



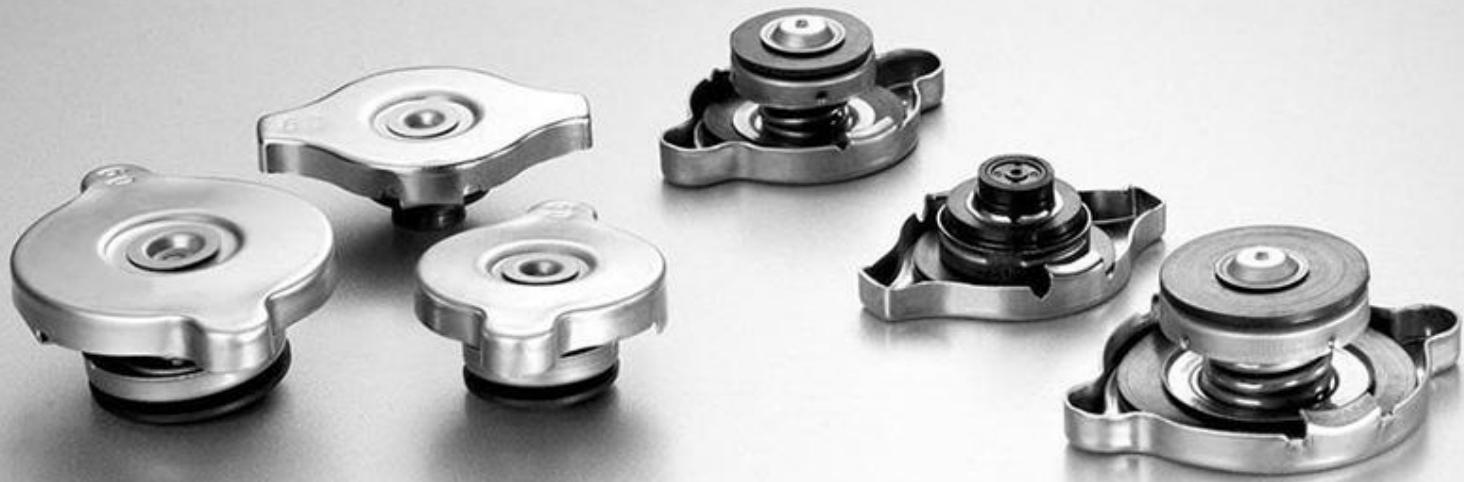
SUNDRAM FASTENERS LIMITED

October 14, 2016

SECTOR AUTO-AUTO ANCL AND
COMPONENTS
RECOMMENDATION

Buy @ 285, Target 330

Report By: Vikash Kandoi – vikash@dynamiclevels.com





Sundram Fastners

A Fasted Growing Auto Component Company

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Company's Overview and Stock Price

Sundram Fasteners Limited has a global manufacturing presence that spans India, China, United Kingdom, Malaysia and Germany.

Its product range includes

- High tensile fasteners
- Cold extruded parts
- Powder metal parts
- Iron powder
- Radiator caps
- Gear shifters
- Hot forged parts
- Precision forged differential gears
- Water pumps
- Oil pumps
- Fuel pumps
- Belt tensioners
- Rocker arm assemblies
- Cam followers
- Bearing housings
- Hubs and shafts
- Tappets & other engine components
- Valve train parts

EXCHANGE SYMBOL	SUNDRMFAST (NSE)
Sector	AUTO-AUTO ANCL AND COMPONENTS
Current Price * (Rs.)	159.05
Face Value (Rs.)	1
52 Week High (Rs.)	329.00 (16-Sep-16)
52 Week Low (Rs.)	135.00 (29-Feb-16)
Life Time high (Rs.)	329.00 (16-Sep-16)
Life Time low (Rs.)	7.25 (26-Jul-01)
Average Daily Movement	12.25
Average Volume	300052
1 Month Return (%)	-0.42
PE Ratio	49.80
Book Value	44.26
Market Cap	6124.19 (Cr)
% of Promoter pledged	0





Product overview

1. HIGH TENSILE FASTENERS

India's largest manufacturer and exporter of High Tensile Fasteners, Sundram Fasteners Limited produce the complete range of standard and special fasteners. High Tensile Fasteners are produced in four state-of-the-art manufacturing facilities across the globe.



FASTENERS

2. RADIATOR CAPS

The product range includes metal and nylon cap assemblies for Original Equipment Manufacturers (OEMs) as per design drawing specifications and for the replacement market through retail customers.

All TVS radiator caps are of rugged design, requiring no adjustments. All parts in contact with the engine coolant are made of non-corrosive material such as stainless steel or commercial quality brass. Special gasket compounds have been developed for the valve which withstands high temperatures and all standard antifreeze/coolant solutions.

Sundram Fasteners Limited is the principal supplier of radiator caps to General Motors for its North American vehicle production and is a five time consecutive winner of their "Supplier of the Year" award. In addition to General Motors, Sundram Fasteners Limited supplies full range of radiator caps to other leading manufacturers worldwide. The dedication to customer satisfaction is evident in 100% defect free and on time shipments.



RADIATOR CAPS



3. POWDER METAL PARTS

The Powder Metallurgy unit was set up in the year 1982 with technology from Sintermetallwerk Krebsoege GmbH, Germany and is today one of the leading manufacturers of powder metallurgy parts in India.



POWDER METAL
PARTS



4. COLD EXTRUDED PARTS

Sundram Fasteners Limited's Metal Forms Division is a technology leader in India, manufacturing cold extruded and precision forged parts. Cold extrusion shapes steel into desired geometries at room temperature which helps to increase the strength of components and saves upto 80% on materials.



COLD
EXTRUDED
PARTS

5. HOT FORGED PARTS

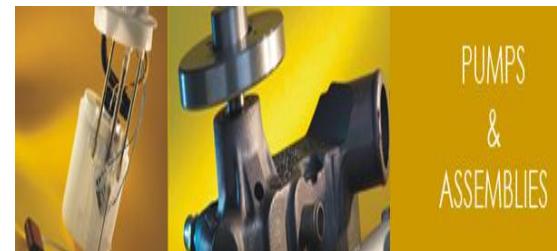
Hot Forged Products include connecting rods, lug gears for motorcycles, CV joint parts, fan hubs, bevel gears, fuel injection pump parts, etc. The Hot Forging unit is supported by state-of-the-art presses, with press tonnages varying from 300T upto 1600T, each having inline induction heating equipment. Besides this, facilities include Heat treatment furnaces to carry out Normalizing, Hardening and Tempering, tool room equipment like Vertical Milling Centre, Spark Erosion and Wire Cut CNC Machines.



HOT FORGED
PARTS

6. PUMPS & ASSEMBLIES

Autolec Division has been in existence from 1965 and is today one of the leading manufacturers of pump assemblies and engine components.



PUMPS
&
ASSEMBLIES

OPERATIONAL EXCELLENCE

Pursuit of excellence, over the years, has meant acquiring in-depth expertise in metal forming, machining, heat treatment and assembly; operator-assured quality; and customer-oriented design and development. As the business has grown with an expanding global customer base, the company has steadily invested in creating additional capacities at multiple locations.

Sundram Fasteners was the first Indian manufacturing company to be ISO 9000 certified; the first to obtain a large, single sourced auto component order from a global OEM customer – the radiator caps business from General Motors, USA; the first to set up a Just In Time (JIT) supply chain from India to the US, including a JIT warehouse in the US; the first Indian company to win the global "Supplier of the Year" award for several years from General Motors; among the first to adopt, and get recognized for Total Productive Maintenance (TPM) practices in India; Winner of TPM Excellence, Consistency and Special Award.



Industry Outlook

The Indian auto-components industry has experienced healthy growth over the last few years. Some of the factors attributable to this include: a buoyant end-user market, improved consumer sentiment and return of adequate liquidity in the financial system.

The auto-components industry accounts for almost seven per cent of India's Gross Domestic Product (GDP) and employs as many as 19 million people, both directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an everincreasing development in infrastructure have made India a favourable destination for investment.

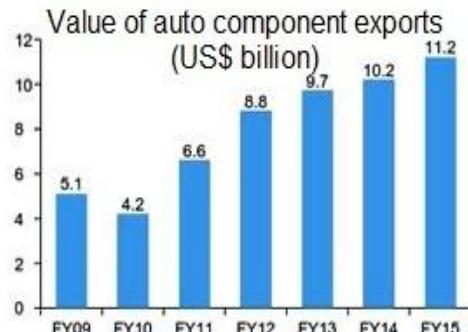
Market Size

The Indian auto-components industry can be broadly classified into the organised and unorganised sectors. The organised sector caters to the Original Equipment Manufacturers (OEMs) and consists of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category.

Over the last decade, the automotive components industry has scaled three times to US\$ 40 billion in 2015 while exports have grown even faster to US\$ 11 billion. This has been driven by strong growth in the domestic market and increasing globalisation (including exports) of several Indian suppliers.

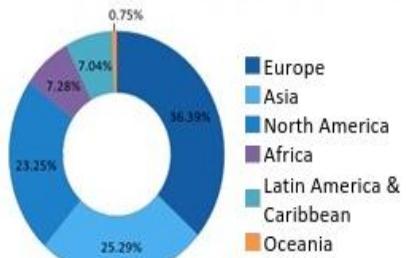
The Indian Auto Component industry is expected to grow by 8-10 per cent in FY 2017-18, based on higher localisation by Original Equipment Manufacturers (OEM), higher component content per vehicle, and rising exports from India, as per ICRA Limited.

According to the Automotive Component Manufacturers Association of India (ACMA), the Indian auto-components industry is expected to register a turnover of US\$ 100 billion by 2020 backed by strong exports ranging between US\$ 80-US\$ 100 billion by 2026, from the current US\$ 11.2 billion.



Source: ACMA, TechSci Research

Shares in export volumes by geography (FY15)



Source: ACMA, TechSci Research



Investments

The cumulative Foreign Direct Investment (FDI) inflows into the Indian automobile industry during the period April 2000 – March 2016 were recorded at US\$ 15.07 billion, as per data by the Department of Industrial Policy and Promotion (DIPP). Some of the major investments made into the Indian auto components sector are as follows:

- Japanese auto major Honda is planning to step up supply and target exporting of auto components worth Rs 1,500 crore (US\$ 224.45 million) from India to its various international operations.
- Auto components maker Bharat Forge Ltd (BFL), the flagship company of the US\$ 3 billion Kalyani Group, has formalised agreement with Rolls-Royce Plc which will supply BFL with critical and high integrity forged and machined components.
- Canada's Magna International Incorporated has started production at two facilities in Gujarat's Sanand, which will supply auto parts to Ford Motor Co in India.
- Everstone Capital, a Singapore-based private equity (PE) firm, has purchased 51 per cent in Indian auto components maker SJS Enterprises for an estimated Rs 350 crore (US\$ 51.35 million).
- German auto components maker Bosch Ltd opened its new factory at Bidadi, near Bengaluru, which is its fifth manufacturing plant in Karnataka.
- French tyre manufacturer Michelin announced plans to produce 16,000 tonnes of truck and bus tyres from its Indian facility this year, a 45 per cent rise from last year.
- German luxury car maker Bayerische Motoren Werke AG's (BMW's) announced it will start sourcing parts from at least seven India-based auto parts makers in response to promote 'Make in India'.
- Hero MotoCorp is investing Rs 5,000 crore (US\$ 733.59 million) in five manufacturing facilities across India, Colombia and Bangladesh, to increase its annual production capacity to 12 million units by 2020.

Government Initiatives

The Government of India's Automotive Mission Plan (AMP) 2006–2016 has come a long way in ensuring growth for the sector. It is expected that this sector's contribution to the GDP will reach US\$ 145 billion in 2016 due to the government's special focus on exports of small cars, multi-utility vehicles (MUVs), two and three-wheelers and auto components. Separately, the deregulation of FDI in this sector has also helped foreign companies to make large investments in India. The Government of India's Automotive Mission Plan (AMP) 2016–2026 envisages creation of an additional 50 million jobs along with an ambitious target of increasing the value of the output of the sector to up to Rs 18,89,000 crore (US\$ 282.65 billion).

Road Ahead

The rapidly globalising world is opening up newer avenues for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to the change via systematic research and development.

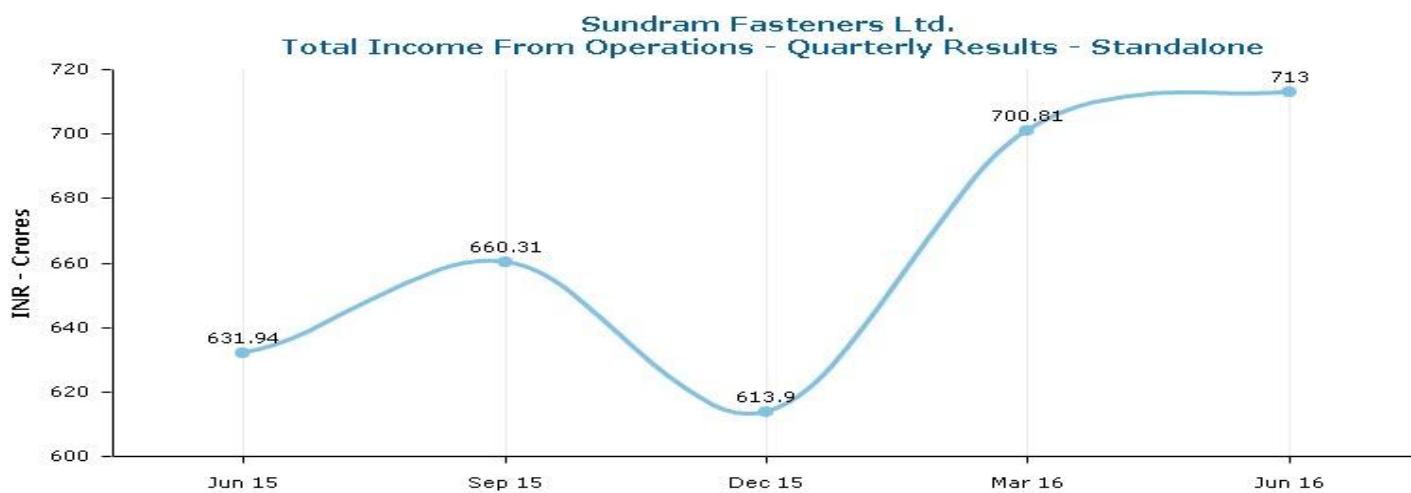
The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as exports potential could be increased by up to four times to US\$ 40 billion by 2020.



Company Financials

	Jun-16 Quarterly	Mar-16 Quarterly	Dec-15 Quarterly	Sep-15 Quarterly	Jun-15 Quarterly	Mar-16 Annual
Net Sales/Income from operations	701.88	688.03	602.43	650.13	621.62	2,562.21
Other Operating Income	11.12	12.78	11.47	10.18	10.32	44.75
Total Income From Operations	713.00	700.81	613.90	660.31	631.94	2,606.96
Increase/Decrease in Stocks	-8.03	25.96	16.31	-16.68	-12.39	13.20
Consumption of Raw Materials	284.69	269.99	231.93	284.41	276.38	1,062.71
Employees Cost	69.67	68.19	66.51	65.43	64.69	264.82
Depreciation	24.14	24.65	22.43	22.14	22.59	91.81
Other Expenses	231.92	230.50	204.44	231.26	214.94	881.14
Total Expenditure	602.39	619.29	541.62	586.56	566.21	2,313.68
Operating Profit	110.61	81.52	72.28	73.75	65.73	293.28
Other Income	5.21	19.88	1.25	7.37	5.92	34.42
P/L Before Int., Excpt. Items & Tax	115.82	101.40	73.53	81.12	71.65	327.70
Interest	14.26	18.52	16.26	14.50	10.69	59.97
P/L Before Exceptional Items & Tax	101.56	82.88	57.27	66.62	60.96	267.73
Exceptional Item	--	-43.10	--	--	-2.50	-45.60
P/L Before Tax	101.56	39.78	57.27	66.62	58.46	222.13
Tax	26.01	-35.61	15.52	14.88	16.17	10.96
PAT	75.55	75.39	41.75	51.74	42.29	211.17
Equity Share Capital	21.01	21.01	21.01	21.01	21.01	21.01
Reserves	--	--	--	--	--	995.67
Equity Dividend Rate (%)	--	--	--	--	--	215.00
EPS (Rs.)	3.60	3.59	1.99	2.46	2.01	10.05

- Company's revenue has jumped by 2.01% QoQ from Rs. 688.03 crs to Rs. 701.88 crs and 12.91% YoY.
- Company's operating profit margin is 15.76% in quarter ended Jun'16.
- Net profit margin was at 10.76% for June 16 Quarter.
- Operating Profit Jumped 35.68% QoQ and 68.28% in YoY.
- Net Profit jumped 78.64% YoY.





Balance sheet

In Cr.	Mar-16 12 mths	Mar-15 12 mths	Mar-14 12 mths	Mar-13 12 mths	Mar-12 12 mths
EQUITIES AND LIABILITIES					
SHAREHOLDERS FUNDS					
Equity Share Capital	21.01	21.01	21.01	21.01	21.01
Total Share Capital	21.01	21.01	21.01	21.01	21.01
Reserves and Surplus	995.67	837.95	754.63	673.28	612.45
Total Reserves and Surplus	995.67	837.95	754.63	673.28	612.45
Total Shareholders Funds	1,016.68	858.97	775.64	694.29	633.46
NON-CURRENT LIABILITIES					
Long Term Borrowings	172.68	133.75	228.97	288.15	255.91
Deferred Tax Liabilities [Net]	88.19	85.87	91.01	90.34	89.31
Long Term Provisions	4.12	3.38	2.83	2.87	3.51
Total Non-Current Liabilities	264.99	223.00	322.80	381.36	348.73
CURRENT LIABILITIES					
Short Term Borrowings	373.89	509.33	369.02	421.05	439.96
Trade Payables	298.50	225.64	215.76	172.57	163.90
Other Current Liabilities	220.45	184.36	128.33	145.38	195.42
Short Term Provisions	20.45	36.89	37.57	30.65	27.92
Total Current Liabilities	913.28	956.22	750.69	769.65	827.19
Total Capital And Liabilities	2,194.95	2,038.19	1,849.13	1,845.30	1,809.38
ASSETS					
NON-CURRENT ASSETS					
Tangible Assets	819.92	795.08	782.47	707.10	671.16
Intangible Assets	0.00	0.00	0.00	0.53	1.64
Capital Work-In-Progress	53.98	14.73	20.53	21.41	40.09
Fixed Assets	873.91	809.80	803.00	729.04	712.88
Non-Current Investments	291.95	113.93	123.16	132.02	141.58
Long Term Loans And Advances	100.51	163.15	34.74	38.41	33.21
Other Non-Current Assets	0.02	0.34	0.34	0.47	0.46
Total Non-Current Assets	1,266.38	1,087.21	961.24	899.93	888.13
CURRENT ASSETS					
Current Investments	0.00	3.02	0.00	0.00	1.05
Inventories	365.99	370.89	290.18	321.18	323.98
Trade Receivables	460.75	403.13	405.77	432.92	433.52
Cash And Cash Equivalents	4.73	7.87	9.21	10.59	6.71
Short Term Loans And Advances	96.80	160.68	178.27	178.70	155.44
Other Current Assets	0.30	5.38	4.48	1.98	0.55
Total Current Assets	928.57	950.97	887.90	945.37	921.25
Total Assets	2,194.95	2,038.19	1,849.13	1,845.30	1,809.38



Cash Flow

Product Name	Mar-16 Annual	Mar-15 Annual	Mar-14 Annual	Mar-13 Annual	Mar-12 Annual
Net Profit/Loss Before Extraordinary Items And Tax	222.13	177.09	159.89	131.94	157.34
Net CashFlow From Operating Activities	454.95	99.41	385.80	218.67	173.78
Net Cash Used In Investing Activities	-153.36	-93.53	-134.41	-64.73	-130.85
Net Cash Used From Financing Activities	-304.74	-7.21	-252.91	-150.06	-44.35
Foreign Exchange Gains / Losses	0.00	0.00	0.00	0.00	0.00
Adjustments on Amalgamation / Merger / Demerger / Others	0.00	0.00	0.00	0.00	0.00
Net Inc/Dec In Cash And Cash Equivalents	-3.14	-1.34	-1.51	3.88	-1.42
Cash And Cash Equivalents Begin of Year	7.87	9.54	11.06	7.17	8.59
Cash And Cash Equivalents End Of Year	4.73	8.21	9.54	11.06	7.17

Ratio Analysis

	Mar 16	Mar 15	Mar 14	Mar 13	Mar 12
Per Share Ratios					
Basic EPS (Rs.)	10.05	6.44	5.75	4.52	5.36
Diluted EPS (Rs.)	10.05	6.44	5.75	4.52	5.36
Cash EPS (Rs.)	14.42	10.64	9.39	7.93	8.39
Book Value [ExclRevalReserve]/Share (Rs.)	48.38	40.88	36.91	33.04	30.15
Dividend / Share(Rs.)	2.15	1.75	1.70	1.40	1.40
Revenue from Operations/Share (Rs.)	124.05	113.54	96.24	98.48	102.16
Profitability Ratios					
PBDIT Margin (%)	16.09	14.95	15.07	13.70	14.58
PBIT Margin (%)	12.57	11.25	11.29	10.24	11.62
PBT Margin (%)	8.52	7.42	7.90	6.37	7.32
Net Profit Margin (%)	8.10	5.67	5.97	4.59	5.24
Return on Networth / Equity (%)	20.77	15.75	15.58	13.69	17.77
Return on Capital Employed (%)	16.47	12.50	11.00	8.83	11.46
Return on Assets (%)	9.62	6.63	6.53	5.15	6.22
Total Debt/Equity (X)	0.54	0.75	0.77	1.02	1.10
Asset Turnover Ratio (%)	118.75	117.05	109.36	112.14	118.63
Liquidity Ratios					
Current Ratio (X)	1.02	0.99	1.18	1.23	1.11
Quick Ratio (X)	0.62	0.61	0.80	0.81	0.72
Inventory Turnover Ratio (X)	7.12	6.43	6.97	6.44	6.63
Dividend Payout Ratio (NP) (%)	21.39	27.17	29.54	30.94	26.12
Earnings Retention Ratio (%)	78.61	72.83	70.46	69.06	73.88
Cash Earnings Retention Ratio (%)	85.09	83.56	81.90	82.36	83.31
Valuation Ratios					
Enterprise Value (Cr.)	4,131.87	4,280.94	1,906.28	1,549.63	1,852.22
EV/Net Operating Revenue (X)	1.59	1.79	0.94	0.75	0.86



Peer Comparison

#	Company Name	Last Price	Market Cap. (Rs. Cr.)	Net Income	Net Profit	Net Profit Margin
1	<u>SUNDRAM FASTENERS</u>	292.05	5893.05	713.00	75.55	10.60%
2	<u>BANCO PRODUCTS</u>	224.90	1616.68	385.75	40.65	10.54%
3	<u>FIEM INDUSTRIES</u>	1215.00	1600.96	245.18	11.46	4.67%
4	<u>IGARASHI</u>	764.85	2333.28	125.40	18.99	15.14%
5	<u>MUNJAL AUTO</u>	103.85	515.00	224.44	8.08	3.60%
6	<u>SHANTHI GEARS</u>	127.75	1050.05	46.42	4.89	10.53%
7	<u>SSWL</u>	759.95	1142.26	325.4	18.6	5.72%
8	<u>AUTOMOTIVE AXLES</u>	720.00	1076.35	292.79	11.06	3.78%
9	<u>EXIDE</u>	189.25	15988.5	2011.07	196.05	9.75%
10	<u>HITECH GEAR</u>	366.20	678.18	122.69	6.48	5.28%
11	<u>JBM AUTO</u>	234.25	949.72	430.9	19.87	4.61%
12	<u>PRICOL</u>	118.00	1093.95	318.68	22.18	6.96%
13	<u>SONA KOYO</u>	66.10	1324.61	348.27	7.08	2.03%
14	<u>WHEELS INDIA</u>	1300.00	1562.21	533.96	14.62	2.74%
15	<u>APCOTEX</u>	366.85	754.55	61.13	4.56	7.46%
16	<u>CASTEX TECHNOLOGIES</u>	9.70	364.89	436.49	-178.2	-40.83%
17	<u>HINDUSTAN COMPOSITES</u>	1708.00	839.86	54.76	12.35	22.55%
18	<u>JAY BHARAT MARUTI</u>	237.00	489.94	333.27	7.04	2.11%
19	<u>PHOENIX LAMPS</u>	164.00	461.62	85.6	6.74	7.87%
20	<u>SHIVAM AUTOTECH</u>	50.00	494.5	118.77	1.17	0.99%
21	<u>WABCO INDIA</u>	6034.95	11447.41	536.68	73.9	13.77%
22	<u>AMARA RAJA</u>	1039.10	17673.12	1469.04	130.66	8.89%
23	<u>BOSCH</u>	22837.95	71539.57	2519.55	374.89	14.88%
24	<u>GABRIEL INDIA</u>	119.05	1702.18	370.42	19.43	5.25%
25	<u>INDIA NIPPON</u>	500.05	563.39	84	6.12	7.29%
26	<u>MUNJAL SHOWA</u>	210.10	829.5	385.52	14.56	3.78%
27	<u>SHARDA MOTOR</u>	1165.25	697.53	244.14	12.65	5.18%
28	<u>SUBROS</u>	132.80	786.45	324.4	-0.76	-0.23%

Sundram Fastners has net profit margin of 10.60% were on an average its peer company has



Price Performance Over 12 Months

#	Company Name	Last Price	1 Week	1 Month	3 Months	6 Months	1 Year
1	SUNDRAM FASTENERS	292.05	-3.41	-2.25	47.02	65.41	75.45
2	SHIVAM AUTOTECH	50.00	-1.00	10.26	-4.07	-3.32	-26.96
3	AUTOMOTIVE AXLES	720.00	-3.13	-3.83	17.31	20.44	3.86
4	JBM AUTO	234.25	11.44	7.58	75.50	62.12	27.77
5	WABCO INDIA	6034.95	-1.34	-2.71	4.92	2.75	-14.49
6	JAY BHARAT MARUTI	237.00	8.59	22.09	43.14	58.03	57.70
7	EXIDE	189.25	-2.66	0.03	4.62	40.01	25.07
8	MUNJAL AUTO	103.85	-4.23	12.69	26.77	19.84	30.63
9	SHARDA MOTOR	1165.25	0.54	-0.52	30.40	35.20	0.00
10	AMARA RAJA	1039.10	-1.26	3.47	17.87	14.94	3.98
11	IGARASHI	764.85	-2.15	8.14	13.51	31.51	26.47
12	SUBROS	132.80	-3.74	-4.31	40.06	38.22	54.51
13	INDIA NIPPON	500.05	1.14	18.54	25.61	25.89	33.47
14	BOSCH	22837.95	-1.52	-1.03	-2.75	13.76	7.54
15	PRICOL	118.00	-2.29	-1.45	26.12	131.49	243.45
16	CASTEX TECHNOLOGIES	9.70	-5.39	-1.53	-13.06	89.22	-57.77
17	SHANTHI GEARS	127.75	-0.81	2.07	8.90	41.83	37.51
18	GABRIEL INDIA	119.05	0.55	1.50	15.84	26.60	23.57
19	SSWL	759.95	4.82	29.57	54.10	98.66	100.45
20	HITECH GEAR	366.20	-4.61	19.51	28.07	39.44	26.17
21	WHEELS INDIA	1300.00	0.79	2.97	6.93	32.98	11.92
22	BANCO PRODUCTS	224.90	4.97	-1.44	49.06	83.86	56.44
23	MUNJAL SHOWA	210.10	-1.54	0.78	14.36	14.78	13.40
24	APCOTEX	366.85	-3.72	0.12	0.73	69.98	42.66
25	PHOENIX LAMPS	164.00	-2.49	12.00	19.47	49.98	48.09
26	FIEM INDUSTRIES	1215.00	-1.22	10.92	19.59	43.69	112.29
27	SONA KOYO	66.10	-3.62	3.82	34.38	26.35	5.21
28	HINDUSTAN COMPOSITES	1708.00	-2.36	6.32	45.76	99.88	68.71

Sundram fastners has been top performer pricewise from last 1 year.





Peer Comparison on Fundamentals

SL	INSTRUMENT	Price	% FII Holding	P/E Ratio (X)	Debt Equity Ratio (X)	PAT JUN' 16	PAT MAR' 16	PAT SEP' 15
1	AMARA RAJA	1038.60	21.51	35.55	0.03	130.66	108.6	122.57
2	AMTEK AUTO	43.90	9.17	0.00	2.64	-319.68	-528.69	-158.62
3	AUTOMOTIVE AXLES	718.50	0.18	28.24	0.09	11.06	10.87	7.85
4	BANCO PRODUCTS	223.15	0.56	15.79	0.05	40.65	21.57	24.93
5	BOSCH	22770	7.73	51.13	0.00	378.72	490.57	305.38
6	CASTROL	466.15	9.66	34.75	0.00	206.9	172.4	143.2
7	EXIDE	188.60	5.24	24.05	0.03	196.05	177.63	156.06
8	FIEM INDUSTRIES	1210.70	14.99	27.14	0.4	11.46	19.45	12.54
9	FUTURE EXIDE	188.90	5.24	24.05	0.03	196.05	177.63	156.06
10	GABRIEL INDIA	119.25	11.16	21.97	0.02	19.43	20.93	19.29
11	IGARASHI	765.90	0.85	34.75	0.08	18.99	18.55	14.74
12	JBM AUTO	233.50	2.5	17.69	1.35	19.87	11.07	21.56
13	MUNJAL SHOWA	210.15	2.77	14.3	0.00	14.56	13.91	15.06
14	PRICOL	117.90	0.06	17.21	0.29	22.18	22.07	2.78
15	SONA KOYO	65.80	0.4	34.76	0.64	7.37	27.19	11.09
16	SSWL	755.00	0.6	16.84	1.30	18.6	18.49	15.03
17	SUBROS	132.80	0.01	40.94	0.89	-0.76	7.85	6.14
18	SUNDRAM FASTENERS	288.40	2.18	24.1	0.61	75.55	75.39	51.74
19	TUBE INVESTMENTS	604.70	14.55	10.64	0.22	42.4	651.57	144.72
20	UCAL FUEL	193.70	0	17.44	3.16	8.12	3.96	6.6
21	WABCO INDIA	6025.00	0.97	49.64	0.00	73.9	57.29	48.31

FII holds 2.18% in Sundram Fastners and company is trading at a PE multiple of 24.10. Debt to equity ratio is also very low at 0.61.



Shareholding Pattern

Category & Name of the Shareholders	No. of shareholder	No. of equity shares	% Holding
Promoter & Promoter Group	2	104085280	49.53
Indian	2	104085280	49.53
Foreign	0	0	0
Public	39552	106043090	50.47
Institutions	89	45169492	21.49
Non Institution	39463	60873598	28.98
Grand Total	39554	210128370	100

Institutions holding

Category & Name of the Shareholders	No. of shareholder	No. of equity shares	% Holding
Institutions	89	45169492	21.49
Mutual Funds	42	27554848	13.11
L AND T MUTUAL FUND TRUSTEE LTD - L AND T EQUITY FUND	1	2357762	1.12
HDFC TRUSTEE COMPANY LTD - A/C HDFC MID-CAPOPORTUNITIES FUND	1	18914297	9
Financial Institutions/ Banks	11	2874165	1.37
LIFE INSURANCE CORPORATION OF INDIA	1	2833820	1.35
Insurance Companies	5	10156376	4.83
THE NEW INDIA ASSURANCE COMPANY LIMITED	1	4194616	2
GENERAL INSURANCE CORPORATION OF INDIA	1	4125556	1.96
Foreign Portfolio Investors	31	4584103	2.18
Grand Total	89	45169492	21.49

COMPANY PROFILE OF SUNDRAM FASTENERS, NSE, INDIA	
Date of Incorporation	10-Dec-1962
Date of Listing	20-Jan-1995
Management	
Name	Designation
Suresh Krishna	Chairman & Managing Director
Arundathi Krishna	Deputy Managing Director
V Narayanan	Director
R Srinivasan	Director
R Ramakrishnan	Director
M Raghupathy IAS	Director
M Raghupathy	Director
K Ramesh	Director
C V Karthik Narayanan	Director
B Muthuraman	Independent Director
Arathi Krishna	Joint Managing Director
Registered Office Address	
98A, VII Floor, Dr Radhakrishnan Salai, Mylapore, 600004, Chennai (Madras), Tamil Nadu, India	
Website	http://www.sundram.com



Investment Rationale

- Sundram Fasteners is a flagship company of US \$ 6 billion TVS Group
- Manufacturer of automotive and engineering components
- First Indian company to be ISO 9000 certified. All operations are ISO 9000, IS 14001 & TS 16949 certified.
- Company's revenue has jumped by 2.01% QoQ from Rs. 688.03 crs to Rs. 701.88 crs and 12.91% YoY.
- Company's operating profit margin is 15.76% in quarter ended Jun'16.
- Net profit margin was at 10.76% for June 16 Quarter.
- Operating Profit Jumped 35.68% QoQ and 68.28% in YoY.
- Net Profit jumped 78.64% YoY.
- FII holds 2.18% in Sundram Fastners and company is trading at a PE multiple of 24.10. Debt to equity ratio is also very low at 0.61.
- Total no of institutions in Sundram Fastners is 89, they hold 21.49% in the company out of which 13.11% is held with Mutual Fund.
- Sundram Fastners has a diversified product line, world-class facilities in 4 countries and motivated team of talented people
- Sundram Fasteners has become a supplier of choice to leading customers in the automotive and industrial segments worldwide.
- At Sundram Fasteners, growth is a natural outcome of total adherence to three core operating principles: customer orientation, total quality and ethical business practices.

We recommend BUY in Sundram Fastners @ 285 with the target of 330



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