

FINANCIAL MODEL

PLANT VISIT

# Rising Stars 2025

IMPORT  
SUBSTITUTION

ORGANISED  
V/S  
UNORGANISED

MANAGEMENT MEET

EXPORT  
OPPORTUNITY

FAST GROWING  
BUSINESSES

INDUSTRY  
POTENTIAL

CAPACITY  
EXPANSION

PEER ANALYSIS

VALUATION MODEL



Current Price*	Rs. 860.0
Target Price	Rs. 1,210.0
Upside	40.7%

\*Closing price as on 19<sup>th</sup> Feb'25**STOCK DATA**

Industry Segment	Auto Ancillary
BSE Code	543387
NSE Code	SJS
Bloomberg Code	SJS IN
52 Week High / Low (Rs.)	1,270/553
Face Value (Rs.)	10
Diluted Number of Shares (cr.)	3.1
Market Cap. (Rs cr.)	3,919
Avg. Yearly NSE Volume	1,47,660

**SHAREHOLDING PATTERN (%)**

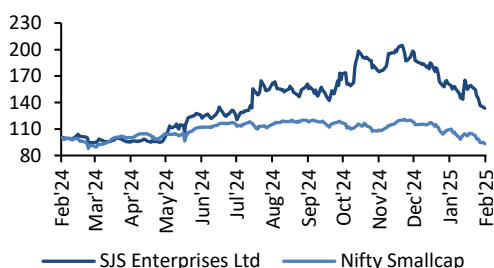
Particulars	Mar-24	Jun-24	Sep-24	Dec-24
Promoters	21.8	21.8	21.8	21.6
FII	15.1	15.9	16.7	16.6
DII	32.1	31.8	30.1	28.5
Public & Others	31.0	30.5	31.4	33.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**RETURNS STATISTICS (%)**

Particulars	1M	3M	6M	12M
SJS Enterprise	(17.4)	(24.1)	(17.5)	33.7
S&P BSE SmallCap	(14.2)	(13.4)	(19.1)	(6.7)

**Valuation and return ratio**

Y/E March	FY22A	FY23A	FY24A	FY25E	FY26E
P/E (x)	48.5	39.7	31.3	22.2	17.8
P/BV (x)	7.4	6.2	4.8	4.0	3.3
EV/EBITDA (x)	27.3	23.7	17.7	13.5	10.5
EV/Sales (x)	7.2	6.2	4.3	3.5	3.0
Mcap/Sales (x)	10.6	9.1	6.2	5.2	4.4
ROE (%)	15.3	15.7	15.5	17.9	18.3
ROCE (%)	20.6	20.8	19.6	24.4	24.4

**Stock Performance (1-year)****Key highlights of the 3QFY25 Result****Strong operational performance driven by robust growth in the PV business**

The company during the quarter reported 11.2%/12.2%/32.9% YoY increase in Revenue/EBITDA/PAT to Rs 178.6 cr/Rs 45.3 cr/Rs 27.7 cr respectively. The company's domestic sales grew 12.4% YoY, on the back of 22.6% YoY growth in PV business. Its automotive business showed strong performance with a 15.4% YoY growth, compared to the automotive industry (2W+PV) growth of 7.1% YoY in production volumes.

**FY25 Outlook:** SJS has maintained its guidance to outperform the underlying industry growth by over 1.5x on back of premiumization, exports, WPI acquisition and creating mega OEM accounts. The EBITDA margin is expected to be in the range of 25%-26%.

**Customer addition and Exports:** SJS onboarded Tube Investments India for the EV tractor business and won a large export order for a Dishwasher plant of Whirlpool in North America to supply overlays. The management is optimistic about commencing its supplies to Whirlpool in 4QFY25. The company added Stellantis in 2QFY25. For the first time, it has won complete branding for a vehicle and expects to start supplies in Jul'25. Exports grew 20.3% YoY to Rs 42.2 cr and constituted 7.5% of consolidated sales. We expect exports to contribute ~14%-15% of overall sales over the next 3-4 years.

**Maintain BUY with Price Target of Rs 1,210.0/-**

We believe, SJS is likely to deliver robust earnings growth led by (a) Healthy sales traction for WPI aided by cross-selling opportunity and robust order inflow, (b) Expand wallet share by winning new businesses from its key customers, (c) Relatively faster pace of growth over the automotive industry led by premiumisation and increased value per kit and (d) New technology product categories like IML, IMD, digital dials, optical plastics/cover glass. At the CMP of Rs 860, the stock is currently trading at a P/E of 22.2x/17.8x of its FY25E/FY26E EPS of Rs 38.7/Rs 48.4 respectively. We value the stock at P/E of 25x FY26E EPS of Rs 48.4 to arrive at our TP of Rs 1,210, thus providing an upside potential of 40.7%.

**Financial Summary (Rs cr)**

Particulars	FY22A	FY23A	FY24A	FY25E	FY26E
Net Sales	369.9	433.0	627.8	752.9	899.7
Growth (%)	-	17.1%	45.0%	19.9%	19.5%
EBITDA	94.4	106.6	152.2	191.3	234.0
Growth (%)	-	13.0%	42.7%	25.7%	22.3%
Net Profit	55.0	67.3	85.4	120.2	150.4
Growth (%)	-	22.2%	26.9%	40.8%	25.1%
EPS (Rs)	17.7	21.7	27.5	38.7	48.4
Growth (%)	-	22.2%	26.9%	40.7%	25.1%
DPS (Rs)	-	-	2	-	-
Div. Yield (%)	-	-	0.3	-	-

Source: Company, SSL Research

## 3QFY25 Result

Figures in Rs. Cr.

Quarter Ended	3QFY25	2QFY25	Q-O-Q % Change	3QFY24	Y-o-Y % Change	Comments
Net Sales	178.6	192.8	(7.4)	160.6	11.2	Healthy revenue growth on the back of strong business growth in PV business
Other Income	2.9	1.7	67.6	0.9	229.8	
<b>Total Income</b>	<b>181.5</b>	<b>194.5</b>	<b>(6.7)</b>	<b>161.5</b>	<b>12.4</b>	
Total Operating Expenditure	133.3	142.8	(6.7)	120.2	10.9	
Material Cost	82.8	90.0	(8.0)	70.9	16.8	
As % of Sales	46.4	46.7	-	44.2	-	
Other Exp.	50.5	52.8	-	49.3	-	
As % of Sales	28.3	27.4	-	30.7	-	
<b>EBITDA (Excl OI)</b>	<b>45.3</b>	<b>50.0</b>	<b>(9.4)</b>	<b>40.4</b>	<b>12.2</b>	EBITDA grew higher on account of enhanced operational efficiencies
<b>EBITDA (Incl OI)</b>	<b>48.2</b>	<b>51.7</b>	<b>(6.8)</b>	<b>41.2</b>	<b>16.9</b>	
Interest & Finance Cost	0.9	1.9	(49.6)	2.5	(62.4)	
<b>PBDT</b>	<b>47.3</b>	<b>49.8</b>	<b>(5.2)</b>	<b>38.7</b>	<b>22.0</b>	
Depreciation.	11.4	11.1	2.9	10.8	5.3	
<b>PBT</b>	<b>35.9</b>	<b>38.8</b>	<b>(7.5)</b>	<b>27.9</b>	<b>28.5</b>	
Tax	8.1	9.6	(15.2)	7.0	15.6	Higher PAT on the back of lower interest cost
<b>Net Profit</b>	<b>27.7</b>	<b>29.1</b>	<b>(4.9)</b>	<b>20.9</b>	<b>32.9</b>	
Operating Margins (%)	25.4	25.9		25.1		
Net Profit Margins (%)	15.5	15.1		13.0		
Tax Rate (%)	22.7	24.8		25.3		
Equity (Rs cr)	31.3	31.0		31.0		
FV (Rs)	10.0	10.0		10.0		
EPS (Rs)	8.8	9.4		6.7		
Cash EPS (Rs)	12.5	13.0		10.2		

## Estimate Revision

Particulars (Rs. cr)	New Estimate		Old Estimate		% Change	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Revenue	753	900	753	900	-	-
EBITDA	191	234	191	234	-	-
EBITDA Margin (%)	25.4	26.0	25.4	26.0	-	-
Adj. PAT	120	150	120	150	-	-
EPS (Rs. Per share)	38.7	48.4	38.7	48.4	-	-

Source: SSL Research

## Target Price History



## Financial Statements

### Income Statement

Figures in Cr.

Particulars	FY22	FY23	FY24A	FY25E	FY26E
<b>Revenue from Operations</b>	<b>369.9</b>	<b>433.0</b>	<b>627.8</b>	<b>752.9</b>	<b>899.7</b>
% YoY growth	47.0%	17.1%	45.0%	19.9%	19.5%
Cost Of Revenues (incl Stock Adj)	159.1	186.8	284.9	323.7	385.0
<b>Gross Profit</b>	<b>210.8</b>	<b>246.3</b>	<b>342.9</b>	<b>429.2</b>	<b>514.7</b>
<b>Gross margins</b>	<b>57.0%</b>	<b>56.9%</b>	<b>54.6%</b>	<b>57.0%</b>	<b>57.2%</b>
Employee Cost	51.0	56.1	70.8	94.1	111.5
Other Operating Expenses	65.4	83.5	119.9	143.8	169.1
<b>EBITDA</b>	<b>94.4</b>	<b>106.6</b>	<b>152.2</b>	<b>191.3</b>	<b>234.0</b>
<b>EBITDA margins</b>	<b>25.5%</b>	<b>24.6%</b>	<b>24.2%</b>	<b>25.4%</b>	<b>26.0%</b>
Other Income	4.2	10.2	7.7	10.5	10.5
Net Interest Exp.	3.0	2.3	8.5	4.2	1.0
Depreciation	21.6	23.3	38.7	36.2	41.6
Exceptional Items	-	-	-	-	-
<b>PBT</b>	<b>73.9</b>	<b>91.2</b>	<b>112.6</b>	<b>161.4</b>	<b>201.8</b>
Tax	18.9	23.9	27.3	41.1	51.4
<b>Adj PAT</b>	<b>55.0</b>	<b>67.3</b>	<b>85.4</b>	<b>120.2</b>	<b>150.4</b>
<b>PAT margin (%)</b>	<b>14.9%</b>	<b>15.5%</b>	<b>13.6%</b>	<b>16.0%</b>	<b>16.7%</b>
<b>Adj. EPS</b>	<b>17.7</b>	<b>21.7</b>	<b>27.5</b>	<b>38.7</b>	<b>48.4</b>

### Balance Sheet

Figures in Cr.

Particulars	FY22	FY23	FY24A	FY25E	FY26E
<b>Assets</b>					
Net Block	152.6	151.7	180.3	203.4	223.5
Capital WIP	0.2	1.7	2.3	2.3	2.3
Intangible Assets under development	25.8	18.1	119.9	119.9	119.9
Other Noncurrent Assets	40.4	50.8	194.4	194.4	194.4
<b>Current Assets</b>					
Current Investment	78.4	135.1	33.6	53.6	103.6
Inventories	41.6	48.4	72.0	76.5	86.1
Trade receivables	85.8	90.5	162.4	159.3	180.8
Cash and Bank Balances	22.5	29.7	15.3	46.4	114.1
Short-term loans and advances	0.3	0.4	0.9	0.9	0.9
Other Current Assets	10.0	11.6	8.6	8.6	8.6
<b>Total Current Assets</b>	<b>238.6</b>	<b>315.8</b>	<b>292.8</b>	<b>345.3</b>	<b>494.1</b>
<b>Current Liabilities &amp; Provisions</b>					
Trade payables	30.8	42.5	61.6	78.6	84.0
Other current liabilities	26.1	24.7	45.6	44.1	52.3
Short-term provisions	3.6	4.5	8.5	7.3	7.9
<b>Total Current Liabilities</b>	<b>60.5</b>	<b>71.8</b>	<b>115.7</b>	<b>130.1</b>	<b>144.3</b>
<b>Net Current Assets</b>	<b>178.1</b>	<b>244.0</b>	<b>177.1</b>	<b>215.3</b>	<b>349.9</b>
<b>Total Assets</b>	<b>397.1</b>	<b>466.3</b>	<b>673.9</b>	<b>735.2</b>	<b>890.0</b>
<b>Liabilities</b>					
Share Capital	30.4	30.4	31.0	31.0	31.0
Reserves and Surplus	330.0	399.2	519.5	639.6	789.9
<b>Total Shareholders' Funds</b>	<b>360.5</b>	<b>429.6</b>	<b>550.5</b>	<b>670.7</b>	<b>821.0</b>
Minority Interest	-	-	11.1	11.1	11.1
<b>Total Debt</b>	<b>12.6</b>	<b>20.4</b>	<b>68.3</b>	<b>8.3</b>	<b>10.3</b>
Long Term Provisions	-	-	-	-	-
Other Long-Term Liabilities	24.1	16.3	37.4	38.5	41.0
Net Deferred Tax Liability	-	-	6.6	6.6	6.6
<b>Total Liabilities</b>	<b>397.1</b>	<b>466.3</b>	<b>673.9</b>	<b>735.2</b>	<b>890.0</b>

## Cash Flow

Figures in Cr.

Particulars	FY22	FY23	FY24A	FY25E	FY26E
PBT	73.9	91.2	112.6	161.3	201.7
Depreciation & Amortization	21.6	23.3	38.7	36.2	41.6
Other Adjustments	1.6	(2.2)	12.5	4.2	1.0
(Inc) / Dec in Working Capital	(16.2)	1.1	(22.0)	12.9	(16.9)
Taxes	(20.3)	(26.4)	(33.2)	(41.1)	(51.4)
<b>Cash from Ops.</b>	<b>60.6</b>	<b>87.0</b>	<b>108.7</b>	<b>173.5</b>	<b>176.0</b>
Capital Expenditure & investments	(49.6)	(100.0)	(133.3)	(79.3)	(111.8)
<b>Cash from Investing</b>	<b>(49.6)</b>	<b>(100.0)</b>	<b>(133.3)</b>	<b>(79.3)</b>	<b>(111.8)</b>
Issue of Share capital	-	-	30.0	-	-
Net Borrowings	(1.6)	7.8	15.7	(60.0)	2.0
Others	(4.1)	(3.0)	(17.0)	(3.1)	1.5
Issuance of Dividend	(11.1)	-	-	-	-
<b>Cash from Financing</b>	<b>(16.8)</b>	<b>4.8</b>	<b>28.7</b>	<b>(63.1)</b>	<b>3.5</b>
Extraordinary receipts/payment	-	-	-	-	-
<b>Net Change in Cash</b>	<b>(5.7)</b>	<b>(8.2)</b>	<b>4.2</b>	<b>31.1</b>	<b>67.7</b>
BF Cash	21.6	16.0	7.9	12.1	43.2
Forex & Others	-	0.1	1	-	-
Other Bank Balances	6.5	21.8	3.2	3.2	3.2
<b>Cash in hand</b>	<b>22.5</b>	<b>29.7</b>	<b>15.3</b>	<b>46.4</b>	<b>114.1</b>
<b>FCF</b>	<b>47.1</b>	<b>56.2</b>	<b>78.6</b>	<b>114.1</b>	<b>114.2</b>

## Key Ratios

Particulars	FY22A	FY23A	FY24A	FY25E	FY26E
<b>Profitability</b>					
Return on Capital (%)	20.6	20.8	19.6	24.4	24.4
Return on Equity (%)	15.3	15.7	15.5	17.9	18.3
<b>Margin Analysis</b>					
Gross Margin (%)	57.0	56.9	54.6	57.0	57.2
EBITDA Margin (%)	25.5	24.6	24.2	25.4	26.0
Net Income Margin (%)	14.9	15.5	13.6	16.0	16.7
<b>Short-Term Liquidity</b>					
Current Ratio (x)	3.3	3.4	2.0	2.5	3.2
Quick Ratio (x)	2.7	2.9	1.5	1.9	2.6
Avg. Days Sales Outstanding	85	76	94	77	73
Avg. Days Inventory Outstanding	41	41	42	37	35
Avg. Days Payables	30	36	36	38	34
Fixed asset turnover (x)	1.7	1.8	2.2	2.1	2.2
Debt-service coverage (x)	31.2	46.1	17.9	45.3	227.6
<b>Long-Term Solvency</b>					
Total Debt / Equity (x)	0.0	0.0	0.1	0.0	0.0
EBITDA / Interest Expense (x)	25.5	40.5	14.2	39.2	197.3
<b>Valuation Ratios</b>					
EV/EBITDA (x)	27.3	23.7	17.7	13.5	10.5
P/E (x)	48.5	39.7	31.3	22.2	17.8
P/B (x)	7.4	6.2	4.8	4.0	3.3

## Our recent Rising Star recommendations and price performance

Sr.No.	Company Name	NSE Symbol	Initiated Date	Initiated Price	CMP*	Return (%) since initiated date	Latest rec. Date	Latest Target	High price since Initiation	Return (%) based on High price since initiation
1	APL Apollo Tubes Ltd.	APLAPOLLO	25-Apr-23	1,219.0	1,379.9	13.2	21-Jan-25	1,801.0	1,800.0	47.7
2	Stylam Industries Ltd.	STYLAMIND	27-Apr-23	1,150.0	1,660.1	44.4	11-Feb-25	2,224.0	2,735.0	137.8
3	Star Cement Ltd.	STARCEMENT	05-May-23	123.2	216.3	75.6	12-Feb-25	232.0	256.0	107.8
4	JK Lakshmi Cement Ltd.	JKLAKSHMI	24-May-23	705.0	714.0	1.3	14-Feb-25	872.0	999.9	41.8
5	Dhanuka Agritech Ltd.	DHANUKA	29-May-23	711.0	1,334.4	87.7	05-Feb-25	1,694.0	1,925.8	170.9
6	Zen Technologies Ltd.	ZENTEC	12-Jul-23	520.0	1,069.0	105.6	19-Feb-25	1,484.6	2,627.0	405.2
7	SJS Enterprises Ltd.	SJS	05-Oct-23	680.0	860.0	26.5	20-Feb-25	1,210.0	1,347.0	98.1
8	KPI Green Energy Ltd.	KPIGREEN	17-Nov-23	259.6	395.1	52.2	13-Feb-25	549.0	745.3	187.1
9	Syrma SGS Technology Ltd.	SYRMA	06-Dec-23	590.0	441.5	(25.2)	31-Jan-25	680.0	705.0	19.5
10	Senco Gold Ltd.	SENCO	11-Dec-23	360.8	322.1	(10.7)	19-Feb-25	431.0	772.0	114.0
11	Hi-Tech Pipes Ltd.	HITECH	31-Jul-24	149.0	105.8	(29.0)	12-Nov-24	215.0	210.9	41.5
12	Aditya Birla Capital Ltd.	ABCAPITAL	22-Aug-24	222.2	155.4	(30.1)	05-Feb-25	280.0	244.0	9.8
12	Lumax Auto Technologies Ltd.	ABCAPITAL	27-Dec-24	625.8	541.1	(13.5)	20-Feb-25	857.0	684.8	9.4

\*Closing price as of 19<sup>th</sup> Feb,2025

## Moved to Soft Coverage

Sr.No.	Company Name	NSE Symbol	Initiated Date	Initiated Price	Close price	Return (%) since initiated date	High Price Since Initiation	Return (%) based on High price since initiation	Comments
1	Satin Creditcare Network Ltd.	SATIN	10-Jan-24	259.0	198.0	(23.6)	284.0	9.7	Exited on 27 <sup>th</sup> Sep'24 due to Microfinance industry under stress.



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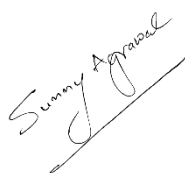
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DVP – Technical &amp; Derivative Research


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