

# Motherson Sumi Systems Ltd.

ISIN: INE775A01035    BSE:517334    NSE:MOTHERSUMI    CMP: Rs.235.90

Fri, 8<sup>th</sup> Oct '21

## OVERVIEW

- Motherson Sumi Systems Ltd is a manufacturer of automotive Wiring harnesses and plastic components and modules.
- The products include wiring harnesses, mirrors for passenger cars, injection molded products, modules including dashboards, door trims, bumpers, blow moulded components, liquid silicone rubber molded components, injection molding tools, extruded rubber products, precision machined metal components, and waste recycling systems.

## STRENGTHS

- Unique and high brand image
- Major raw material highly available
- Use of modern technologies and concept
- Widespread recognition
- Great reserves and surplus

## BUSINESS STRATEGY

- To achieve the efficiencies required for an electric future, we have made exterior elements actuated and responsive, helping customers create smart and dynamic vehicles.
- The group is also focusing on wireless-device charging and powering functions.
- Using advanced hidden technologies, they are able to endow exterior surfaces with new functions without compromising design.

## GLOBAL PRESENCE

- Motherson supports its customers through its over 270 facilities operating in 41 countries across North America, South America, Europe, South Africa, Middle East, Asia Pacific and Australia.
- Customers are served globally by over 135,000 professionals, who are all part of Motherson.
- To support this growth and the well-being of all of our branches, teams and employees, the six regional headquarters, the 'Regional Chairman's Offices' were established.

## FUTURE PROSPECTS

- Growth in India through vertical integration and joint venture of products.
- Charting the global footprints through small acquisitions of the joint venture.
- Consolidating the position as a globally preferred solutions provider, by strengthening the global product offering.
- Strengthen the foundation and apply our existing competencies to serve customers in new industries.

## SUMMARY OF FINANCIALS

- Revenue / turnover of MOTHEERSON SUMI LIMITED is Over INR 50000crs
- Net worth of the company has increased by 7.9 %
- EBITDA of the company has Decreased by % -40.4%
- Total assets of the company has increased by 5.6 %
- Liabilities of the company has increased by 2.7 %

**Disclaimer:** The analysis is only for information purposes only. Please consult your financial advisor, agent, broker before acting on any information. We may or may not have positions in the stock. We would not be responsible for the profit/loss resulting from this analysis.

Growth Rates (Compound Annual)	1 Yr	3 Yr	5 Yr	10yr
Revenue %	-5.5	0.5	9.0	21.3
Operating Income %	-11.6	-20.4	-6.0	12.3
Earnings/Share %	-12.1	-23.6	-12.2	5.6
Dividends %	-	-	-	-
Book Value/Share %	11.5	8.3	21.9	22.0
Stock Total Return	112.9	11.7	9.4	25.3
Market +/-	74.1	-3.6	-1.2	16.5

Valuation Analysis	Current	5Yr Avg	Ind	Mkt.
Price/Earnings	42.3	102.1	33.9	15.2
Forward P/E	-	-	-	-
Price/Cash Flow	14.0	14.0	-	9.9
Price/Free Cash Flow	22.9	217.0	-	-
Dividend Yield %	0.7	0.8	0.6	2.8
Price/Book	5.6	6.1	3.7	2.1
Price/Sales	1.1	1.0	1.5	-

Profitability Analysis	Current	5Yr Avg	Ind.	Mkt.
Return on Equity %	-	15.4	10.4	15.4
Return on Asset %	-	3.9	4.1	5.6
Gross Margin %	42.7	40.4	39.4	-
Operating Margin %	5.5	5.2	8.4	-
Net Margin %	3.3	2.6	4.5	21.4
Inventory Turns	-	8.3	5.2	-
FixedAsset Turns	-	4.2	2.4	-

Financial Position (INR)	03-20(Mil.)	03-21 (Mil.)
Cash	48,688	58,994
Inventories	51,566	49,956
Receivables	—	—
Current Assets	194,654	220,275
Fixed Assets	170,888	166,504
Intangibles	43,934	41,975
Total Assets	454,958	480,850
Payables	133,971	412,915
Short-Term Debt	35,089	31,945
Current Liabilities	195,785	211,319
Long-Term Debt	82,612	74,687
Total Liabilities	306,699	315,011
Total Equity	112,609	125,606

Source: Company filings & Analyst research