



# Company REPORT



## About the COMPANY

Elofic Industries Ltd is one of India's Pioneer and largest automobile filter manufacturer with a legacy spanning over 67 years.

Elofic produces and offers complete range of filtration and lubrication products: Oil filters, Air filters, Fuel filters, Hydraulic filters, Coolants and Lubricants and Grease.

Elofic is a futuristic company which has expanded itself from 1 manufacturing unit in 1951 to currently 6 fully integrated state of art manufacturing units at Faridabad (Haryana), Nalagarh (Himachal Pradesh), Noida and Hosur (Tamil Nadu) in India.



Elofic has grown quantitatively and qualitatively year after year from 100 units per day to 11 Crores units of filters per annum with 1200+ working professionals. It is a globally competitive company exporting more than 35% of its total produce.

They also have a 100% subsidiary in the US Markets with the name Elofic USA LLC. Elofic USA, LLC had been set up to facilitate and promote the sale of industrial filters in USA



## (A) Elofic Oil Filters

- 1 Spin On - Filter used for low & medium pressure
- 2 Cartridges - Filter are replaceable element fitted in housing
- 3 Strainers - Filters used in in- tank filtration to capture heavy particles.
- 4 Metal Free - Filters are cartridge elements.
- 5 Oil Coolers - Used to absorb heat from oil & supply cool oil into engine to minimize wear & tear of parts.
- 6 By Pass - Depth filters used for very fine filtration to save critical components
- 7 Felt - Washable and reusable filters used to capture heavy particles



## (B) Elofic Lubricants & Grease

- 1 Engine Oil
- 2 Gear Oil
- 3 Hydraulic Oil
- 4 Transmission Fluid Oil
- 5 Grease

### (C) Elofic Oil Filters



- 1 Elofic offers high-quality 4x coolants to its wide diversity of clientele including OEM dealers and business enterprises hailing from varied industrial verticals.
- 2 It offers 2 types of coolants – Concentrate & Ready to use.
- 3 Elofic's 4x coolants are composed of a fine mixture of mono ethylene glycol and other necessary additives, which are used as: Metal Passivators , organic corrosion inhibitor, anti- oxidant, anti- scalants , de-foamers, buffering agents and dye.

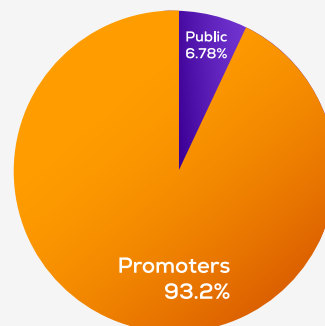
### (D) Elofic Oil Filters

- 1 Gavi - With high CADR and Six levels of advanced home air purification system, GAVI ensures to keep your indoor environment clean and dust-free.
- 2 Kinnaur - It is an advanced home air purifier system. Its remote sensors allow adjusting the fan speed for the optimal usage and filter replacement alert enables you to breathe the pure air always at home.
- 3 Whitehorse - Whitehorse comes in top air purifiers systems, which is suited for hospitals, clinics, classrooms, conference hall, and banquet.

Raahe - Raahe is the best affordable air purifier for cars.



### Shareholding Pattern :



## Highlights of Fy20

### DOMESTIC MARKETS

- 1 Share of Business of 2-wheeler and 4-wheeler customers has gone up in the OEM segment.
- 2 11 filters of new generation vehicles have been added in the product Range.
- 3 New models of Air Purifiers Introduced : To combat the alarming surge in air pollution levels and deteriorating environmental conditions in Delhi NCR and other regions of the country.
- 4 Associated with digital partners for online sales.
- 5 New OE & Institutional Customers have been added. Based on the overwhelming response , company have decided to penetrate pan India and have appointed 10 distributors in Northern states to strengthen the network and reach in Northern India.
- 6 Unrepresented areas have been penetrated by the addition of 67 new Channel Partners in the Aftermarket business.

### INTERNATIONAL MARKETS

- 1 Elofic Industries Ltd is exporting industrial, air, oil and fuel filters to American & European countries. These are highly demanding market for filters and purifiers.
- 2 Compared to last year Elofic closed the export sales at Rs. 70 Crs in FY 2020 (Rs. 81 Crs.in Fy 2019).
- 3 Exports to OEM customers account for approximately 85% of the total export sales.
- 4 Milwaukee warehouse continues to feed many of Elofic OEM customers' requirements on a JIT basis.
- 5 Elofic is exporting more than 35% of its total produce.



## PRODUCTION IMPROVISING STRATEGIES

The company's productivity and process capability continues to improve due to

- 1 In-house rejection and wastage reduction due to improved production processes.
- 2 Added state of the art new machines in production lines, with the aim to enhance capacities to fulfill the rising demand of products in the market and also to automate the processes to increase productivity.
- 3 Company has fully backward and forwards integrated manufacturing units. This helps the company to reduce cost and achieve economies of scale
- 4 Company always undertake PKM review of every batch and target to keep PKM level of below 100. It is one of the most and highest quality assurance system adopted by the company.
- 5 Company always operates at 70% production capacity, keeping buffer of 30% to meet a sudden spike in demand or any uncertainty.

## R & D ACTIVITIES

- 1 The company is continuously carrying on R&D for improving the quality, production process and development of products. Has one of the best R&D departments.
- 2 New product segment company have launched : 3 new Air Purifiers with multi layer media which is best in class for Micro and Nano Filtration.
- 3 Filed 2 design patents and 7 Process patents regarding various products and processes.
- 4 Upgraded technology to meet BSVI Norms.
- 5 Elofic's R&D Centre, located at its Corporate Office in Faridabad is recognized by the Department of Scientific & Industrial Research (DSIR), Government of India and is meticulously involved in the task of coming up with futuristic solutions for its customers.





## STRONG SALES NETWORK

- 1 1400 Distributors
- 2 55000 Retailers
- 3 Six Regional Workhouses

## CLIENTS OF THE COMPANY (DOMESTIC)

- 1 Action Construction Equipment Ltd.
- 2 Bosch Limited.
- 3 Captain Tractors Pvt Ltd.
- 4 Chevrolet Sales India Pvt Ltd.
- 5 Dresser Rand Ltd.
- 6 DSK Motowheels India Pvt Ltd.
- 7 DSK Benelli
- 8 Escorts Construction Equipment Ltd.
- 9 Escorts Limited
- 10 Force Motors Ltd.
- 11 Godrej & Boyce Mfg. Co. Ltd
- 12 Hanon Climate Systems India Pvt Limited
- 13 Hydac India Pvt Ltd.
- 14 Indo Farm Equipment Ltd.
- 15 International Tractors Limited
- 16 JBM Industries Limited
- 17 JCB India Ltd.
- 18 Keihin Fie Pvt Ltd
- 1 Kion India Pvt Ltd.
- 2 Kohler Power India Pvt. Ltd
- 3 Lombardini India Pvt Ltd.
- 4 Mahindra & Mahindra
- 5 Maruti Suzuki India Limited
- 6 New Holland Tractors
- 7 Plastic Omnium
- 8 Renault Nissan Mitsubishi Alliance, India
- 9 Royal Enfield Ltd.
- 10 SAME DEUTZ-FAHR (P) Ltd.
- 11 Simpson & Co. Ltd
- 12 Same Duetz Fahr India Pvt Ltd.
- 13 Suzuki Motorcycles India Pvt Ltd.
- 14 Swaraj Engines Ltd.
- 15 Suzuki Motor Gujarat Pvt Ltd
- 16 TATA Motors
- 17 Volvo Eicher Commercial Vehicles Ltd.
- 18 VST Tillers & Tractors Ltd.

## CLIENTS OF THE COMPANY (INTERNATIONAL)

- 1 Argo Tractors, Italy
- 2 Briggs & Stratton, USA
- 3 Generac Power Systems Inc, USA
- 4 Kohler Engines, USA
- 5 Kawasaki Motors Manufacturing Corp., USA
- 6 Lombardini, Italy
- 7 Wabco, Germany

## 5 YEARS FINANCIAL OF THE COMPANY

Particulars	2020	2019	2018	2017	2016	CAGR Growth
Total Income	229	232	215	188	176	7%
EBITDA	35	39	31	22	18	18%
PAT	17	20	11	6	5	7%
EPS (Per shr.)	70	81	47	23	20	17%
Equity	2.51	2.51	2.51	2.51	2.51	36%
Face Value	10	10	10	10	10	
Net worth	108	91	70	59	57	
Book Value	430	362	281	237	229	17%
Dividend	20%	30%	30%	30%	30%	

- 1 Out of the total turnover of the company – 40% Aftermarket, 30% OEM & 30% Export.
- 2 Maruti is one of the largest customer of the company (Contributes~9% of total income and US is one of the biggest market for OEM, where Elofic has its warehouse located in US to meet the high demand



## PEER COMPARISON

Elofic Industries Ltd can be compared with Auto Ancillary sector listed on BSE/NSE.

Auto Ancillary sector companies are trading at Avg Industrial PE – 40x , P/BV – 4.5 x to 5x , Mcap/Sales – 3x to 3.5x.

## WHY TO INVEST IN ELOFIC INDUSTRIES LTD ?

- 1 Elofic is planning to expand its operations to European, Japan, Middle East Countries, Newzeland , Australia, , etc.
- 2 Company caters to maintain 15-20% growth target year on year.
- 3 Elofic enjoys strong financial performance over the consecutive years, a leading brand name in auto filter market, positive growth projection with ever expanding marketing and production strategies.
- 4 Elofic Industries Ltd is specialized in Air purifier segment. This is a highly demanding segment these days due to rise in pollution all over India and in other countries of the world.
- 5 So being specialized in a niche segment gives Elofic a great opportunity to grow its brand name and gain market share , unlocking huge potential of gain for shareholders in long run. Elofic can grow to be a multi- bagger stock in long run.

## COMPANY WEBSITE

<http://www.elofic.com/>

## COMPANY CORPORATE VIDEO

<http://youtu.be/RL6oFjg2L5Y>

For buying and selling any unquoted / unlisted / delisted or suspended shares in physical or demat you can reach us at Contact No. +91 80100 09625 or Email us on [sales@unlistedzone.com](mailto:sales@unlistedzone.com)