

# Kitex Garments

<b>BSE SENSEX</b>	<b>S&amp;P CNX</b>
24,871	7,564
Bloomberg	KTG IN
Equity Shares (m)	47.5
M.Cap.(INRb)/(USDb)	20.9 / 0.3
52-Week Range (INR)	1,070/385
1, 6, 12 Rel. Per (%)	-34/-32/-1
Avg Val, INRm	132
Free float (%)	45.8

## Financials & Valuation (INR b)

Y/E Mar	2016E	2017E	2018E
Net Sales	5.3	6.4	7.5
EBITDA	1.9	2.4	2.9
PAT	1.1	1.5	1.9
EPS (INR)	23.3	31.7	40.1
Gr. (%)	12.2	36.1	26.7
BV/Sh (INR)	75.3	100.0	131.9
RoE (%)	35.6	36.1	34.6
RoCE (%)	43.7	51.6	52.2
P/E (x)	18.9	13.9	11.0
P/BV (x)	5.8	4.4	3.3

<b>Estimate change</b>	<b>14%</b> ↓
<b>TP change</b>	<b>16%</b> ↓
<b>Rating change</b>	↔

**CMP: INR440 TP: INR800(+82%)**
**Buy**

## Results below estimates; growth story intact

- **Results miss expectations:** KTG's 3QFY16 revenue de-grew 3.2% to INR1.2b (est. of INR1.4b), impacted by delayed winter and reduced orders from Jockey. Garments segment de-grew 6%, while net fabric revenue grew 24%. EBITDA margin expanded 100bp to 35.3% (est. of 35.1%) and EBITDA stood at INR417m (est. of INR480m); PAT grew 4% to INR241m (est. of INR282m).
- **Delayed winter and Jockey orders impact earnings:** Management clarified that delayed winter in the US, where snowfall began late-December instead of early-November, impacted shipments. To avoid reporting high inventory as at year-end, its clients like Gerber and Toys R Us have asked Kitex to delay shipments. However, management highlighted that all the pending shipments have been cleared in January—once the snowfall began. One of the clients, Jockey (which contributes ~15% to revenue), decided to shift gradually from cotton to synthetic—which resulted in 50% de-growth in sales to Jockey; however, this shall not impact other clients who are into childrenswear since infants' garments segment is unlikely to see this shift. Management highlighted that Jockey will continue to be a customer for the reduced portion (i.e., 50% of original orders). However, management is confident of increasing wallet share from other clients—which will compensate for the lost sales.
- **B2C foray progressing well:** Management highlighted that Lamaze sales have been shaping up well and is confident of posting USD7m sales in CY16. Little Stars is on track for launch in 2HFY17. Little Stars will cater to the mass market (which is a huge opportunity size) while Lamaze caters to premium market; hence there shall not be any conflict.
- **On track to be debt free by 4QFY16:** Management clarified that cash of ~INR650m was converted and ~INR600m will be converted in next few weeks—which shall be utilized to repay short-term borrowings of the company, making it close to debt free on gross basis by 4QFY16.
- **Valuation and view:** We cut EPS estimates by 7%/12%/14% for FY16/FY17/FY18 on the back of Jockey sales impact. We expect 14% revenue CAGR along with 25% PAT CAGR over FY15-18. Given the huge scalability, strong return ratios and free cash generation, we maintain **Buy** with a TP of INR800—valuing it at 20x FY18E EPS (rolled over to FY18).

## Quarterly performance

Y/E March	FY15				FY16				(INR Million)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY15	FY16E	FY16	Var %
Net Sales	1,028	1,282	1,221	1,580	1,091	1,343	1,181	1,691	5,111	5,336	1,367	-14
YoY Change (%)	2.3	28.1	22.8	11.1	6.2	4.7	-3.2	7.0	15.6	4.4	12.0	
Total Expenditure	756	946	802	921	789	891	765	980	3,424	3,442	888	
EBITDA	272	337	419	660	301	451	417	711	1,687	1,894	480	-13
Margins (%)	26.5	26.2	34.3	41.7	27.6	33.6	35.3	42.0	33.0	35.5	35.1	
Depreciation	50	52	53	58	55	55	55	58	213	237	57	
Interest	36	41	66	49	48	44	42	42	192	156	50	
Other Income	24	53	51	6	59	68	54	20	134	188	55	
PBT	210	296	352	558	258	421	373	631	1,417	1,690	428	-13
Tax	66	103	121	142	98	149	132	214	432	585	146	
Rate (%)	31.4	34.8	34.3	25.4	38.1	35.4	35.4	34.0	30.5	34.6	34.2	
Reported PAT	144	193	231	416	160	272	241	416	985	1,105	282	-15
Adj PAT	144	193	231	416	160	272	241	416	985	1,105	282	-15
YoY Change (%)	11.3	61.4	104.0	97.4	10.7	40.6	4.0	0.0	71.7	12.2	21.8	
Margins (%)	14.0	15.1	18.9	26.3	14.6	20.2	20.4	24.6	19.3	20.7	20.6	

E: MOSL Estimates

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

Motilal Oswal research is available on [www.motilaloswal.com/Institutional-Equities](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

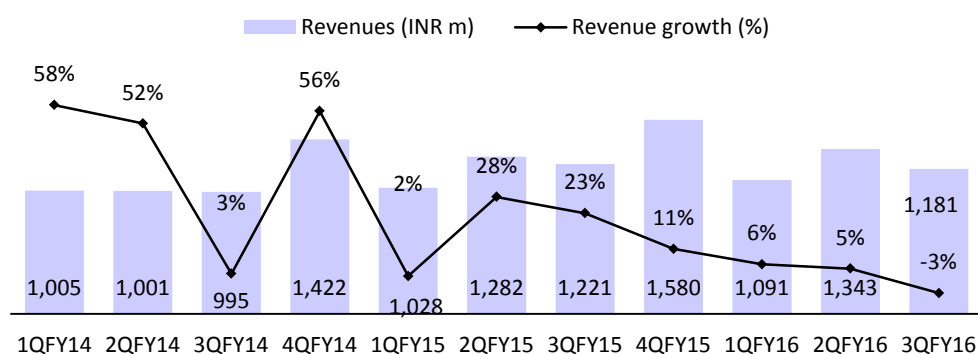
### Results miss expectations

- KTG's 3QFY16 revenue de-grew 3.2% to INR1.2b (est. INR1.4b) impacted by delayed winter and reduced orders from Jockey.
- Garments segment reported 6% de-growth, while net fabric revenues grew 24%.
- EBITDA margins expanded 100bp to 35.3% (est. 35.1%) and EBITDA stood at INR417m (est INR480m).
- PAT grew 4% to INR241m (est. INR282m).

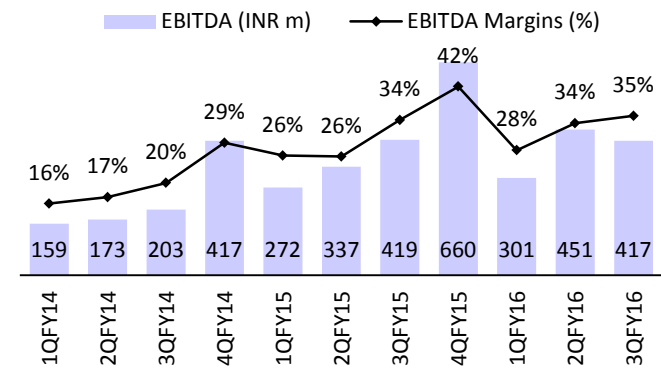
### Delayed winter and Jockey orders impact earnings

- Management clarified that delayed winter in the US, where snowfall began late December instead of early November, impacted the shipments.
- To avoid reporting high inventory as at year end, its clients like Gerber, Toys R Us asked Kitex to delay shipments. However, management highlighted that the all the pending shipments have been done in January, once the snowfall began.
- One of their clients, Jockey (which contributes ~15% to revenues) decided to shift gradually from cotton to synthetic which resulted in 50% de-growth in sales to Jockey. However this shall not impact other clients which are into childrenswear since infants' garments is not expected to see this shift.
- Management highlighted that Jockey will continue to form a customer for the reduced portion i.e. 50% of original orders. However, management is confident of increasing wallet share from other clients which will compensate these lost sales (for example, it expects Carters and Kmart to provide additional business).
- Jockey was a higher margin product since there was a single product made for them throughout the year, which led to stronger operating leverage. For others, the kinds of products made are frequently changed based on seasons and trends.
- Management also informed that Jockey has given them a proposal to manufacture their synthetic garments, for which KTG will have to import material from Taiwan and China from Jockey's approved sources and process it in KTG factory. The synthetic orders offered to KTG are double of what it currently does for Jockey. However, KTG is in the process of assessing the same and will decide soon. Company intends to keep its relationship with Jockey since it is a reputed brand and has been a client for 7 years.

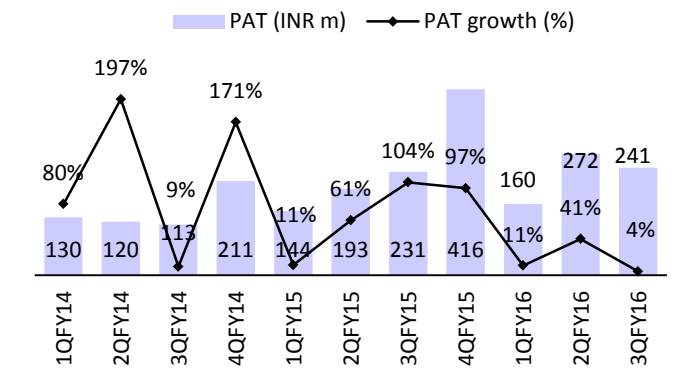
### Exhibit 1: Revenue growth trend



Source: Company, MOSL

**Exhibit 2: EBITDA and EBITDA margins trend**

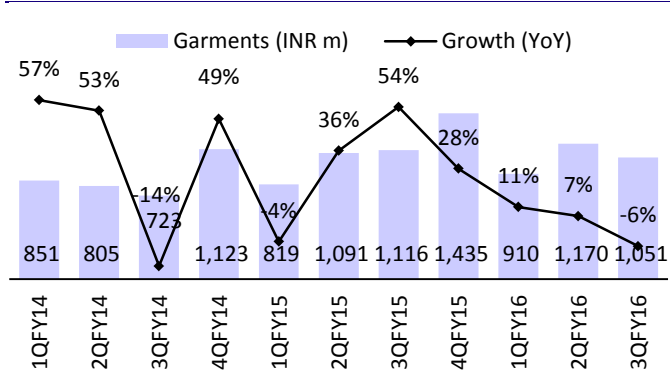
Source: MOSL, Company

**Exhibit 3: PAT growth trend**

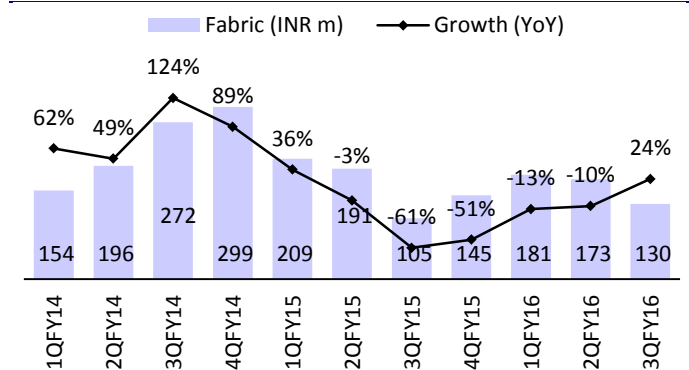
Source: MOSL, Company

**Garments segment reports 6% de-growth, fabrics grow 24%**

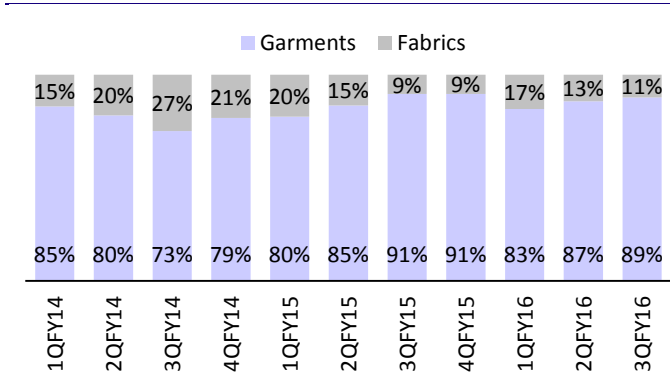
- During 3QFY16, garments segment de-grew 6% to INR1,051m while net fabric revenues grew 24% to INR130m. Fabrics posted strong growth since the part capacity was utilized for fulfilling third party orders, which were higher this time.
- Garment business contribution to total revenue stood at 89% as against 91% in 3QFY15.
- Garment margins expanded by 700bp YoY to 42% while fabric margins increased from 9% in 3QFY15 to 11% in 3QFY16.

**Exhibit 4: Garments revenues and growth**

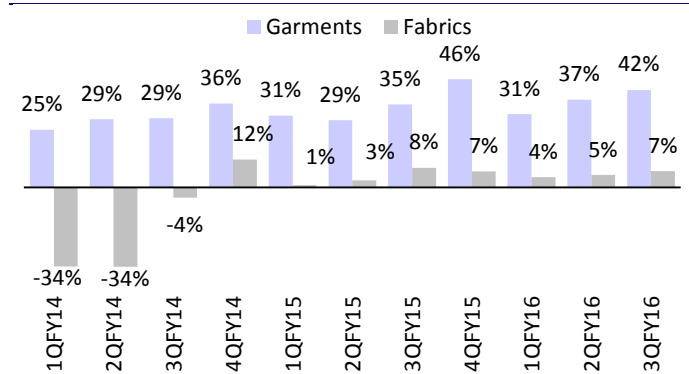
Source: MOSL, Company

**Exhibit 5: Fabric revenue and growth**

Source: MOSL, Company

**Exhibit 6: Segment revenue mix (%)**

Source: MOSL, Company

**Exhibit 7: Segment margins**

Source: MOSL, Company

**B2C foray progressing well**

- Management highlighted sales for Lamaze have been shaping up well and they are confident of posting USD7m sales in CY16.
- Little Stars is on track for launch in 2HFY17.
- Little Stars will cater to the mass market which is a huge opportunity size while Lamaze caters to premium market, hence there shall not be any conflicts.

**En route to be debt-free by 4QFY16**

- Management clarified that cash of ~INR650m (USD10m) was converted, and close to ~INR600m will be done in next few weeks, which shall be utilized to repay short term borrowings of the company, making it close to debt free on gross basis by 4QFY16.
- Company considers it more beneficial to hold cash in foreign currency given the currency environment, which it believes gives higher gains through foreign exchange and hedging than pure interest if invested in India.

**Kitex Childrenswear Limited (KCL) listing and merger**

- Management informed that due to market conditions, the KCL listing is delayed.
- Internally, the company is working on the same; however there are no fixed time lines. Company plans to list KCL first separately, followed by a merger, as highlighted by management during 2QFY16.

**KTG confident of strong growth**

- Management guided for total revenues (including other income) for FY16 at INR5.6b. Management has confirmed bookings for next three quarters.
- They informed that KTG will come out with exact details on future capacity expansions, order book and detailed plans by 4QFY16.
- Company is in process of having confirmed order book from its clients, based on which it will have stronger visibility, exact details of which will be informed by 4QFY16. Management highlights that it expects to grow between 20-30% for each of the next two years based on these confirmations.

**Other conference call highlights**

- Performance for KCL was similar to KTG, in 3QFY16 it posted flat growth.
- Employee costs increased this quarter, since company is investing in labour by recruiting more people (there has been a ~30% increase in headcount). Training for these people takes close to a year before they achieve full efficiency.
- Capacity expansion entails increasing labour, reengineering through technology and new machinery.

**Exhibit 8: Quarterly metrics (%)**

	3QFY13	4QFY13	1QFY14	2QFY14	3QFY14	4QFY14	1QFY15	2QFY15	3QFY15	4QFY15	1QFY16	2QFY16	3QFY16
<b>Sales Growth</b>													
Garments	27	17	57	53	-14	49	-4	36	54	28	11	7	-6
Fabrics	-26	-3	62	49	124	89	36	-3	-61	-51	-13	-10	24
<b>Sales Mix</b>													
Garments	87	83	85	80	73	79	80	85	91	91	83	87	89
Fabrics	13	17	15	20	27	21	20	15	9	9	17	13	11
<b>EBIT Margin</b>													
Garments	23	25	25	29	29	36	31	29	35	46	31	37	42
Fabrics	-6	-5	-34	-34	-4	12	1	3	8	7	4	5	7
<b>EBIT Contribution</b>													
Garments	104	104	133	140	106	92	99	98	98	99	97	98	98
Fabrics	-4	-4	-33	-40	-6	8	1	2	2	1	3	2	2

Source: Company, MOSL

## Valuation and view

We value KTG at 20x FY17E EPS, higher than its 5-year average of 12x and in-line with its current one-year forward multiple of 22x, which we believe is justified considering:

**Large opportunity:** Kitex has presence in the highly niche USD20b global infant-wear clothing market and is the 3rd largest vendor globally. With India's market share being low single-digit, and with India's growing competitiveness against erstwhile low-cost countries like China (~52% market share), we believe the long term opportunity for KTG is large.

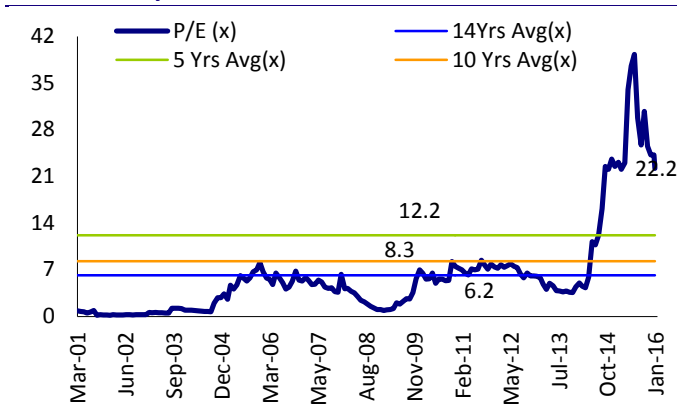
**High entry barriers:** KTG is the largest exporter of infant-wear clothing out of India and commands a 70% market share for all infant-wear clothing exports out of India. Adhering to stringent safety measures, maintaining high quality standards, higher degree of complexity (than adult garments) due to involvement of small sizes, need for greater variety, smaller batch size orders and high labor requirements are some of the key entry barriers that support superior profitability for the company.

**Industry leading return ratios:** KTG commands strong, industry leading return ratios (43.9% RoCE and 45% RoE), with its business model generating robust free cash generation (INR4.3b over FY15-18). We believe KTG stands out amongst listed textile exporters (with most of them present in capital intensive, low RoCE businesses of yarn and fabric manufacturing (averaging ~10% RoCE)).

**Opportunity to enter the brands business:** We expect KTG to capture a larger pie of the infant-wear value chain through its forward integration with its launch of own brand in the US market (Little Stars) as well as licensing of private labels (Lamaze) in the US market. Forward integration holds high significance for the company as margins in its own brand will be double of the current business (~60% versus current margins of ~30%), along with higher realizations.

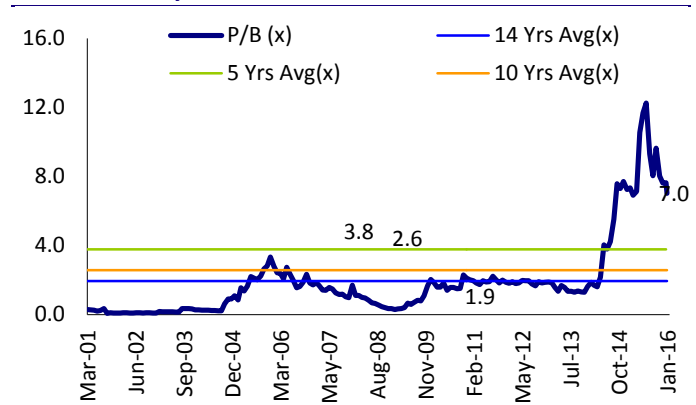
We value the stock at 20x FY18E EPS of INR40.1 (rolled over to FY18), arriving at price target of INR800. Maintain **Buy**.

Exhibit 9: 15 year PE band



Source: MOSL, Company

Exhibit 10: 15 year PB band



Source: MOSL, Company

## Operating metrics

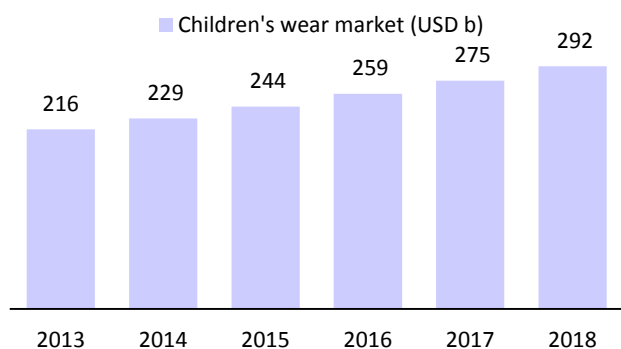
**Exhibit 11: Operating metrics and key assumptions**

Y/E March (INR m)	FY12	FY13	FY14	FY15	FY16E	FY17E	FY18E
<b>Growth (%)</b>							
Garments		15	31	27	7	17	17
Fabric		-36	82	-29	-10	-5	-5
<b>Net Revenues</b>		<b>2</b>	<b>40</b>	<b>16</b>	<b>4</b>	<b>19</b>	<b>18</b>
<b>Contribution (%)</b>							
Garments	75	84	79	87	89	91	93
Fabric	25	16	21	13	11	9	7
<b>Net Revenues</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>EBIT Margins (%)</b>							
Garments	19	21	27	32	34	37	37
Fabric	9	-7	-10	4	10	12	12
<b>Segment EBIT</b>	<b>16.5</b>	<b>16.2</b>	<b>19.3</b>	<b>28.8</b>	<b>31.4</b>	<b>33.3</b>	<b>32.8</b>
<b>EBIT Contribution (%)</b>							
Garments	86	107	111	98	96	97	98
Fabric	14	-7	-11	2	4	3	2
<b>Segment EBIT</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: Company, MOSL

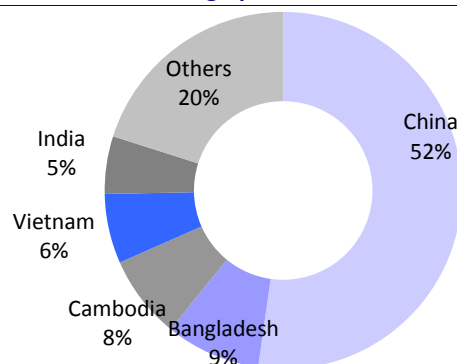
## Story in charts

**Exhibit 12: Global children's wear market size is huge**



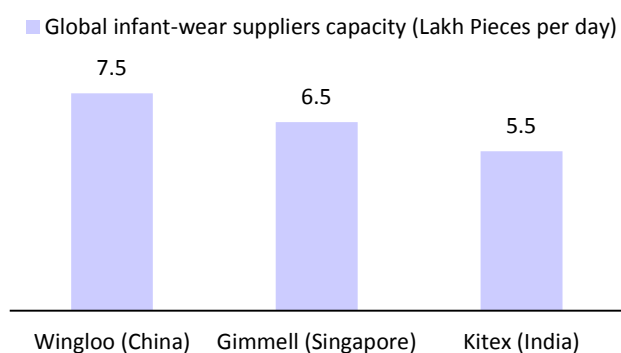
Source: MOSL, Company

**Exhibit 13: India has high potential for infant-wear sourcing**



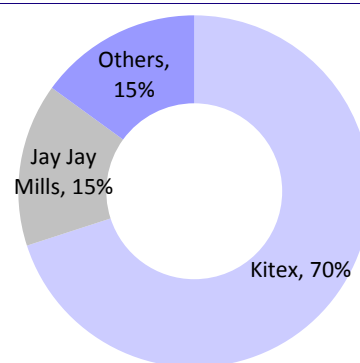
Source: MOSL, Company

**Exhibit 14: Kitex is the 3<sup>rd</sup> largest infant-wear player**



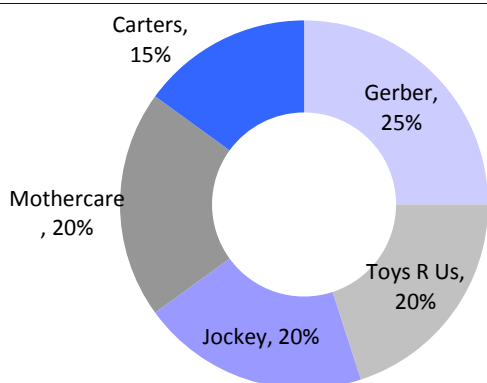
Source: MOSL, Company

**Exhibit 15: Kitex dominated infant-wear exports from India**



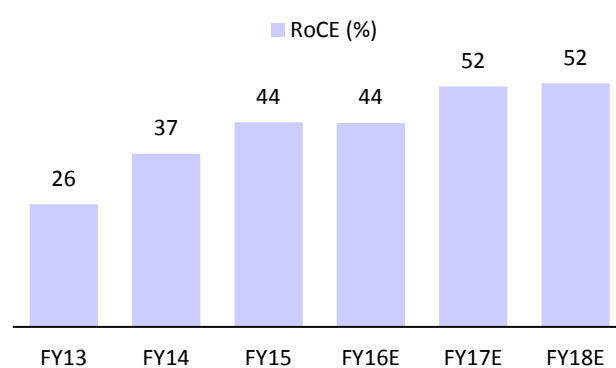
Source: MOSL, Company

**Exhibit 16: Diversified client mix augurs well for margins**



Source: MOSL, Company

**Exhibit 17: Kitex reports strong capital efficiency**



Source: MOSL, Company



## Financials and Valuation

Income Statement						(INR Million)		
Y/E Mar	2011	2012	2013	2014	2015	2016E	2017E	2018E
<b>Net Sales</b>	<b>2,561</b>	<b>3,120</b>	<b>3,170</b>	<b>4,422</b>	<b>5,111</b>	<b>5,336</b>	<b>6,364</b>	<b>7,531</b>
Change (%)	-4.3	21.9	1.6	39.5	15.6	4.4	19.3	18.3
<b>EBITDA</b>	<b>453</b>	<b>582</b>	<b>601</b>	<b>951</b>	<b>1,687</b>	<b>1,894</b>	<b>2,355</b>	<b>2,862</b>
EBITDA Margin (%)	17.7	18.7	19.0	21.5	33.0	35.5	37.0	38.0
Depreciation	69	69	86	97	213	237	260	301
<b>EBIT</b>	<b>384</b>	<b>514</b>	<b>515</b>	<b>855</b>	<b>1,474</b>	<b>1,657</b>	<b>2,094</b>	<b>2,560</b>
Interest	125	176	115	106	192	156	57	14
Other Income	53	64	40	133	134	188	263	368
Extraordinary items	0	0	0	0	0	0	0	0
<b>PBT</b>	<b>312</b>	<b>401</b>	<b>440</b>	<b>882</b>	<b>1,417</b>	<b>1,690</b>	<b>2,300</b>	<b>2,914</b>
Tax	106	130	147	308	432	585	796	1,008
Tax Rate (%)	34.0	32.4	33.3	34.9	30.5	34.6	34.6	34.6
Min. Int. & Assoc. Share	0	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>206</b>	<b>271</b>	<b>294</b>	<b>574</b>	<b>985</b>	<b>1,105</b>	<b>1,504</b>	<b>1,906</b>
<b>Adjusted PAT</b>	<b>206</b>	<b>271</b>	<b>294</b>	<b>574</b>	<b>985</b>	<b>1,105</b>	<b>1,504</b>	<b>1,906</b>
Change (%)	11.5	31.5	8.3	95.3	71.7	12.2	36.1	26.7

Balance Sheet						(INR Million)		
Y/E Mar	2011	2012	2013	2014	2015	2016E	2017E	2018E
Share Capital	48	48	48	48	48	48	48	48
Reserves	689	927	1,176	1,694	2,591	3,530	4,700	6,217
<b>Net Worth</b>	<b>736</b>	<b>974</b>	<b>1,224</b>	<b>1,742</b>	<b>2,639</b>	<b>3,577</b>	<b>4,748</b>	<b>6,265</b>
Debt	1,084	1,015	1,012	1,342	1,612	612	204	0
Deferred Tax	157	163	162	216	226	226	226	226
<b>Total Capital Employed</b>	<b>1,977</b>	<b>2,153</b>	<b>2,397</b>	<b>3,299</b>	<b>4,477</b>	<b>4,415</b>	<b>5,178</b>	<b>6,491</b>
Gross Fixed Assets	1,540	1,613	1,638	2,374	2,625	2,925	3,425	3,925
Less: Acc Depreciation	317	385	465	562	743	980	1,240	1,542
<b>Net Fixed Assets</b>	<b>1,223</b>	<b>1,228</b>	<b>1,172</b>	<b>1,812</b>	<b>1,882</b>	<b>1,945</b>	<b>2,185</b>	<b>2,384</b>
Capital WIP	9	4	23	7	0	0	0	0
Investments	0	0	0	0	0	0	0	0
<b>Current Assets</b>	<b>1,267</b>	<b>1,443</b>	<b>1,755</b>	<b>2,219</b>	<b>3,468</b>	<b>3,578</b>	<b>4,454</b>	<b>5,842</b>
Inventory	566	520	459	108	112	111	129	150
Debtors	393	318	506	531	627	604	721	853
Cash & Bank	64	365	412	1,036	2,033	2,028	2,602	3,636
Loans & Adv, Others	244	240	378	544	696	836	1,003	1,203
<b>Curr Liabs &amp; Provns</b>	<b>522</b>	<b>522</b>	<b>553</b>	<b>738</b>	<b>876</b>	<b>1,109</b>	<b>1,461</b>	<b>1,734</b>
Curr. Liabilities	393	348	333	402	343	389	464	549
Provisions	129	174	221	337	532	720	997	1,186
<b>Net Current Assets</b>	<b>745</b>	<b>921</b>	<b>1,202</b>	<b>1,480</b>	<b>2,592</b>	<b>2,470</b>	<b>2,993</b>	<b>4,107</b>
<b>Total Assets</b>	<b>1,977</b>	<b>2,153</b>	<b>2,397</b>	<b>3,299</b>	<b>4,474</b>	<b>4,415</b>	<b>5,178</b>	<b>6,491</b>

## Financials and valuation

### Ratios

Y/E Mar	2011	2012	2013	2014	2015	2016E	2017E	2018E
<b>Basic (INR)</b>								
EPS	4.3	5.7	6.2	12.1	20.7	23.3	31.7	40.1
Cash EPS	5.8	7.2	8.0	14.1	25.2	28.2	37.2	46.5
Book Value	15.5	20.5	25.8	36.7	55.6	75.3	100.0	131.9
DPS	0.4	0.6	0.8	1.0	1.3	3.0	6.0	7.0
Payout (incl. Div. Tax.)	10.8	12.2	15.1	9.7	7.3	15.1	22.2	20.4
<b>Valuation(x)</b>								
P/E					21.2	18.9	13.9	11.0
Cash P/E					17.4	15.6	11.8	9.5
Price / Book Value					7.9	5.8	4.4	3.3
EV/Sales					4.0	3.7	2.9	2.3
EV/EBITDA					12.1	10.3	7.9	6.0
Dividend Yield (%)					0.3	0.7	1.4	1.6
<b>Profitability Ratios (%)</b>								
RoE	32.0	31.7	26.7	38.7	45.0	35.6	36.1	34.6
RoCE	28.5	30.3	26.3	37.2	43.9	43.7	51.6	52.2
<b>Turnover Ratios (%)</b>								
Asset Turnover (x)	1.3	1.4	1.3	1.3	1.1	1.2	1.2	1.2
Debtors (No. of Days)	56	37	58	44	45	41	41	41
Inventory (No. of Days)	81	61	53	9	8	8	7	7
Creditors (No. of Days)	56	41	38	33	25	27	27	27
Net Debt/Equity (x)	1.4	0.7	0.5	0.2	-0.2	-0.4	-0.5	-0.6

### Cash Flow Statement

(INR Million)

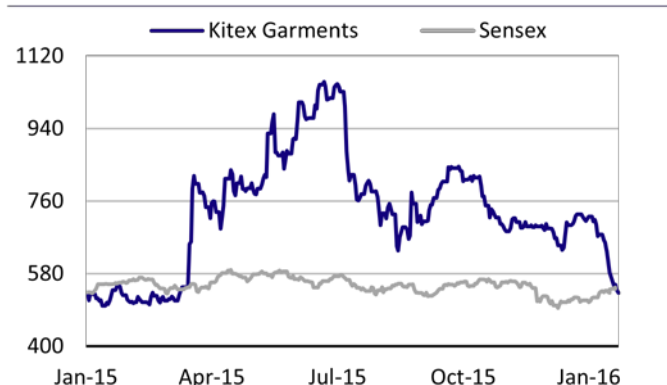
Y/E Mar	2011	2012	2013	2014	2015	2016E	2017E	2018E
Adjusted EBITDA	453	582	601	951	1,687	1,894	2,355	2,862
Non cash opr. exp (inc)	58	64	38	129	136	188	263	368
(Inc)/Dec in Wkg. Cap.	-582	114	-256	315	-176	117	51	-80
Tax Paid	-86	-134	-139	-242	-364	-585	-796	-1,008
Other operating activities	0	0	0	0	0	0	0	0
<b>CF from Op. Activity</b>	<b>-156</b>	<b>626</b>	<b>244</b>	<b>1,154</b>	<b>1,284</b>	<b>1,615</b>	<b>1,873</b>	<b>2,142</b>
(Inc)/Dec in FA & CWIP	-107	-68	-48	-720	-302	-297	-500	-500
<b>Free cash flows</b>	<b>-263</b>	<b>558</b>	<b>196</b>	<b>433</b>	<b>981</b>	<b>1,317</b>	<b>1,373</b>	<b>1,642</b>
(Pur)/Sale of Invt	0	0	0	0	0	0	0	0
Others	3	11	4	8	-9	0	0	0
<b>CF from Inv. Activity</b>	<b>-104</b>	<b>-57</b>	<b>-44</b>	<b>-712</b>	<b>-311</b>	<b>-297</b>	<b>-500</b>	<b>-500</b>
Inc/(Dec) in Net Worth	0	0	0	0	0	0	0	0
Inc / (Dec) in Debt	390	-69	-5	334	271	-1,000	-408	-204
Interest Paid	-130	-176	-115	-106	-192	-156	-57	-14
Divd Paid (incl Tax) & Others	-18	-22	-33	-45	-56	-167	-333	-389
<b>CF from Fin. Activity</b>	<b>242</b>	<b>-267</b>	<b>-153</b>	<b>183</b>	<b>24</b>	<b>-1,322</b>	<b>-799</b>	<b>-607</b>
<b>Inc/(Dec) in Cash</b>	<b>-18</b>	<b>302</b>	<b>47</b>	<b>624</b>	<b>996</b>	<b>-5</b>	<b>574</b>	<b>1,034</b>
Add: Opening Balance	81	64	365	412	1,036	2,033	2,028	2,602
<b>Closing Balance</b>	<b>64</b>	<b>365</b>	<b>412</b>	<b>1,036</b>	<b>2,033</b>	<b>2,028</b>	<b>2,602</b>	<b>3,636</b>

## Corporate profile

### Company description

Kitex Garments Ltd (KTG) is based in Kochi, India. Incorporated in 1992, its first public issue was in 1995. Its promoters are Mr MC Jacob, Mr Bobby Jacob and Mr Sabu Jacob. KTG is in the business of manufacturing and exporting infant garments. Company derives 80% of its revenue from the sale of infant garments and the balance 20% from the sale of fabric to Kitex Childrenwear.

**Exhibit 1: Sensex rebased**



Source: MOSL/Bloomberg

**Exhibit 2: Shareholding pattern (%)**

	Sep-15	Jun-15	Sep-14
Promoter	54.2	54.2	54.2
DII	0.1	0.5	0.0
FII	2.9	3.0	0.6
Others	42.8	42.3	45.2

Note: FII Includes depository receipts

Source: Capitaline

**Exhibit 3: Top holders**

Holder Name	% Holding
CKG Super Market Limited	6.4
Gopinathan C K	5.4
Acumen Capital Market (India) Ltd	2.7
Jinsha Nath C K	2.2
Sethuparvathy	1.4

Source: Capitaline

**Exhibit 4: Top management**

Name	Designation
Sabu M Jacob	Chairman & Managing Director
A Babu	Company Secretary

Source: Capitaline

**Exhibit 5: Directors**

Name	Name
Benni Joseph	C Mohan
Erumala Mathew Paulose	K L V Narayanan
Sindhu Chandrasekhar	C P Philipose

\*Independent

**Exhibit 6: Auditors**

Name	Type
Ernst & Young LLP	Internal
Kolath & Co	Statutory
Rajendran, Mani & Varier	Cost Auditor
SVJS & Associates	Secretarial Audit

Source: Capitaline

**Exhibit 7: MOSL forecast v/s consensus**

EPS (INR)	MOSL forecast	Consensus forecast	Variation (%)
FY16	23.3	27.3	-14.7
FY17	31.7	36.0	-12.0
FY18	40.1	39.6	1.2

Source: Bloomberg

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