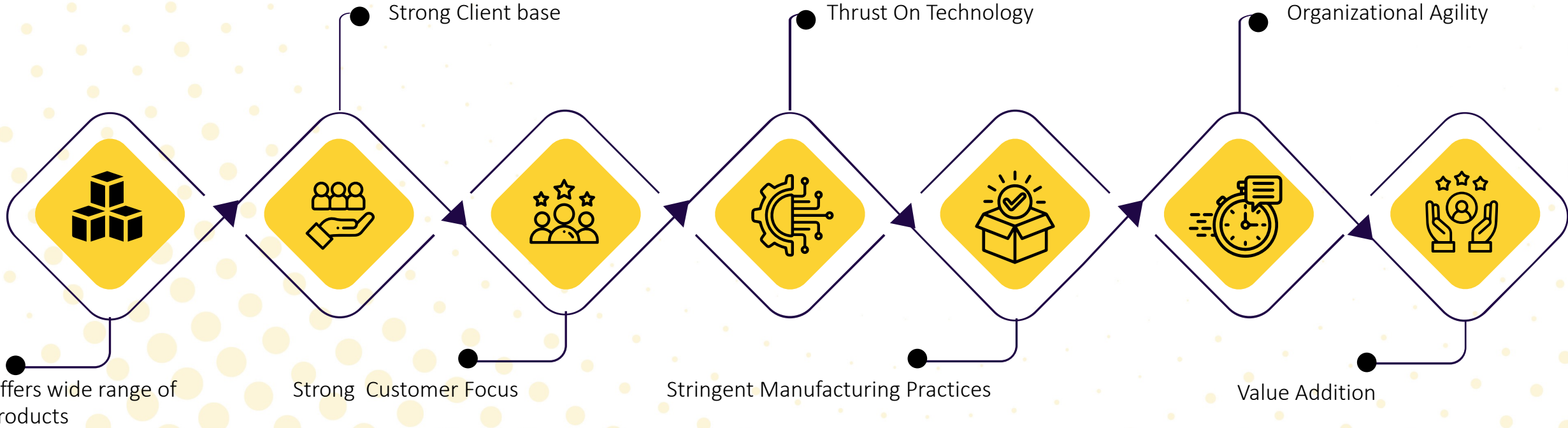
Strategic Overview



KEY STRENGTHS



India Nippon Electricals Ltd



Capitalizing on Core Business

Focused on exploiting the opportunities presented within core business by introducing new products for two & three-wheelers.

Entering into a New Technical Partnerships

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

Cognizant of the emerging reality, new R&D Centre and the talent engaged at the facility will particularly prove beneficial in the development of differentiated products and new technologies for EVs.

Advancing Aftermarket Business

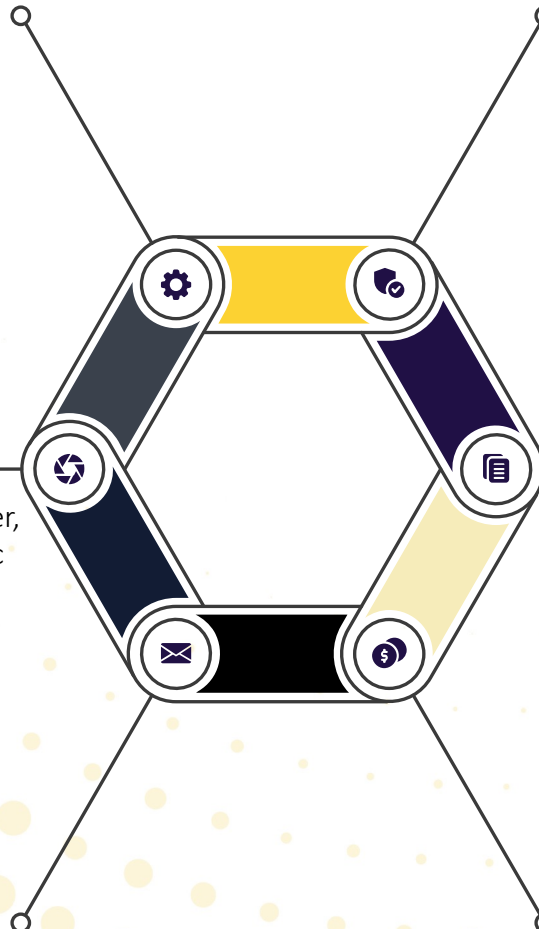
A dedicated team and several measures are taken to strengthen product range and distribution network to extract maximum value for business.

Expanding to New Geographies

Focused on expanding presence to new geographical locations and penetrating deeper into existing markets.

Exploring New Business Lines

Exploring new product applications for existing products using focused teams to identify potential applications for electronic solutions.



Financial Overview



Q4-FY24/FY24 Financial Highlights



India Nippon Electricals Ltd

Q4-FY24 Consolidated Financial Performance

| | | |
|--|-----------------------|---|
| INR 1,957 Mn Revenue from Operations | INR 216 Mn EBITDA | 11.04% EBITDA Margin |
| INR 204 Mn Net Profit | 10.42 % PAT Margin | INR 9.03 /share Basic/Diluted EPS |

FY24 Consolidated Financial Performance

| | | |
|--|----------------------|--|
| INR 7,241 Mn Revenue from Operations | INR 664 Mn EBITDA | 9.17% EBITDA Margin |
| INR 593 Mn Net Profit | 8.19 % PAT Margin | INR 26.21 /share Basic/Diluted EPS |



- Sales outpaced industry growth
- Robust growth witnessed in aftermarket sales
- Retained No.1 market share position in ignition system products
- Healthy business pipeline/bookings
- Diversification of product portfolio into commercial vehicle and off-highway segments
- Addition of off-highway customer for export market
- Improved profitability:
 - EBITDA margin increased from 8.1% to 9.2%
 - PAT margin increased from 7.3% to 8.2%
- Reduction in working capital days from 57 days to 42 days
- Expansion of capacity and plants for future growth

QUARTERLY CONSOLIDATED INCOME STATEMENT



India Nippon Electricals Ltd

| Particulars (INR in Mn) | Q4-FY24 | Q4-FY23 | Y-o-Y | Q3-FY24 | Q-o-Q |
|----------------------------|---------------|--------------|----------------|--------------|----------------|
| Revenue from Operations | 1,957 | 1,580 | 23.9% | 1,789 | 9.4% |
| Operating Expenses | 1,741 | 1,431 | 21.7% | 1,637 | 6.4% |
| EBITDA | 216 | 149 | 45.0% | 152 | 42.1% |
| <i>EBITDA Margins (%)</i> | <i>11.04%</i> | <i>9.43%</i> | <i>161 Bps</i> | <i>8.50%</i> | <i>254 Bps</i> |
| Depreciation | 38 | 38 | 0.0% | 37 | 2.7% |
| Finance Cost | 1 | 1 | 0.0% | 1 | 0.0% |
| Other Income | 83 | 50 | 66.0% | 59 | 40.7% |
| PBT | 260 | 160 | 62.5% | 173 | 50.3% |
| Taxes | 56 | 18 | NA | 52 | 7.7% |
| PAT | 204 | 142 | 43.7% | 121 | 68.6% |
| <i>PAT Margins (%)</i> | <i>10.42%</i> | <i>8.99%</i> | <i>143 Bps</i> | <i>6.76%</i> | <i>366 Bps</i> |
| Other Comprehensive Income | 51 | 295 | (82.7) % | 212 | (75.9) % |
| Total Comprehensive Income | 255 | 437 | (41.6) % | 333 | (23.4) % |
| Diluted EPS (INR) | 9.03 | 6.28 | 43.8% | 5.34 | 69.1% |

ANNUAL CONSOLIDATED INCOME STATEMENT



India Nippon Electricals Ltd

| Particulars (INR in Mn) | FY24 | FY23 | Y-o-Y |
|-----------------------------------|--------------|--------------|----------------|
| Revenue from Operations | 7,241 | 6,563 | 10.3% |
| Operating Expenses | 6,577 | 6,035 | 9.0% |
| EBITDA | 664 | 528 | 25.8% |
| <i>EBITDA Margins (%)</i> | <i>9.17%</i> | <i>8.05%</i> | <i>112 Bps</i> |
| Depreciation | 151 | 146 | 3.4% |
| Finance Cost | 4 | 4 | 0.0% |
| Other Income | 249 | 226 | 10.2% |
| PBT | 758 | 604 | 25.5% |
| Taxes | 165 | 122 | 35.2% |
| PAT | 593 | 482 | 23.0% |
| <i>PAT Margins (%)</i> | <i>8.19%</i> | <i>7.34%</i> | <i>85 Bps</i> |
| Other Comprehensive Income | 260 | 298 | (12.8) % |
| Total Comprehensive Income | 853 | 780 | 9.4% |
| Diluted EPS (INR) | 26.21 | 21.32 | 22.9% |

CONSOLIDATED BALANCE SHEET



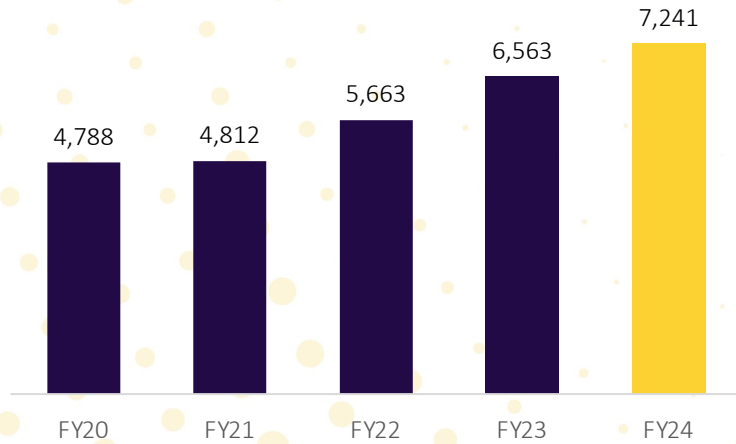
India Nippon Electricals Ltd

| Particulars (INR Mn) | FY22 | FY23 | FY24 |
|--------------------------------------|--------------|--------------|--------------|
| EQUITY AND LIABILITIES | | | |
| Equity Share Capital | 113 | 113 | 113 |
| Other Equity | 4,939 | 5,490 | 6,120 |
| Shareholders Fund | 5,052 | 5,603 | 6,233 |
| Non-Current Liabilities | | | |
| Lease Liabilities | 33 | 29 | 21 |
| Deferred tax liabilities (net) | 215 | 299 | 377 |
| Provisions | 26 | 32 | 36 |
| Total Non-current Liabilities | 274 | 360 | 434 |
| Current Liabilities | | | |
| Lease Liabilities | 6 | 7 | 8 |
| Trade payables | 901 | 955 | 1,382 |
| Other financial liabilities | 28 | 27 | 36 |
| Provisions | 9 | 9 | 20 |
| Current tax liabilities (Net) | - | - | - |
| Other current liabilities | 142 | 217 | 257 |
| Total Current Liabilities | 1,085 | 1,215 | 1,703 |
| Total Equity and Liabilities | 6,411 | 7,178 | 8,370 |

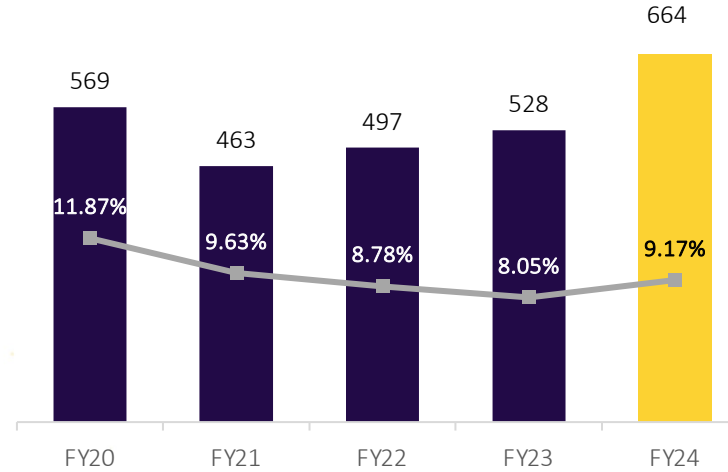
| Particulars (INR Mn) | FY22 | FY23 | FY24 |
|---------------------------------|--------------|--------------|--------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 1,163 | 1,211 | 1,312 |
| Right-of-use Assets | 122 | 118 | 109 |
| Intangible Assets | 17 | 16 | 14 |
| Capital WIP | 51 | 128 | 127 |
| Investment Property | - | - | - |
| Investments | 1,456 | 2,027 | 2,508 |
| Loans | 11 | 12 | 11 |
| Other Financial Assets | 45 | 8 | 10 |
| Other Non-current Assets | 10 | 1 | - |
| Total non-current assets | 2,875 | 3,521 | 4,091 |
| Current Assets | | | |
| Inventories | 496 | 561 | 692 |
| Investments | 1,327 | 1,523 | 1,811 |
| Trade Receivables | 1,180 | 1,195 | 1,417 |
| Cash & Bank Balances | 366 | 228 | 189 |
| Other Financial Assets | 11 | 13 | 6 |
| Other Current Assets | 90 | 77 | 111 |
| Current Tax Assets | 66 | 60 | 53 |
| Total Current Assets | 3,536 | 3,657 | 4,279 |
| Total Assets | 6,411 | 7,178 | 8,370 |



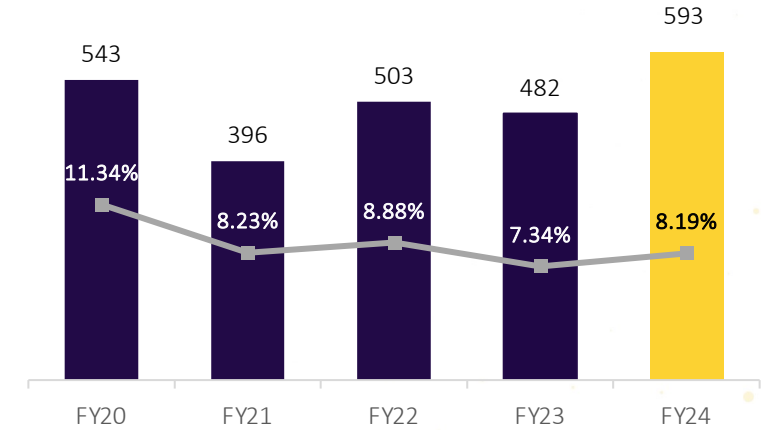
Revenue (INR Mn)



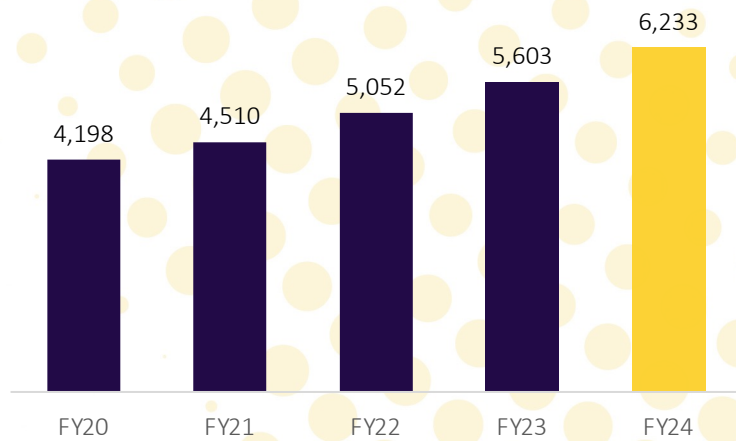
EBITDA (INR Mn) & EBITDA Margin (%)



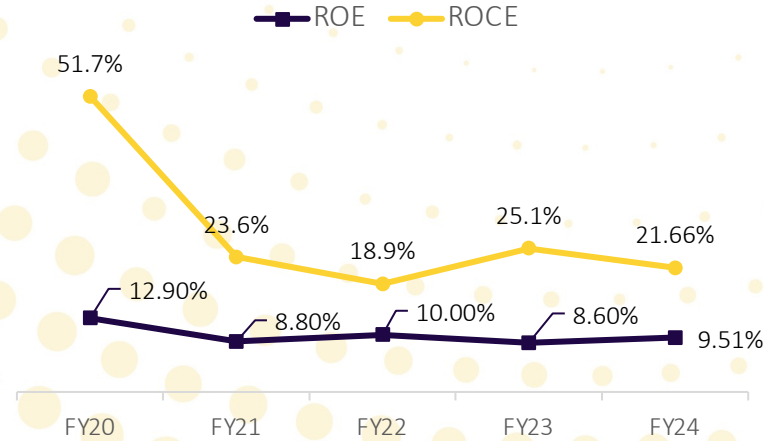
PAT (INR Mn) & PAT Margin (%)



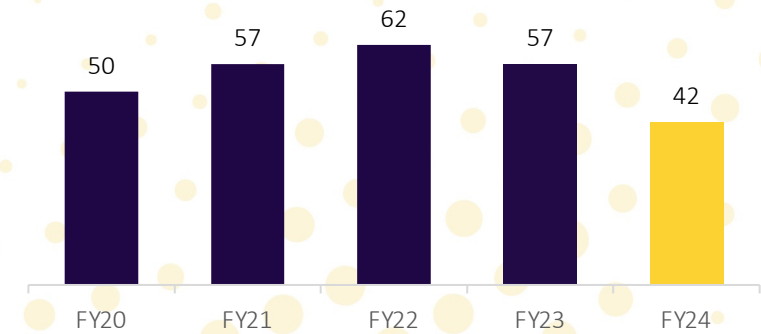
Net Worth (INR Mn)



ROCE & ROE (%)



Working Capital Days

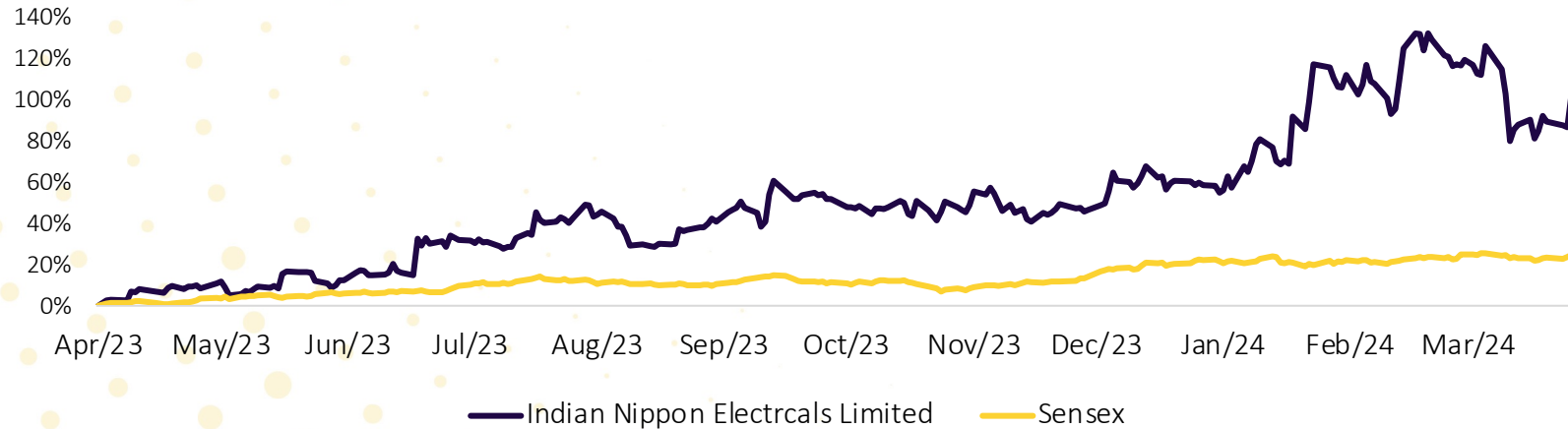


CAPITAL MARKET DATA

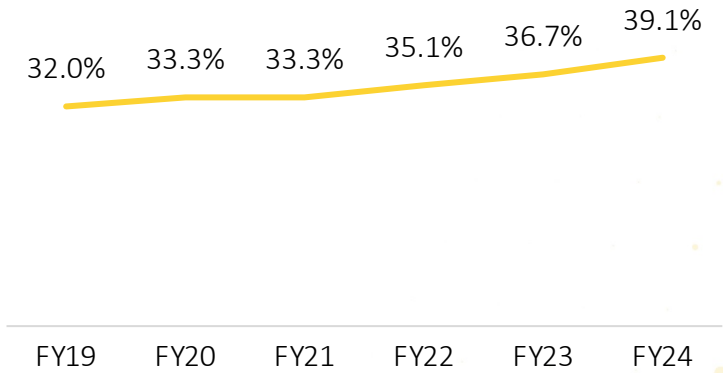


India Nippon Electricals Ltd

1 Year Stock Performance (up to 31st March, 2024)



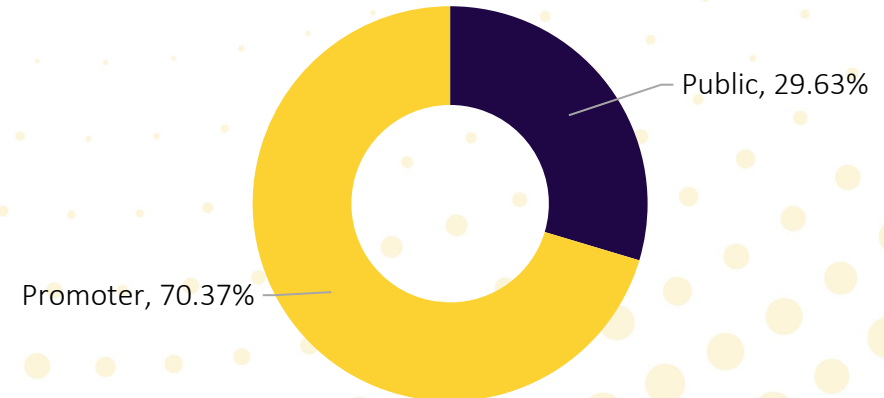
Dividend Payout (%)



Market Data (As on 31st March, 2024)

| Particulars | INR Mn |
|----------------------------|-----------------|
| Face Value | 5.0 |
| CMP | 678.60 |
| 52 Week H/L | 810.95 / 330.95 |
| Market Capitalization (Mn) | 15,350.90 |
| Shares O/S (Mn) | 22.62 |
| Average Volume ('000) | 65.00 |

Shareholding Pattern (As on 31st March, 2024)



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For further information please contact our Investor Relations Representatives:



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Thank You

