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MEDIA SECTOR

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IRS Q3 2011 Analysis

Top 10 Dailies performance:

Q3 2011 saw the top ten dailies witness a rise in their readership profile, with Dainik Bhaskar registering the highest sequential growth of 5%QoQ(10.3%YoY) in its readership to reach 14.9mn at No.2 position. It performed as per the expectation in Ranchi/Jharkhand in terms of readership. Dainik Jagran continues to maintain its leadership position with 16.5mn readers at growth of 0.4% QoQ(3.2%YoY). Hindustan registered the highest growth annually increasing readership by 0.4%QoQ and 11%YoY. Of the top 10, Lokmat's readership saw the highest decline of 5% YoY and 2 % QoQ. Rajasthan Patrika also registered decline in its readership 4% YoY and 0.3% QoQ. Total AIR of top 10 dailies witnessed a rise of 0.6%QoQ and 3.2%YoY reflecting enduring growth in readership of the Indian print media.

Our Coverage Universe:

Jagran Prakashan: Dainik Jagran's readership level remained stable in Q3 2011, 0.4% increase QoQ (3.2% YoY), leading in UP market (largest print market-11% market share) with 37% market share and 9mn AIR, 28% higher readership compared to its closest competitor. It also witnessed an increase in readership in markets of Bihar, Jharkhand, and Uttaranchal.

DB Corp: Dainik Bhaskar continues its No.2 position growing fastest sequentially amongst top 10 dailies at 5%QoQ(10.3%YoY). The growth was largely led by launch of Dainik Bhaskar in Jharkhand reaching 0.6mn AIR in a short span of ten months of its launch. DB continues its dominance in key markets of MP (60% market share), Haryana, Chhattisgarh, Chandigarh and gives close competition to Rajasthan Patrika in Rajasthan. In MP, DB is far ahead of its peers with AIR of 3.9mn, 2.7mn more than the No.2 daily, Nai Dunia. Also, Divya Bhaskar in Gujarat with AIR of 3.6mn maintains its No.2 position consistently.

HMVL: The AIR of Hindustan stayed at 12mn, a 0.4%QoQ increase, at the third position in terms of readership, registering fastest annual growth of 11%. It continues to reign in Bihar and Jharkhand with 4.9mn and 1.7mn AIR. Its growth was mainly contributed by increased readership in UP(2%QoQ, 22%YoY), Bihar(1%QoQ, 8%YoY) and Jharkhand(7%YoY).

HT Media: HT Media's English publications Hindustan Times and Mint have successfully maintained their hold in key metros. Hindustan Times readership increased 6%YoY growing faster than TOI (3%YoY), leading in Delhi with 22% share at 2mn AIR and at No.2 position in Mumbai with 0.8mn AIR. Mint with 0.25mn AIR holds No.2 position amongst all business dailies. Its readership base rose 5% sequentially, much faster than Economic Times(3%QoQ).

VALUATIONS AND RECOMMENDATION

We remain optimistic on the Print media sector on account of ongoing growth in readership, consolidation in legacy markets and better advertising growth prospect than other media platforms. Dainik Jagran, Danik Bhaskar, Hindustan and HT Media together garner 22% market share of the AIR of Top 100 dailies. We maintain 'BUY' recommendation on DB Corp, Jagran Prakashan, HMVL and HT Media with target price of Rs270(18x FY13E EPS), Rs148(18x FY13E EPS), Rs180(16x FY13E EPS) and Rs172(18x FY13E EPS) respectively.

Sector Summary

KEY FINANCIALS

Company	CMP (Rs)	Mkt Cap (Rs bn)	Net sales (Rs mn)		EPS (Rs)		P/E (x)		TP (Rs)	Potential Upside(%)
			FY12E	FY13E	FY12E	FY13E	FY12E	FY13E		
DB Corp	192	37	14,795	17,184	12.0	15.0	17.0	13.7	270	41%
Jagran Prakashan	93	29	13,105	14,234	7.7	8.0	12.1	11.7	148	59%
HMVL	129	9	6,063	6,822	10.4	11.4	12.3	11.3	180	39%
HT Media	119	29	20,495	23,329	8.4	9.4	14.2	12.7	172	44%

Top 10 Dailies Readership

AIR (mn)	Q3 2010	Q2 2011	Q3 2011	% growth YoY	% growth QoQ
Dainik Jagran	16.0	16.4	16.5	3.2	0.4
Dainik Bhaskar	13.5	14.2	14.9	10.3	5.0
Hindustan	10.8	12.0	12.0	11.0	0.4
Malayala Manorama	9.9	10.0	9.9	(0.2)	(0.5)
Amar Ujala	8.6	8.9	8.8	2.9	(0.6)
Lokmat	7.8	7.6	7.4	(4.8)	(2.1)
The Times Of India	7.3	7.5	7.5	2.9	(0.1)
Daily Thanthi	7.2	7.3	7.4	2.8	2.2
Rajasthan Patrika	7.2	6.9	6.9	(4.1)	(0.3)
Mathrubhumi	6.7	6.7	6.6	(0.7)	(0.9)
Total	95.0	97.4	98.0	3.2	0.6

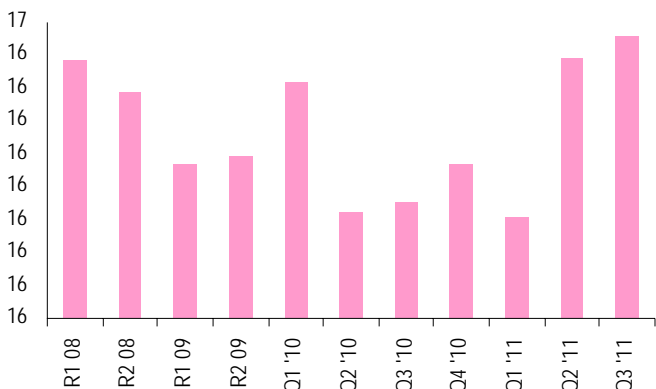
Source: IRS Q3 2011

Readership Trend

AIR(mn)	R1 08	R2 08	R1 09	R2 09	Q1 '10	Q2 '10	Q3 '10	Q4 '10	Q1 '11	Q2 '11	Q3 '11
Dainik Jagran	16.4	16.3	16.1	16.1	16.3	15.9	16.0	16.1	15.9	16.4	16.5
Dainik Bhaskar	12.8	13.0	12.9	12.9	13.3	13.3	13.5	14.0	14.0	14.2	14.9
Hindustan	8.7	9.2	9.3	9.3	9.9	10.1	10.8	11.5	11.8	12.0	12.0
Hindustan Times	3.3	3.5	3.5	3.3	3.5	3.5	3.5	3.6	3.7	3.7	3.7

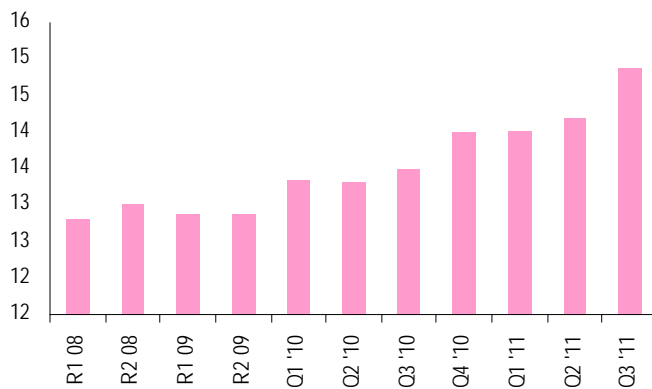
Source: IRS Q3 2011

Dainik Jagran (AIR mn)



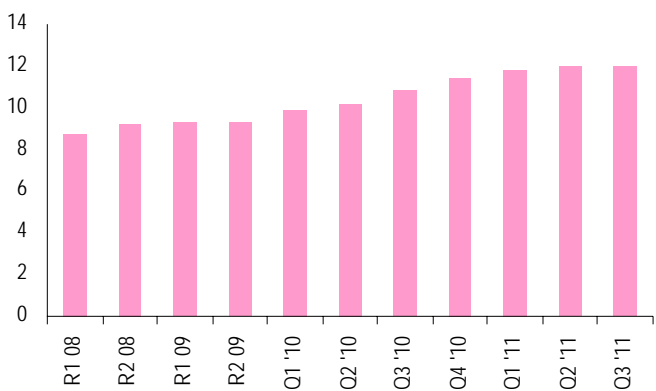
Source: IRS Q3 2011, PINC Research

Dainik Bhaskar (AIR mn)



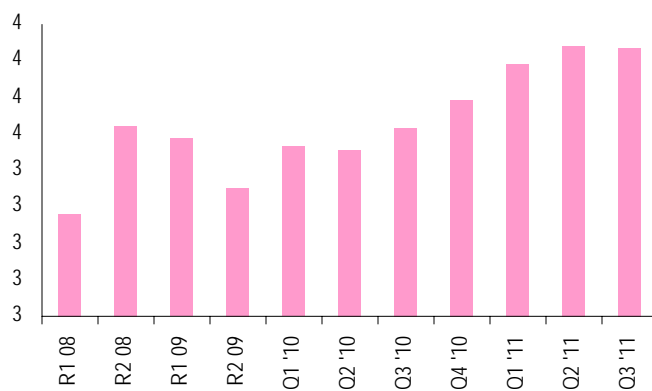
Source: IRS Q3 2011, PINC Research

Hindustan (AIR mn)



Source: IRS Q3 2011, PINC Research

Hindustan Times (AIR mn)



Source: IRS Q3 2011, PINC Research

DB CORP

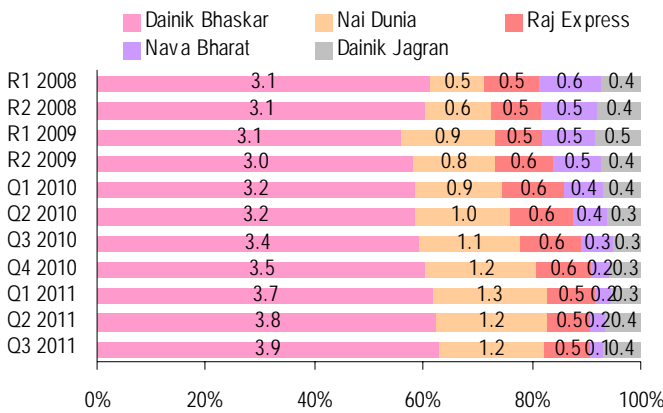
MAINTAIN BUY
CMP Rs192
TP Rs270

Dainik Bhaskar's readership expanded 5%QoQ and 10.3%YoY continuing its hold at No.2 position with AIR of 14.9mn. The growth in readership is led by the launch of Dainik Bhaskar in Jharkhand, getting reported in the total AIR data for the company. DB reaches 0.6mn readers in Jharkhand and in Ranchi it is at No. 3 position after Hindustan and Dainik Jagran. It captures 6.8% of the top 100 dailies in India, with robust growth in MP at 2%QoQ(16%YoY), Chattisgarh at 8%QoQ(10%YoY) and Rajasthan(5%YoY).

26% of DB's readership comes from MP market where it leads with AIR 3.9mn (44% market share) and has been growing consistently for the past 7 quarters way ahead of Nai Dunia, leading by 2.7mn readers.

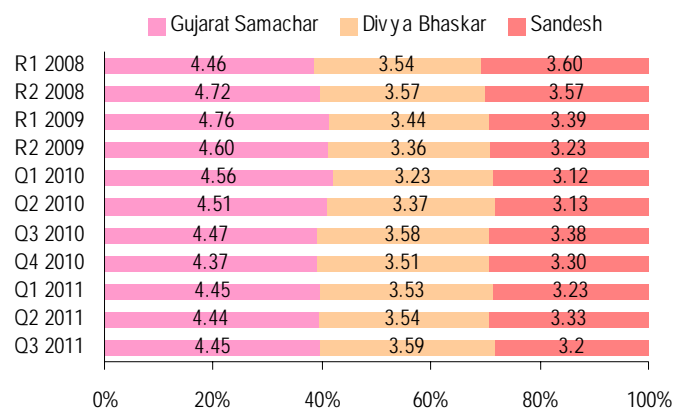
Divya Bhaskar in Gujarat continues to rank second after Gujarat Samachar which controls 19% of market share. Divya Bhaskar increased readership 2%QoQ to 3.6mn thus holding 15% market share.

MP (AIR mn)



Source: IRS Q3 2011, PINC Research

Gujarat (AIR mn)

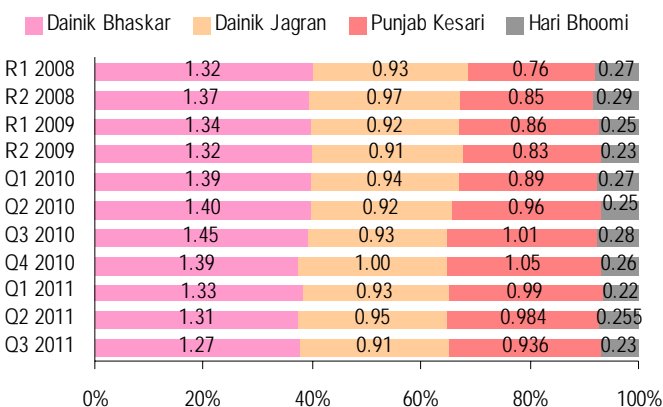


Source: IRS Q3 2011, PINC Research

SECTOR UPDATE

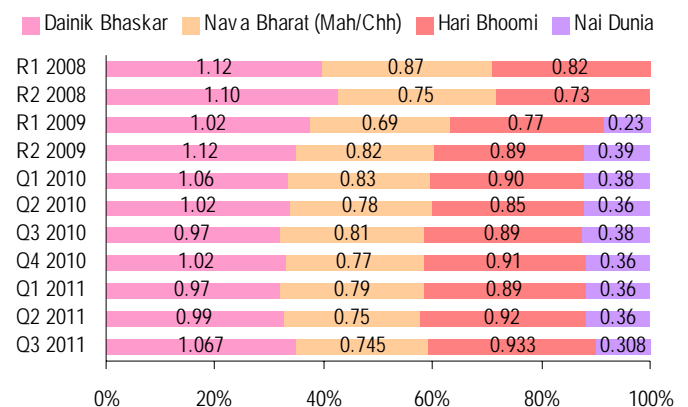
Even with some decline in readership in Haryana Dainik Bhaskar leads the way with AIR of 1.3mn capturing 30% market share. Chhattisgarh edition saw increase in AIR at 8%QoQ and 10%YoY reaching 1.1mn AIR with 17% market share.

Haryana (AIR mn)



Source: IRS Q3 2011, PINC Research

Chhattisgarh (AIR mn)



Source: IRS Q3 2011, PINC Research

Consolidated Financials

Year Ended March (Figures in Rs mn)

Income Statement	FY09	FY10	FY11	FY12E	FY13E
Net sales	9,490	10,630	12,652	14,795	17,184
Growth (%)	11.6	12.0	19.0	16.9	16.1
Gross profit	4,084	6,033	6,968	7,393	8,861
Other operating charges	2,731	2,604	2,937	3,614	4,287
EBITDA	1,353	3,429	4,031	3,779	4,574
Growth (%)	(20.8)	153.4	17.5	(6.2)	21.0
Depreciation	290	378	433	488	492
Other income	120	112	142	118	126
EBIT	1,183	3,163	3,740	3,409	4,208
Interest paid	402	357	153	151	108
PBT (before E/o items)	782	2,806	3,587	3,258	4,100
Tax Provision	423	1,057	1,000	1,053	1,353
E/o loss / (Income)	-	-	-	-	-
Net profit	358	1,749	2,587	2,205	2,747
Adj. net profit (Including MI)	476	1,828	2,585	2,204	2,747
Growth (%)	(36.6)	283.9	41.4	(14.7)	24.6
Diluted EPS (Rs)	2.8	10.1	14.1	12.0	15.0
Diluted EPS Growth (%)	(36.5)	256.9	40.0	(14.7)	24.6

Cash Flow Statement	FY09	FY10	FY11	FY12E	FY13E
Pre-tax profit	782	2,806	3,587	3,258	4,100
Depreciation	290	378	433	488	492
Total tax paid	(357)	(1,013)	(911)	(1,053)	(1,353)
Chg in working capital	122	(198)	(556)	(502)	(602)
Other operating activities	313	387	188	12	108
Cash flow from oper. (a)	1,150	2,360	2,741	2,203	2,745
Capital expenditure	(2,845)	(596)	(1,423)	(1,400)	(1,400)
Chg in investments	168	(1,273)	(3)	13	-
Other investing activities	-	(1)	845	-	-
Cash flow from inv. (b)	(2,677)	(1,871)	(581)	(1,387)	(1,400)
Free cash flow (a+b)	(1,527)	489	2,160	816	1,345
Equity raised/(repaid)	-	2,535	4	-	-
Debt raised/(repaid)	2,011	(2,268)	(835)	(500)	(500)
Change in Minorities Interest	-	-	-	-	-
Dividend (incl. tax)	(99)	(258)	(688)	(723)	(723)
Other financing activities	(395)	(396)	(134)	(151)	(108)
Cash flow from fin. (c)	1,517	(388)	(1,652)	(1,374)	(1,331)
Net chg in cash (a+b+c)	(356)	1,498	(219)	(558)	14

Balance Sheet	FY09	FY10	FY11	FY12E	FY13E
Equity Share capital	1,688	1,815	1,833	1,833	1,833
Reserves & surplus	889	4,672	6,456	7,937	9,961
Shareholders' funds	2,577	6,487	8,289	9,770	11,794
Minorities interests	124	44	4	-	-
Total Debt	5,631	3,207	2,372	1,872	1,372
Capital Employed	8,332	9,739	10,665	11,642	13,166
Net fixed assets	6,471	6,475	7,358	8,270	9,178
Net Other Current Assets	1,564	1,717	2,107	2,499	3,101
Cash & Cash Eq.	452	1,950	1,731	1,173	1,187
Investments	238	205	163	150	150
Net Deferred Tax Assets	(393)	(609)	(695)	(450)	(450)
Total assets	8,332	9,739	10,665	11,642	13,166

Key Ratios	FY09	FY10	FY11	FY12E	FY13E
OPM (%)	14.3	32.3	31.9	25.5	26.6
Net margin (%)	5.0	17.0	20.2	14.8	15.9
Yield (%)	0.2	1.0	1.0	1.7	1.7
Net debt/Equity (x)	1.9	0.2	0.1	0.1	0.0
Net Working Capital (days)	69	122	108	91	91
Asset turnover (x)	2.0	1.5	1.5	1.5	1.5
ROCE (%)	13.6	30.6	32.9	28.2	30.9
RoE (%)	18.5	28.2	31.2	22.6	23.3
EV/Net sales (x)	4.2	3.6	3.0	2.6	2.2
EV/EBITDA (x)	29.4	11.2	9.5	10.1	8.3
PER (x)	72.7	20.4	14.5	17.0	13.7
Price/Book (x)	13.4	5.7	4.5	3.8	3.2

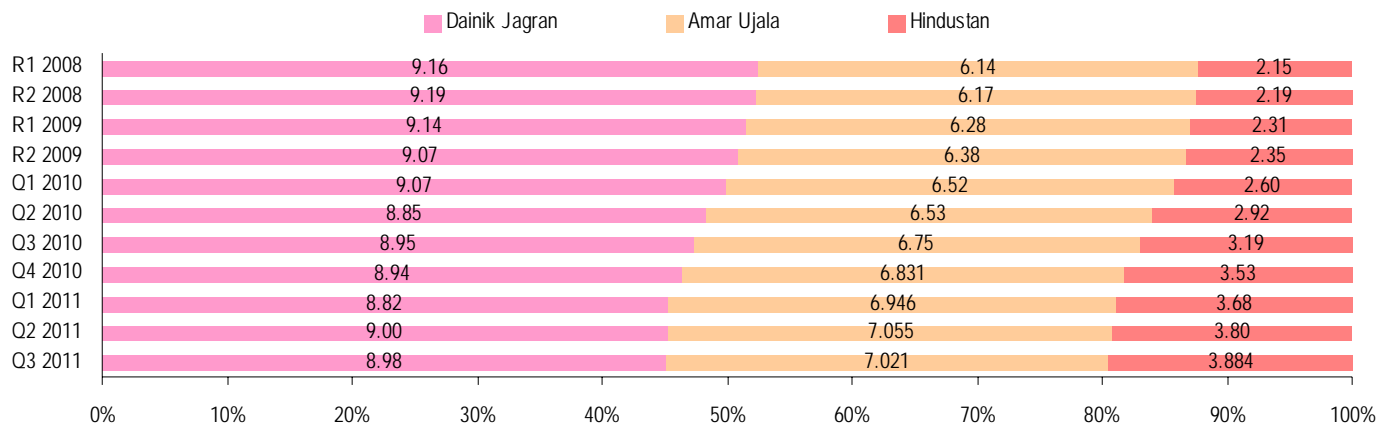
JAGRAN PRAKASHAN

MAINTAIN BUY
CMP Rs93
TP Rs148

Dainik Jagran registered a readership growth of 0.4% QoQ and 3.2%YoY. The growth was contributed by 4%QoQ and 14%YoY in Bihar and Jharkhand, and 6% QoQ and 12%YoY in Uttaranchal. Even with strong growth in these markets, the overall readership growth remained flat due to decline in AIR in Delhi, Punjab and Haryana.

Dainik Jagran is highly penetrated in the UP market, the largest market in terms of readership. UP is 11% of the total market of which Jagran has successfully garnered 37% share. The AIR in UP remained flat as Jagran has already penetrated deep into the market. Even with stiff competition from Amar Ujala(AIR 7mn) and Hindustan(AIR 3.9mn), Jagran maintains its dominance with a leap of 2mn readers at AIR of ~9mn.

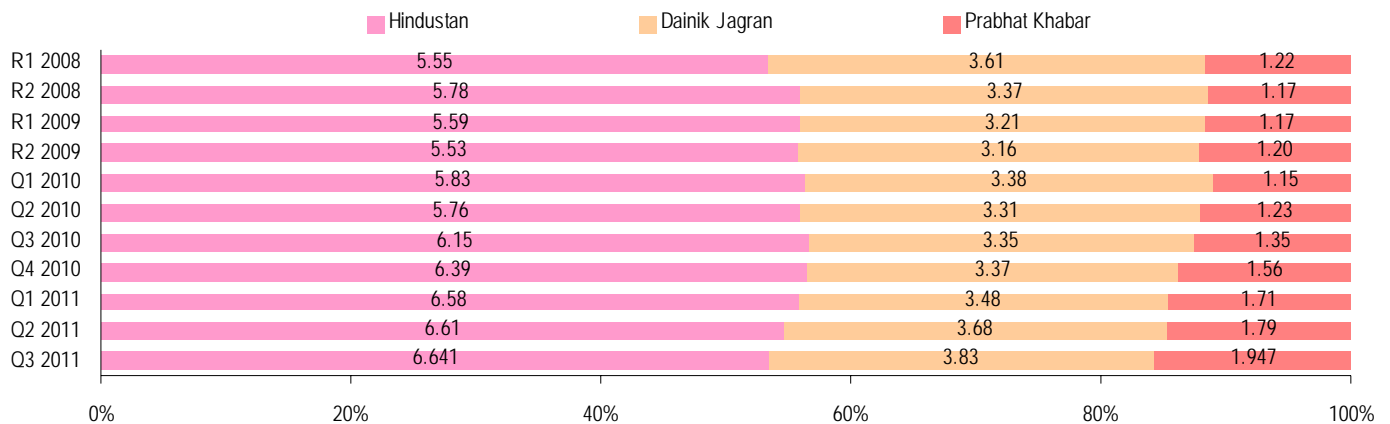
UP (AIR mn)



Source: IRS Q3 2011, PINC Research

With a combined market share of 27% in Bihar and Jharkhand, Dainik Jagran ranks second after Hindustan. It's AIR increased 4% QoQ and a strong 14%YoY to reach 3.8mn.

Bihar + Jharkhand (AIR mn)



Source: IRS Q3 2011, PINC Research

Consolidated Financials

Income Statement	FY09	FY10	FY11	FY12E	FY13E
Net sales	8,234	9,419	12,210	13,105	14,234
Growth (%)	9.8	14.4	29.6	7.3	8.6
Gross profit	3,990	5,470	6,621	7,149	7,700
Other operating charges	2,423	2,648	3,053	3,363	3,632
EBITDA	1,567	2,823	3,568	3,786	4,068
Growth (%)	(4.4)	80.1	26.4	6.1	7.5
Depreciation	383	507	655	690	760
Other income	227	343	256	190	148
EBIT	1,411	2,658	3,169	3,286	3,456
Interest paid	59	66	91	106	120
PBT (before E/o items)	1,352	2,592	3,079	3,180	3,336
Tax Provision	436	833	976	749	816
E/o loss / (Income)	-	-	23	-	-
Net profit	916	1,759	2,080	2,431	2,520
Adj. net profit (Including MI)	916	1,759	2,080	2,431	2,520
Growth (%)	(6.8)	91.9	18.3	16.9	3.7
Diluted EPS (Rs)	3.0	5.8	6.6	7.7	8.0
Diluted EPS Growth (%)	(6.8)	91.9	13.9	15.6	3.7

Cash Flow Statement	FY09	FY10	FY11	FY12E	FY13E
Pre-tax profit	1,352	2,592	3,056	3,180	3,336
Depreciation	383	507	655	690	760
Total tax paid	(413)	(749)	(1,018)	(749)	(816)
Chg in working capital	(125)	(259)	(368)	(246)	(224)
Other operating activities	(1)	(87)	8	288	120
Cash flow from oper. (a)	1,197	2,004	2,332	3,162	3,176
Capital expenditure	(1,319)	(454)	(1,811)	(1,500)	(1,550)
Chg in investments	378	22	(889)	517	400
Other investing activities	34	45	80	75	50
Cash flow from inv. (b)	(907)	(387)	(2,620)	(908)	(1,100)
Free cash flow (a+b)	289	1,618	(288)	2,254	2,076
Equity raised/(repaid)	-	-	-	-	-
Debt raised/(repaid)	580	(129)	400	(424)	(300)
Change in Minorities Interest	-	-	-	-	-
Dividend (incl. tax)	(352)	(1,409)	(527)	(1,285)	(1,469)
Other financing activities	(56)	(55)	(86)	(106)	(120)
Cash flow from fin. (c)	172	(1,593)	(212)	(1,816)	(1,889)
Net chg in cash (a+b+c)	461	24	(499)	439	188

Balance Sheet	FY09	FY10	FY11	FY12E	FY13E
Equity Share capital	602	602	633	633	633
Reserves & surplus	4,997	5,523	6,390	7,535	8,587
Shareholders' funds	5,599	6,125	7,022	8,168	9,219
Minorities interests	-	-	-	-	-
Total Debt	1,415	1,214	1,924	1,500	1,200
Capital Employed	7,014	7,339	8,947	9,668	10,419
Net fixed assets	3,990	3,941	5,469	6,255	7,045
Net Other Current Assets	1,149	1,460	1,715	1,962	2,185
Cash & Cash Eq.	828	852	362	801	989
Investments	1,568	1,666	2,017	1,500	1,100
Net Deferred Tax Assets	(521)	(580)	(617)	(850)	(900)
Total assets	7,014	7,339	8,947	9,668	10,419

Key Ratios	FY09	FY10	FY11	FY12E	FY13E
OPM (%)	19.0	30.0	29.2	28.9	28.6
Net margin (%)	10.8	18.0	16.7	18.3	17.5
Yield (%)	2.2	3.8	3.8	3.8	4.3
Net debt/Equity (x)	0.10	0.06	0.22	0.09	0.02
Net Working Capital (days)	88	90	62	77	81
Asset turnover (x)	1.7	1.7	1.7	1.5	1.4
ROCE (%)	18.7	33.6	33.1	31.2	30.5
RoE (%)	16.4	28.7	29.6	29.8	27.3
EV/Net sales (x)	3.5	3.0	2.5	2.3	2.1
EV/EBITDA (x)	18.2	10.1	8.7	8.0	7.3
PER (x)	30.6	15.9	14.1	12.1	11.7
Price/Book (x)	5	5	4	4	3

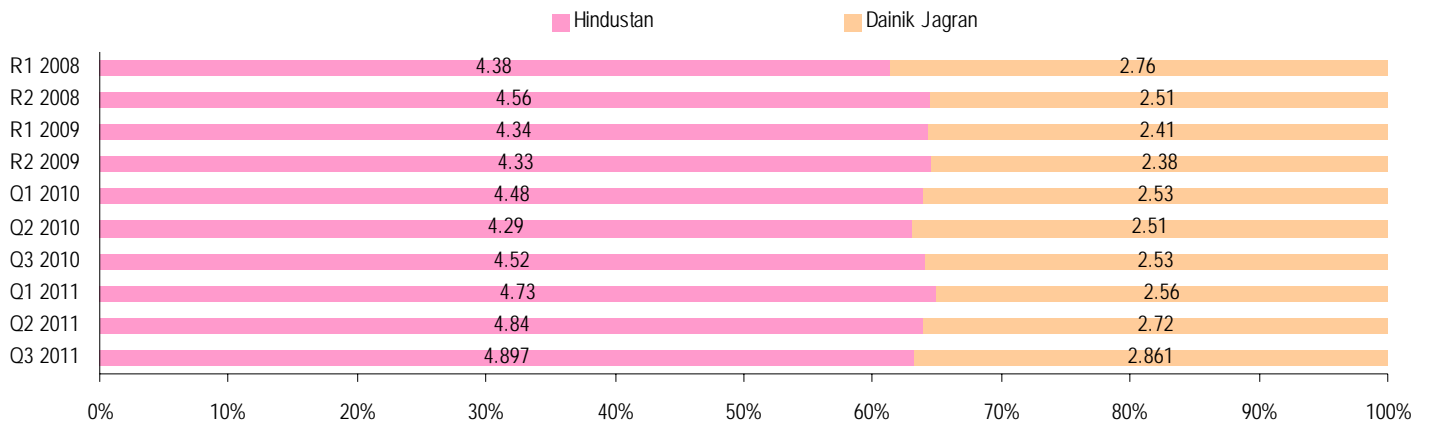
HINDUSTAN MEDIA VENTURES

MAINTAIN BUY
CMP Rs129
TP Rs180

Hindustan registered readership growth of 0.4%QoQ and a healthy 11%YoY, highest annual growth amongst top 10 dailies. The growth was led by its strong position in Jharkhand with AIR of 1.7mn(7% YoY), growing UP edition(2% QoQ and 22%YoY) and increased penetration in Bihar at 1%QoQ and 8%YoY.

Hindustan is a clear leader in Bihar with 53% market share followed by Dainik Jagran capturing 31% share. Its readership grew at 1%QoQ and 8%YoY.

Bihar (AIR mn)

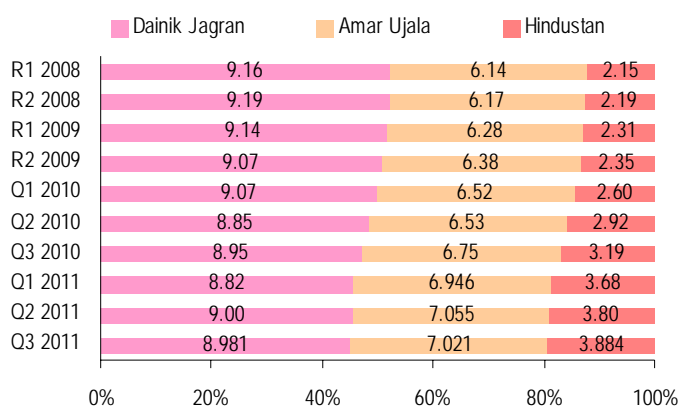


Source: IRS Q3 2011, PINC Research

Hindustan has been growing at a strong rate over the past few quarters in an attempt to increase its market share in the largest print market of UP which is dominated by Jagran. Its readership in UP witnessed a rise of 2%QoQ(22%YoY) increasing its market share to 16% from 14%(Q3 2010) whereas the whole of UP market readership grew at 6%YoY and remained flat sequentially.

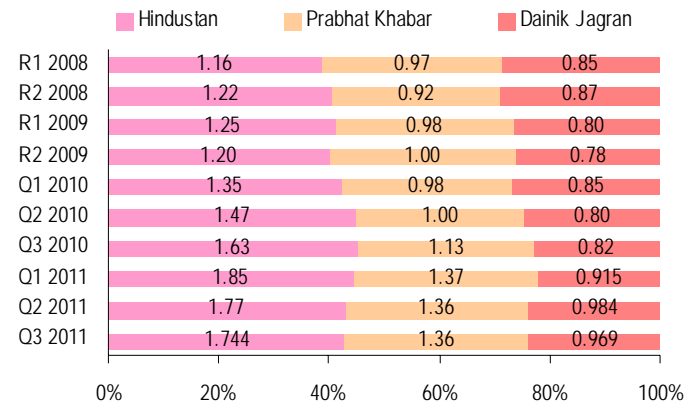
With flat readership in Jharkhand, Hindustan continues to maintain its leadership even with stiff competition from Prabhat Khabar. Hindustan's readership in Jharkhand grew 7%YoY to 1.7mn capturing 35% market share.

UP (AIR mn)



Source: IRS Q3 2011, PINC Research

Jharkhand (AIR mn)



Source: IRS Q3 2011, PINC Research

Standalone Financials

Income Statement	FY09	FY10	FY11	FY12E	FY13E
Net sales	176	1,623	5,197	6,063	6,822
Growth (%)	4.8	820.8	220.2	16.7	12.5
Gross profit	69	713	2,318	2,822	3,104
Other operating charges	64	466	1,432	1,686	1,795
EBITDA	5	246	886	1,137	1,309
Growth (%)	(38.0)	4,555.0	259.6	28.2	15.1
Depreciation	4	25	164	195	236
Other income	1	47	83	175	199
EBIT	3	268	805	1,117	1,272
Interest paid	-	37	43	23	28
PBT (before E/o items)	3	230	762	1,094	1,244
Tax Provision	1	76	226	327	409
E/o loss / (Income)	1	-	-	-	-
Net profit	1	154	536	767	835
Adj. net profit (Including MI)	1	154	536	767	835
Growth (%)	43.2	19,654.3	248.0	43.1	8.9
Diluted EPS (Rs)	0.3	2.7	7.3	10.4	11.4
Diluted EPS Growth (%)	(68.6)	805.8	170.9	43.1	8.9

Cash Flow Statement	FY09	FY10	FY11	FY12E	FY13E
Pre-tax profit	2	230	762	1,094	1,244
Depreciation	4	25	165	195	236
Total tax paid	2	(30)	(191)	(327)	(409)
Chg in working capital	(3)	207	(134)	932	131
Other operating activities	(1)	5	(30)	23	28
Cash flow from oper. (a)	3	438	570	1,916	1,230
Capital expenditure	(10)	(235)	(293)	(600)	(700)
Chg in investments	0	(312)	(1,578)	(610)	(400)
Other investing activities	1	3	18	-	-
Cash flow from inv. (b)	(9)	(544)	(1,853)	(1,210)	(1,100)
Free cash flow (a+b)	(5)	(107)	(1,283)	706	130
Equity raised/(repaid)	-	455	2,562	-	-
Debt raised/(repaid)	-	1,350	(1,350)	(25)	20
Change in Minorities Interest	-	-	-	-	-
Dividend (incl. tax)	-	-	-	(86)	(86)
Other financing activities	-	(1,434)	159	(23)	(28)
Cash flow from fin. (c)	-	371	1,371	(134)	(94)
Net chg in cash (a+b+c)	(5)	265	89	572	36

Balance Sheet	FY09	FY10	FY11	FY12E	FY13E
Equity Share capital	70	571	734	734	734
Reserves & surplus	36	182	3,056	3,736	4,485
Shareholders' funds	106	754	3,790	4,470	5,219
Minorities interests	-	-	-	-	-
Total Debt	-	1,350	205	180	200
Capital Employed	106	2,104	3,995	4,650	5,419
Net fixed assets	76	1,559	1,686	2,091	2,555
Net Other Current Assets	23	(33)	93	(838)	(969)
Cash & Cash Eq.	6	271	361	934	969
Investments	-	312	1,890	2,500	2,900
Net Deferred Tax Assets	(0)	(6)	(36)	(36)	(36)
Total assets	106	2,104	3,995	4,650	5,419

Key Ratios	FY09	FY10	FY11	FY12E	FY13E
OPM (%)	3.0	15.2	17.1	18.7	19.2
Net margin (%)	0.4	9.2	10.1	12.3	11.9
Yield (%)	0.0	0.0	0.8	0.8	0.8
Net debt/Equity (x)	(0.06)	1.02	(0.54)	(0.73)	(0.70)
Debtors (days)	50	161	54	56	57
Asset turnover (x)	1.4	1.1	2.8	2.5	2.3
ROCE (%)	2.7	23.9	20.0	23.8	23.3
RoE (%)	0.7	35.8	14.1	17.2	16.0
EV/Net sales (x)	5.1	5.2	1.8	1.4	1.3
EV/EBITDA (x)	169.0	34.3	10.5	7.7	6.6
PER (x)	-	-	17.7	12.3	11.3
Price/Book (x)	-	-	2	2	2

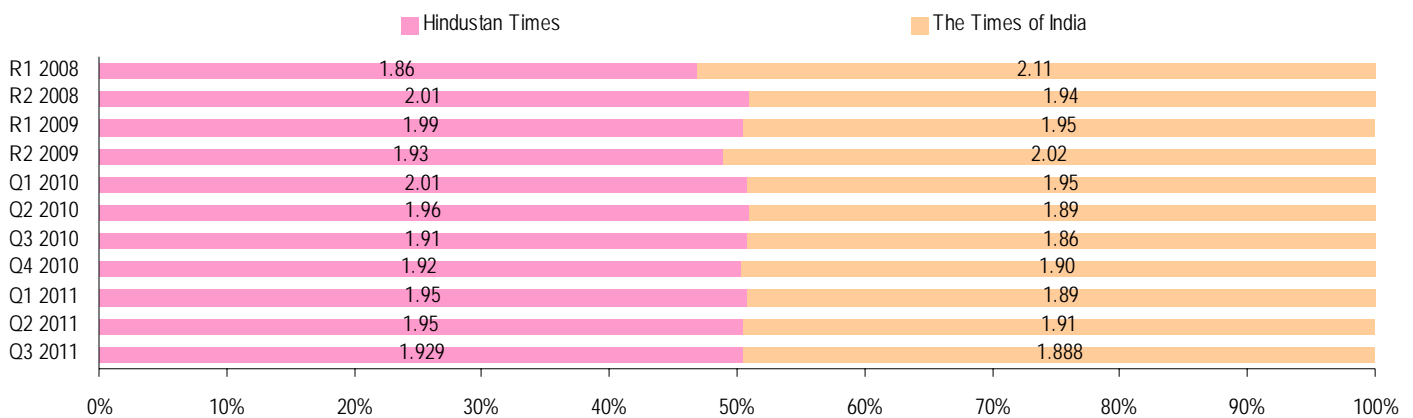
HT MEDIA

MAINTAIN BUY
CMP Rs119
TP Rs172

HT Media owned English daily Hindustan Times readership remained flat sequentially and increased 6%YoY to 3.7mn. Hindustan Times expanded share in the metros with increased presence in Delhi, NCR where it beats TOI readership by 0.07mn and is growing at a healthy pace in Mumbai where it ranks second after TOI. HT Media's business publication, Mint's readership grew 5% YOY to 0.25mn with 29% market share in key metros and ranks second after Economic times.

Hindustan Times continues to maintain its leadership over TOI in Delhi with readership of near 2mn, witnessing readership growth at 1%YoY against decline in readership of TOI which degrew 2%YoY. Mint registered a growth of 19% YoY in Delhi NCR.

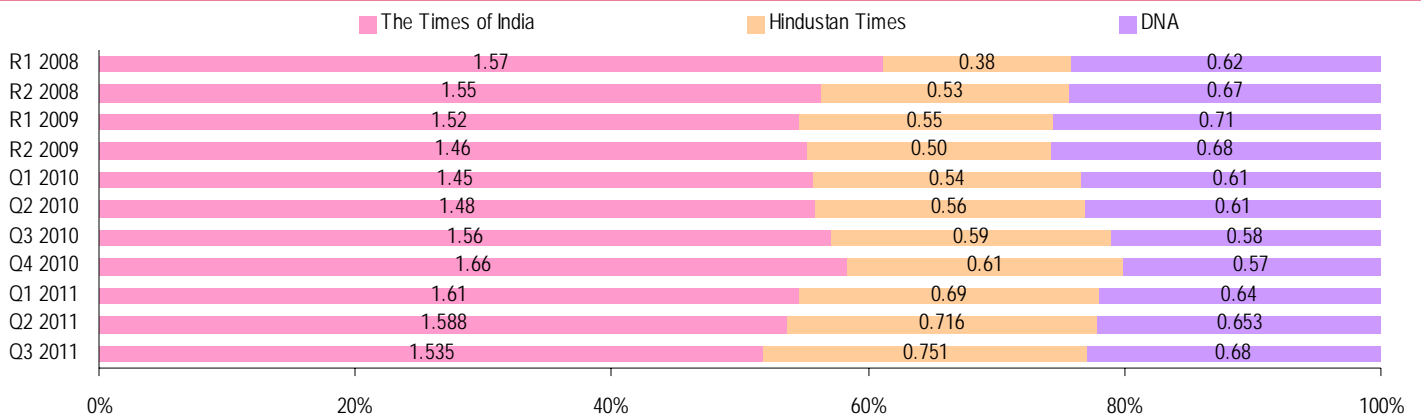
Delhi (AIR mn)



Source: IRS Q3 2011, PINC Research

Hindustan Times readership has grown at a strong pace in Mumbai by 5%QoQ(27%YoY) adding 0.03mn readers over Q2 2011, striving hard to maintain its second position in the market primarily dominated by TOI. It successfully reduced the readership gap with TOI reaching AIR of 0.75mn ahead of DNA's AIR of 0.68mn.

Mumbai (AIR mn)



Source: IRS Q3 2011, PINC Research

Consolidated Financials

Year Ended March (Figures in Rs mn)

Income Statement	FY09	FY10	FY11	FY12E	FY13E
Net sales	13,466	14,129	17,674	20,495	23,329
Growth (%)	11.9	4.9	25.1	16.0	13.8
Gross profit	3,170	2,241	3,240	3,670	4,301
Other operating charges	2,291	(313)	69	(291)	(110)
EBITDA	879	2,554	3,171	3,961	4,411
Growth (%)	(48.3)	190.6	24.2	24.9	11.4
Depreciation	688	707	842	1,115	1,138
Other income	330	409	478	475	399
EBIT	521	2,256	2,807	3,321	3,672
Interest paid	323	295	236	213	218
PBT (before E/o items)	198	1,961	2,571	3,108	3,454
Tax Provision	125	536	713	1,026	1,140
E/o loss / (Income)	189	69	-	-	-
Net profit	(116)	1,355	1,858	2,082	2,314
Adj. net profit (Including MI)	9	1,359	1,809	1,971	2,198
Growth (%)	(99.1)	14,906.6	33.1	9.0	11.5
Diluted EPS (Rs)	0.0	5.8	7.7	8.4	9.4
Diluted EPS Growth (%)	(99.1)	14,906.6	33.1	9.0	11.5

Cash Flow Statement	FY09	FY10	FY11	FY12E	FY13E
Pre-tax profit	9	1,891	2,571	3,108	3,454
Depreciation	688	707	842	1,115	1,138
Total tax paid	(205)	(407)	(515)	(1,026)	(1,140)
Chg in working capital	1,313	1,785	(328)	(275)	(113)
Other operating activities	284	166	(82)	213	218
Cash flow from oper. (a)	2,089	4,142	2,487	3,135	3,556
Capital expenditure	(2,597)	(1,575)	(773)	(1,000)	(1,100)
Chg in investments	(1,126)	(1,778)	(3,098)	295	(200)
Other investing activities	280	574	925	(691)	535
Cash flow from inv. (b)	(3,443)	(2,779)	(2,946)	(1,396)	(765)
Free cash flow (a+b)	(1,354)	1,363	(459)	1,739	2,792
Equity raised/(repaid)	2	-	1,979	(0)	-
Debt raised/(repaid)	1,491	(490)	(881)	(584)	(300)
Change in Minorities Interest	-	-	-	-	-
Dividend (incl. tax)	(110)	(70)	(85)	(137)	(137)
Other financing activities	(300)	(373)	(343)	(931)	(869)
Cash flow from fin. (c)	1,084	(934)	670	(1,653)	(1,307)
Net chg in cash (a+b+c)	(270)	429	211	86	1,485

Balance Sheet	FY09	FY10	FY11	FY12E	FY13E
Equity Share capital	470	470	470	470	470
Reserves & surplus	8,015	9,241	12,552	14,386	16,446
Shareholders' funds	8,485	9,711	13,022	14,856	16,916
Minorities interests	(69)	218	1,299	-	-
Total Debt	3,706	4,021	3,122	2,539	2,239
Capital Employed	12,122	13,950	17,443	17,394	19,155
Net fixed assets	7,717	8,407	8,244	8,128	8,091
Net Other Current Assets	871	(142)	367	642	755
Cash & Cash Eq.	705	1,087	1,152	1,239	2,724
Investments	3,035	4,755	7,595	7,300	7,500
Net Deferred Tax Assets	(206)	(156)	86	86	86
Total assets	12,122	13,950	17,443	17,394	19,155

Key Ratios	FY09	FY10	FY11	FY12E	FY13E
OPM (%)	6.5	18.1	17.9	19.3	18.9
Net margin (%)	0.1	9.3	10.0	9.4	9.3
Yield (%)	0.3	0.3	0.3	0.4	0.4
Net debt/Equity (x)	-	(0.19)	(0.43)	(0.40)	(0.47)
Debtors (days)	60	63	52	60	60
Asset turnover (x)	1.6	1.4	1.5	1.6	1.6
ROCE (%)	4.5	17.1	17.8	19.2	20.2
RoE (%)	0.1	14.9	15.9	14.1	13.8
EV/Net sales (x)	2.3	2.2	1.7	1.4	1.2
EV/EBITDA (x)	35.2	12.1	9.4	7.4	6.2
PER (x)	3,087.9	20.6	15.5	14.2	12.7
Price/Book (x)	3	3	2	2	2

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Rating Objective		
Rating	Large Caps	Mid Caps
	M.Cap > USD1bn	M.Cap <= USD1bn
Return %		
BUY	More than 15	More than 20
Accumulate	5 to 15	10 to 20
Reduce	(-)5 to +5	0 to 10
Sell	Below (-)5	Less than 0



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