

- ❑ MOIL being India's largest manganese ore producer, accounts for about 48% (2019-20) of the country's production. With about 90 million tonnes of reserves and resources of manganese ore, it is well positioned quantity wise to capitalize on India's steel demand growth, given its dominant position, medium- to high-grade ore, centrally located mines and strong and expanding customer base.
- ❑ Moil Ltd reported revenue of ₹4,501 million in Q4 FY21 as compared to ₹2,487 million in Q4 FY20, a growth of 81% YoY. High growth rate was primarily on account of better volume of manganese ore and core product non fines ore. Sales of manganese ore have increased to 4.13 lakh MT during Q4 FY21, which were 2.97 lakh MT in Q4 FY20, an increase of 39%. The non fines ore have increased to 3.54 lakh MT from 2.32 lakh MT.
- ❑ The company's EBITDA grew at 2337.8% YoY to ₹1559 million in Q4 FY21 as against ₹63.9 million in Q4 FY20. EBITDA Margin was reported at 34.6%. The Profit after Tax (PAT) for Q4FY21 came in at ₹1160 million as compared to ₹135 million during Q4FY20 recording growth of 761% YoY.
- ❑ Mining products reported revenue of ₹4,139 million in Q4FY21 as compared to ₹2,319 million in Q4FY20, a revenue growth of 78.5% YoY. EBIT was recorded at ₹1178 million in Q4 FY21 as against loss of ₹ (958) million in Q4 FY20. EBIT Margin came in at 28.5% during Q4FY21.
- ❑ Manufactured products reported revenue of ₹394 million in Q4FY21 as against ₹220 million in Q4FY20. Revenue grew at 79% YoY. EBIT for the segment came in at ₹85 million during Q4FY21 as against loss of ₹ (54) million in Q4FY20. EBIT Margin were 21.5% for Q4FY21.
- ❑ Power segment reported revenue of ₹40 million during Q4FY21 as against ₹42 million during Q4FY20. EBIT was recorded at ₹17 million during Q4 FY21 as against ₹ 23 million during Q4FY20.
- ❑ We continue to remain positive on the company given its long term growth drivers continue to be well in place. We maintain our **BUY** rating on MOIL with a revised target of **₹240 per share**.

Financials:

(In ₹ mn)	Q4-FY21	Q4-FY20	Chg	12M-FY21	12M-FY20	Chg
Net Sales	4,501	2,487	81.0%	11,774	10,381	13.4%
Operating Expense	2,943	2,423	21.5%	8,906	7,825	13.8%
EBITDA	1,559	64	2337.6%	2,868	2,555	12.2%
Other Income	314	343	-8.4%	1,025	1,811	-43.4%
Depreciation	279	191	46.5%	992	962	3.1%
EBIT	1,594	216	637.1%	2,901	3,405	-14.8%
Interest	-	-	#DIV/0!	-	-	#DIV/0!
PBT	1,594	216	637.1%	2,901	3,405	-14.8%
Tax	433	81	431.9%	635	923	-31.2%
Exceptional Items	-	-		(500)	-	
PAT	1,160	135	761.2%	1,766	2,482	-28.8%
Minority /Other Adj.	-	-		-	-	
Consolidated PAT	1,160	135	761.2%	1,766	2,482	-28.8%

Margins	Q4-FY21	Q4-FY20	Chg BPS	12M-FY21	12M-FY20	Chg BPS
Operating Margin %	34.6%	2.6%	3206	24.4%	24.6%	-26
Net Margin %	25.8%	5.4%	2036	15.0%	23.9%	-891



Consolidated Financials:

(In ₹ mn)	FY-20	FY-21	FY-22E	FY-23E
Net Sales	10,381	11,774	13,540	15,029
Operating Expense	7,825	8,906	9,816	10,896
EBITDA	2,555	2,868	3,723	4,133
Other Income	1,811	1,025	1,178	1,308
Depreciation	962	992	1,067	1,184
EBIT	3,405	2,901	3,835	4,257
Interest	-	-	-	-
Misc. items	-	(500)	-	-
PBT	3,405	2,401	3,835	4,257
Tax	923	635	1,014	1,126
Minority Interest	-	-	-	-
PAT	2,482	1,766	2,821	3,132

Margins	FY-20	FY-21	FY-22E	FY-23E
Sales Growth %	-27.9%	13.4%	15.0%	11.0%
Operating Margin %	24.6%	24.4%	27.5%	27.5%
Net Margin %	23.9%	15.0%	20.8%	20.8%

(In ₹ mn)	FY-20	FY-21	FY-22E	FY-23E
Liabilities				
Equity Share Capital	2,373	2,373	2,373	2,373
Reserves & Surplus	25,261	25,826	28,647	31,778
Total Shareholder's Funds	27,634	28,199	31,020	34,152
Minority Interest	-	-	-	-
Long-Term Liabilities	-	-	-	-
Other Long-term Liabilities	193	696	696	696
Deferred Tax Liability	(160)	(173)	(173)	(173)
Short-term Liabilities	5,193	5,008	5,760	6,393
Total	32,860	33,730	37,302	41,067
Assets				
Net Fixed Assets	8,294	8,655	9,148	8,867
Long-Term L&A	1,031	13	13	13
Non Current Investments	2	0	0	0
Other Non-Current Assets	13	1,635	1,635	1,635
Current Asset	23,520	23,427	26,506	30,553
Total	32,860	33,730	37,302	41,067

Key Ratios	FY-20	FY-21	FY-22E	FY-23E
EPS (₹)	10.5	7.4	11.9	13.2
P/E (x)	18.7	26.3	16.5	14.8
P/B (x)	1.7	1.6	1.5	1.4
ROE	9.0%	6.3%	9.1%	9.2%

Source: Company, Anand Rathi Research

Key Risks:

- Any Decrease in International price of commodity will impact profitability.

Rating and Target Price history:

MOIL rating history & price chart



MOIL rating details

Date	Rating	Target Price (₹)	Share Price (₹)
01-07-2021	Buy	240	196

Source: Bloomberg, Anand Rathi Research

NOTE: Prices are as on 1 July 2021 close.

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