Global Equity Research - India

Initiating Coverage

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Sector: Capital Goods

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Cummins India (Rs278)

Outperformer

Power and infrastructure to be the pile drivers of growth

Target Price Rs335

Cummins India (CIL) is well poised to benefit from the growing demand for engines considering the upbeat manufacturing and construction activity. Its genset segment is also expected to witness strong CAGR of 23% due to rising power deficit in the country. We expect the company's operational efficiency and cost reduction activity to drive profitability going ahead. We expect the revenue to grow at a CAGR of 19.7% to Rs 30 bn and net profit to increase at a CAGR of 29.6% to Rs 3.9 bn by FY09. On the back of stronger earnings growth to sustain, we expect the stock to experience valuation re-rating and rate as an Outperformer with the target of Rs 335

Strong demand from user industry: The strong growth in manufacturing and construction sectors, with greater mechanization is expected to drive the growth in equipments and tools to be used in these industries leading to higher demand for engines and capital goods. The company is the leader in emission technology and is expected to benefit from rising demand for fuel efficient engines for commercial vehicles and compressed natural gas (CNG) buses. We expect the engine sales to increase at a CAGR of 21.3% to Rs 25 bn by FY09. The irregular and deficit power supply and growing demand for reliable emergency back up power requirements from telecommunication and hospitals is expected to drive the demand for power generation products.

Export opportunities: With rising competition, the parent company is likely to source from its subsidiaries in low cost countries like India, Brazil and China. This is expected to create a large, long term opportunity for taking a substantial share of the global Cummins sourcing activity due to its technical capabilities and cost competitiveness. The exports for FY06 grew by 34.5% to Rs 5.4 bn and we expect it to grow at a CAGR of 11.6% over next three years to reach Rs 7.6 bn by FY09.

Surplus cash to fund growth plans: CIL has net cash of Rs1,320 mn and expected to touch Rs 2,816 mn over next three years even after considering capital investment of Rs2,100mn for capacity expansion, new product development and modernization of facility. The company is expected to generate attractive return of around 26% on its capital employed on relatively strong earnings visibility and is expected to maintain good dividend payouts of 30%.

Attractive valuation: At a current price of Rs278, the stock is trading at 21.8x FY07 and 16.8x FY08 earnings and EV/EBIDTA it is trading at 16.6xFY07E and 12.2x FY08E. The valuation looks attractive given the leadership position in engines and gensets with significant growth opportunities for the company. We have valued the company at 20xFY08 earnings at Rs335 at which it would trade at EV/EBIDTA of 15xFY08 and PEG of 0.68

Cummins India

Reuters/Bloomberg Code	CUMM.BO / KKC@IN
Market Cap (Rs mn)	54,054
Market Cap (US$ mn)	1,188
Shares Outstanding (mn)	198
52-week High/Low (Rs)	294 / 142
Major Shareholders (%)	
Promoters	51.0
FIIs	15.1
Banks/MFs	18.7
Others	2.6
Public	12.6

Y/E Sep (Rs Mn)	FY2005	FY2006	FY2007E	FY2008E	FY2009E
Revenues	14,711	17,751	21,870	25,912	30,093
Op Profit	1,794	2,543	3,611	4,777	5,825
Net Profit	1,357	1,841	2,551	3,320	3,994
EPS (Rs)	6.9	9.3	12.9	16.8	20.2
EPS Growth (%)	26.5	35.7	38.5	30.1	20.3
Operating Margin (%)	12.2	14.3	16.5	18.4	19.4
PER (x)	39.8	29.4	21.2	16.3	13.5
EV/EBITDA (x)	37.9	24.1	16.1	11.8	9.3
Price/Sales (x)	3.7	3.0	2.5	2.1	1.8
Dividend yield (%)	1.5	1.5	1.6	1.8	2.2
RoCE (%)	16.4	23.9	30.8	34.4	35.3
ROE (%)	17.8	21.6	25.5	27.3	27.1

Source: Company and Karvy Estimates

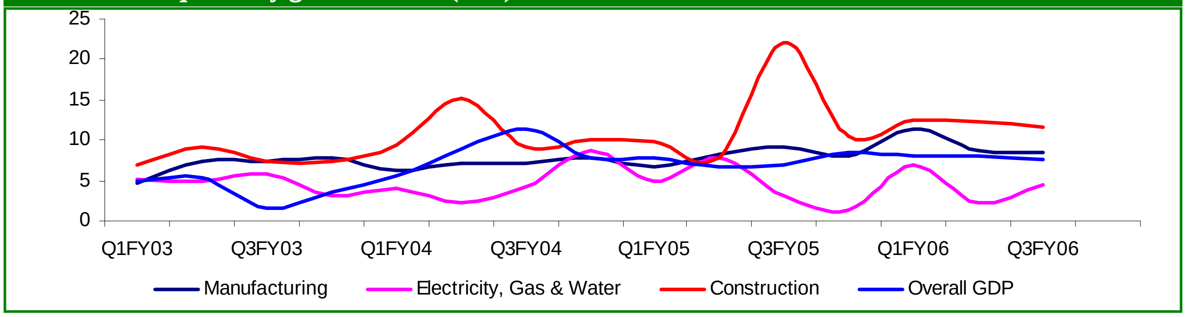
Investment Positives

Cummins India (CIL) is a leading manufacturer of diesel and natural gas engines for power generation, Industrial and automotive market. The increasing investment into infrastructure in India is expected to continue to spur strong demand for the company's products.

Growing domestic market on back of upbeat Manufacturing and Construction activity

Manufacturing and construction have shown very strong growth due to the boom in automotive, consumer durables, realestate, roads and organized segments during the past two years (see Exhibit 1) and is expected to remain positive in coming years as well. The construction industry is expected to grow from US $50 bn in 2005 to US $ 100 billion in 2010 with significant growth in real estate, road construction and water projects. The Infrastructure projects such as port up gradation, petrochemical complexes and river linking projects is expected to drive the growth in fire fighting and duty pump applications. The greater mechanization and a requirement to meet deadlines is expected to have positive impact on the demand for engines and capital goods.

Exhibit 1: The quarterly growth trend (YoY)



Source: KSBL research, CSO

The company also caters to the needs of the mining sector which has shown sluggish growth in the past. However the efforts are now being taken to improve production and meet domestic demand. The country has coal reserves of 90 bn tonnes and more than 50% of domestic need for power is met by coal. With the privatization of coal mines and entry of global firms in mining is expected to increase the use of sophisticated equipments and hence more engine sales for the company. The company manufactures sturdy engines which can withstand extreme conditions prevailing in the mines which help to improve productivity of mining equipment in coal, iron-ore, cement and lignite mines. Again, the shift towards higher tonnage equipments in the mining industry is expected to improve the sale of larger engines for the company.

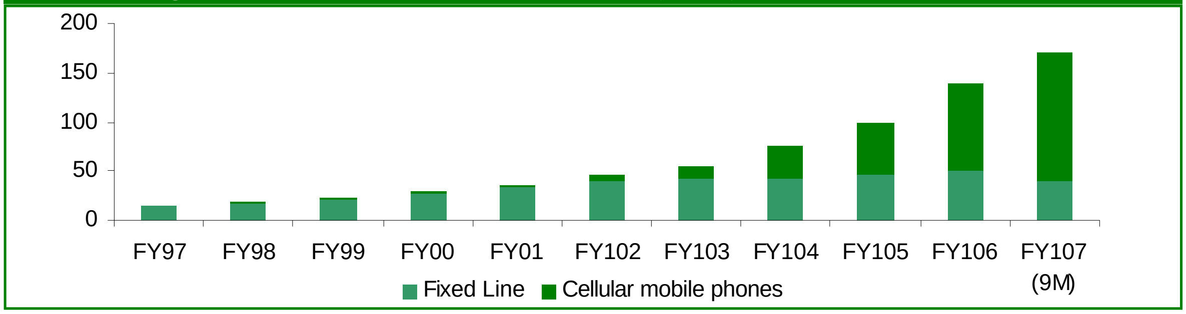
Opportunities in Power Sector

CIL provides generator sets to fulfill captive power requirement of various industries well as back up operation in hospitals and communication industry for emergency requirements. The power generation accounts for 45% of total domestic revenue and we expect it to remain a major growth driver for the company.

The country is facing power deficit in various geographic regions and the power deficit of 8-9% is expected to remain over next 4-5 years on back of strong power demand. This is expected to drive demand for power generation equipments. The demand for natural gas and renewable fuels in the captive power plants, especially in high horsepower on site power applications is increasing as its pricing is more advantageous than diesel and is also more environment friendly. CIL is developing gas generator ranging from 20 KW - 300 KW power plants to cater to the growing demand for fuel efficient gensets.

CIL provides reliable emergency back up power and there is growing demand from emergency operations like telecommunication and hospitals. Reliance Infocomm depends on more than 3,000 Cummins maintained gensets across 19 states in India. The total telecom subscriber base in the country has increased at a CAGR of 38% over past five years and is expected to remain strong going ahead with increasing penetration and rising household income.

Exhibit 2: The growth in Telecommunication scrubbers (in mn)



Source: KSBL research, CSO

Commercial vehicle sales to grow at CAGR of 8-9%

CIA's automotive business provides Bharat Standard (BS) II compliant compressed natural gas (CNG) engines and BS II compliant 300 HP C Series engines. The commercial vehicles are expected to grow at 8% and competition in the medium and heavy commercial vehicle segment is expected to intensify with new entrants like Force Motors, Asia Motors and Mahindra International Limited. Cummins is a leader in emission technology and likely to benefit from implementation of Bharat stage II and Bharat stage III norms. The demand in higher horsepower trucks and engines is expected to increase after Supreme Court directive for enforcement against overloading. The CNG continues to be emergence as a credible alternative fuel for city buses. The company is focusing to consolidate its position in the CNG bus market in conjunction with OEMs such as Tata Motors and we expect significant demand for higher HP lean burn CNG engine developed by the company.

Cost reduction initiatives to ease pressure on margins

Cummins India is a leader in the use of Six Sigma methodology in India. This systematic data and analysis based improvement approach has helped the company to reduce the cost and change the decision making culture to a more objective one. Design For Six Sigma (DFSS) projects implemented in FY06 resulted in savings and cost avoidance of worth Rs 90 mn. It executed twenty projects with multiple business benefits and made quantifiable savings of around Rs 190 mn during the 2005-06 financial year. We expect the company's efforts to drive efficiency in its operation with use of six sigma for controlling the total cost of sourcing and productivity enhancing initiative will help to control operating cost significantly and ease pressure on margins.

Export opportunities

The company exports mainly heavy duty and high power products in the range of 38 ltr and 50 ltr (2000-2500 hp) which are mainly used in power generation applications to parent company in US as well as other customers in Europe and Asia. It is selling 14 L engines for the rail market in Europe and South East Asia. It is also developing electronic engine for rail market in Japan, Korea, Indonesia and Philippines. The total export revenue of Cummins India is about 1.4% total manufacturing base of Cummins Inc globally representing huge export opportunities. With rising competition there is increasing pressure on parent company to source from manufacturing base in low cost countries like India, Brazil and China. This is expected to create a large long term opportunity for taking a substantial share of the global Cummins sourcing activity due to its technical capabilities and cost competitiveness. The exports for FY06 grew by 34.5% to Rs 5.4 bn. However we expect export growth to come down on a comparative basis with higher base and expect it to grow at a CAGR of 11.6% over next three years to reach Rs 7.6 bn by FY09.

Strong Cash generation will fund growth plans

The company has net cash of Rs1,320mn and expected to touch Rs2,816mn over next three years. CIL is setting up a new production facility near Pune with annual capacity of 15,000 engines to support increased volumes and new product launches in lower end (below 30 HP) and is expected to be operational by December 2007. We have assumed capital expenditure of Rs2,100mn till FY09 for capacity expansion, product development and modernization of facility. The company is expected to generate attractive return of around 26% on its capital employed which will generate enough cash to maintain good dividend payouts.

Business Risks

1. The increase in fuel and crude price will result in increased shift towards stand by application for generator sets. It will also have negative impact on profitability of equipment users and could adversely impact the industrial engine business.

2. The government is reducing the import tariffs on capital goods. It reduced import tariff from 20% to 12.5% in 2006-07 and expected to reduce further to 5% in 2008-09, which will result in increased imports and competition from global engine players as they are expected to adopt aggressive pricing strategies.

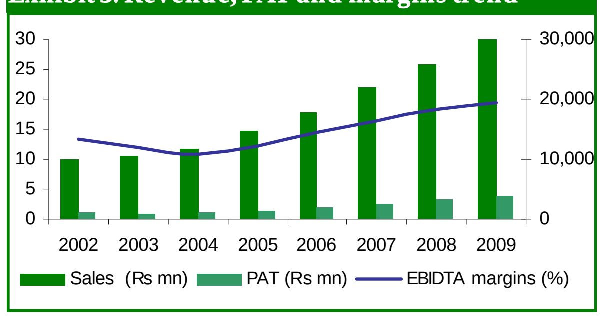
3. The water well market continues in its cyclical downturns which is expected adversely affect engine sales in the compressor segment.

Financials

On consolidated basis CIL reported the revenue growth of 20.7% to Rs 17.75 bn and net profit increased by 31% to Rs 1.69 bn in FY06. Apart from strong demand from user industry, the new products along with investment in capital are expected to enhance revenue growth. CIL is setting up a new production facility near Pune with annual capacity of 15,000 engines to support increased volumes and new product launches in lower end (below 30 HP) and is expected to be operational by December 2007. We expect the revenue from engines to increase at a CAGR of 21.3% to Rs22bn while revenue from generator sets to grow at a CAGR of 22.9% to 1.18 bn by FY09. The company is expected to perform decently on export front and we have assumed the CAGR growth of 11.6% to Rs 7.57 bn by FY09. Overall, we expect the revenue growth of CAGR 19.2% over next three years to Rs 30 bn.

We expect the margin improvement with better sourcing, higher indigenization level and better pricing power in high horse power segments. The company is benefiting from six sigma implementation to control the cost and wastage. With the increasing revenue the operating leverage will enhance the margins going ahead. We expect EBIDTA margins to increase from 14.3% in FY06 to 16.5% in FY07 and to reach 19.4% in FY09. The operating profit is expected to increase at a CAGR of 31.8% to Rs 5.82 bn in FY09. The net profit is expected to increase at a CAGR of 29.6% to Rs 3.9 bn in FY09.

Exhibit 3: Revenue, PAT and margins trend



Source: KSBL research, company

Capacity expansion plans

CIL is setting up a new production facility near Pune with annual capacity of 15,000 engines to support increased volumes and new product launches in lower end (below 30 HP) and is expected to be operational by December 2007. It incurred expenditure of Rs225.6mn in FY06 on research and development for product development and is investing around 1.5% of sales annually. We have assumed capital expenditure of Rs 400 mn in FY07 and Rs 1,000 mn in FY08 and expected to invest around Rs 700 mn in FY09 to fund the growth plans. CIL has surplus cash of around Rs 2.3 bn and strong cash generation with attractive return of around 24% on capital employed is expected to maintain very low debt to equity ratio of around 0.03.

Valuation

At a current price of Rs278, the stock is trading at 21.8x FY07 and 16.8x FY08 earnings and EV/EBIDTA it is trading at 16.6xFY07E and 12.2x FY08E. The operating margins are expected to improve with better control on the raw material souring and operating leverage. The company is expected to generate around 26% return on equity on relatively strong earnings visibility. The valuation looks attractive given the leadership position in engines and gensets and 30% CAGR in earnings over next three years. We have valued the company at 20xFY08 earnings at Rs 335 at which it would trade at EV/EBIDTA of 15xFY08 and PEG of 0.68

Quarterly results update

For Q2FY07, Cummins India reported the revenue growth of 31% to Rs 4.6 bn on back of strong growth in all user industries such as construction, mining and infrastructure. The exports increased by 4% to Rs 1.4 bn while the domestic sales grew by 48% to Rs 3.2 bn. With performing well, the domestic markets continue to show strong growth.

The favorable product mix, cost reduction efforts helped the operating margins to improve by 500 bps to 16.8% on YoY basis. The operating profit grew by 86% to Rs 785.8 mn. Overall, net profit increased by 66% to Rs 627 mn translating into EPS of 3.17

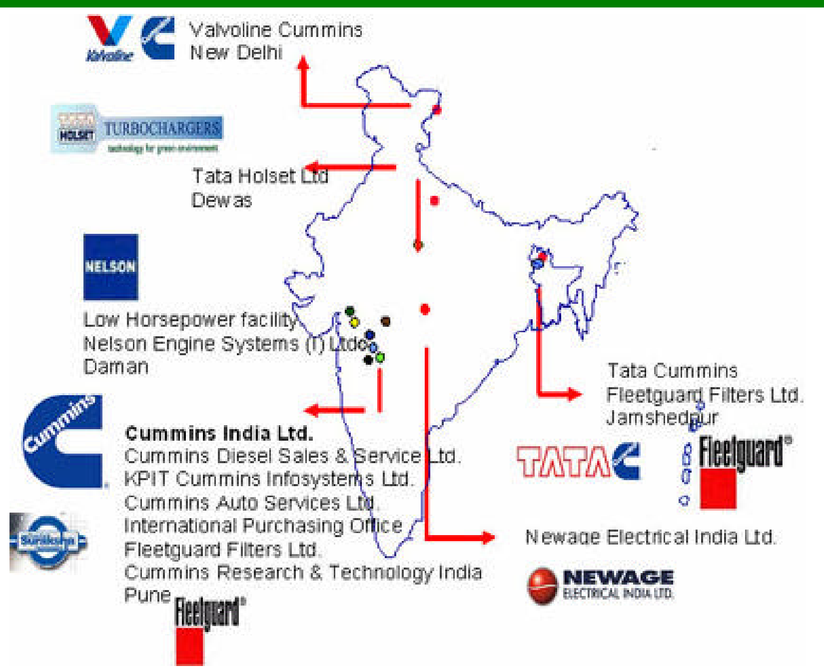
For H1FY07, CIL registered 25% YoY growth in sales to Rs 8.58 bn. The operating profit grew by 63% to Rs 1.4 bn with 380 bps increase in margins to 16.4%. Net profit increased by 55% YoY to Rs 1.13 bn.

Rs Million	Q2FY2006	Q1FY2007	Q2FY2007E	YoY Growth	QoQ Growth	H1FY2006	H1FY2007E	YoY Growth
Revenues	3,573	3,915	4,674	31	19	6,853	8,589	25
Op expenses	3,151	3,295	3,889	23	18	5,992	7,184	20
Operating profit	422	619	786	86	27	861	1,405	63
Operating margin (%)	11.8	15.8	16.8	-	-	12.6	16.4	-
Other income	216	163	195	(10)	20	377	357	(5)
Interest	1.6	0.4	0.4	(75)	(10)	3.6	0.8	(77)
Depreciation	83	81	94	13	16	166	175	6
Pre-Tax profit	553	700	886	60	27	1,069	1,586	48
Tax provision	175	192	259	48	35	337	451	34
Tax rate (%)	31.7	27.4	29.2	-	-	31.6	28.5	-
Adjusted net profit	378	508	627	66	23	731	1,135	55
Extraordinary Income	-	-	-	-	-	-	-	-
Reported net profit	378	508	627	66	23	731	1,135	55

Company Background

Cummins India is the leading manufacturer of diesel and natural gas engines for power generation, industrial and automotive markets. CIL is the flagship company of Cummins group in India which is part of the US $9.9 bn Cummins Inc. Cummins group in India has 11 entities across 200 locations in the country with a combined turnover of approximately Rs 45 bn (see chart below). The company has facilities at Pune, Jamshedpur and Daman to design and manufacture diesel and natural gas engines and generators for all applications. The company manufactures on an average nearly 12000 engines per year and it has produced more than 2, 18,000 engines to date. CIL also offer comprehensive service and consulting solutions.

Exhibit 4: Cummins in India



Source: Company

Business Details

The company has strengthened its organization structure by creating focused business Units- the industrial Engine Business Unit (EBU) and Power Generation Business Unit (PGBU) and Automotive Business Unit (ABU). The EBU offers cost effective, fuel efficient, emission compliant engines for high paced construction sector: roads, highways, bridges and building construction and also manufacture the engines used for mining and marine operations. In the marine segment Cummins provides engines to drive marine propulsion packages for dredgers, barges. Pilot launches and tugs. In the Oil and Gas sector the company contributes to exploration, drilling and transportation by powering deep drilling rigs, mud pumps and Gas compression packages. It also powers industrial pumps for irrigation, drinking water applications and fire pumps for the petrochemical sector. The PGBU manufacture and market generators and power systems via exclusive and strategic partnership with three OEMs- Powerica Ltd, Sudhir Gensets Ltd. and Jakson Ltd. PGBU is also focusing on its solutions business which are the energy solutions business, the rental business and power consulting business. The energy solutions business focuses on design, construction and operation of diesel and natural gas power plants. The rental business consists of the rental fleet of generators and the power consulting business enabled customers to reduce their energy costs.

The company has thee subsidiary and two joint ventures proving the complementary business solutions for its products across the country.

Subsidiary and associate companies				
Name of company	**relationship**	**shareholding**	**revenue**	**PAT**
Cummins Diesel Sales and Services (CDSS)	Subsidiary	100	4,601	352
Cummins Auto Services Limited (CASL)	Subsidiary	100	197	(90.4)
Fourstrock Automotive Private Ltd (FAPL)	Subsidiary	100	4	(2.5)
Nelson Engine System India Ltd	Joint Venture	50	113.3	22.6
Cummins Research & Technology India Ltd	Joint Venture	50	91.4	12.3
Newage Electrical India Ltd	Associate	49		
Valvoline Cummins Limited.	Associate	50		

Subsidiaries and Joint Ventures

Cummins Diesel Sales and Service (India) Limited (CDSS)

CDSS is engaged in the business of sale and providing after sales service to engines and generators manufactured by the Cummins India Ltd. The core business of CIL in India is power solutions and CDSS plays important part by providing service to an installed base of more than 100,000 pieces of equipment. CDSS offers services for not only to engines but also for the full equipment like a gensets, an excavator and mining trucks. It is gradually building the capabilities to serve the full equipment of customers which will help company to sell more parts and more consumables. For after sales support market the company has launched service guarantee programmes covering response time to customer site and ensuring the parts availability. The company has reported the revenue of Rs 4.56 mn in FY06 and we expect the CAGR growth of 12.3% to Rs 6.47 mn by FY09.

Cummins Auto Services Limited (CASL)

CASL is engaged in the business of highway solutions in the form of authorized service stations and annual maintenance contracts with truck fleet owners and retailing in parts and accessories for commercial vehicles. The company reported the decline of 18% to Rs197mn with loss of Rs90mn. Going ahead we expect the revenue to decline by 9% to Rs 149 mn and reduce the loss to Rs20mn by FY09.

Four stroke Automotive Private Limited (Fourstrock)

Fourstroke is engaged in the business of repairing and servicing of commercial vehicles through its service station in Chennai.

Nelson Engine Systems India Limited (NESIL)

NESIL is engaged in the business of manufacturing and sales of exhaust silencers and mufflers for internal combustion engines.

Cummins Research and Technology India Limited (CRTI)

CRTI is engaged in providing information technology (IT) enabled Mechanical Engineering Development services to Cummins inc its subsidiary and joint Ventures across the world and has a Research and Technology Centre at Pune.

KARVY STOCK BROKING LIMITED

Profit and Loss

(Rs mn)	FY2005	FY2006	FY2007E	FY2008E	FY2009E
Net revenues	14,711	17,751	21,870	25,912	30,093
% Growth	*24.9*	*20.7*	*23.2*	*18.5*	*16.1*
Raw Material	9,908	11,729	14,237	16,662	19,290
Staff	1,157	1,395	1,604	1,797	1,976
Operating Expenses	1,694	1,873	2,168	2,398	2,681
Technical fees & Royalities	159	211	249	279	321
Operating expenses	12,917	15,208	18,259	21,136	24,268
EBIDTA	1,794	2,543	3,611	4,777	5,825
% Growth	*42.0*	*41.7*	*42.0*	*32.3*	*21.9*
EBIDTA margin (%)	12.2	14.3	16.5	18.4	19.4
Other income	602.2	492.0	509.3	528.8	550.4
Interest	41.3	45.2	32.3	30.7	31.2
Depreciation	406.4	390.4	401.3	475.3	515.2
Amortaisation of Goodwill	7.7	9.4	9.4	0.0	0.0
Pre-tax profits	1,948	2,599	3,687	4,799	5,829
% Growth	*35.9*	*33.4*	*41.8*	*30.2*	*21.4*
Provision for tax	653	902	1,298	1,672	2,046
Effective tax rate	33.5	34.7	35.2	34.8	35.1
Adjusted Net Profit	1,296	1,697	2,388	3,127	3,783
% Growth	*26.7*	*31.0*	*40.7*	*30.9*	*21.0*
Net Margin (%)	8.8	9.6	10.9	12.1	12.6
Share in Associate profit (Net)	69.2	153.4	171.8	192.4	211.6
Extra-Ordinary Inc/(Exp)	(22.8)	(4.9)	0.0	0.0	0.0
Reported Net Profit	1,342	1,846	2,560	3,320	3,994
% Growth	*37.8*	*37.5*	*38.7*	*29.7*	*20.3*
EPS (Rs)	6.9	9.3	12.9	16.8	20.2
% Growth	*26.5*	*35.7*	*38.5*	*30.1*	*20.3*
DPS (Rs)	4.0	4.0	4.5	5.0	6.0
Dividend payout (%)	58.4	43.0	34.9	29.8	29.7

Balance sheet

BALANCE SHEET	FY2005	FY2006	FY2007E	FY2008E	FY2009E
Equity capital	396	396	396	396	396
Reserves & surplus	7,241	8,130	9,616	11,753	14,327
Shareholders funds	7,637	8,526	10,012	12,149	14,723
Short term Loans	323	321	328	334	341
Long Term Loans	343	110	82	62	62
Total loans	665	431	409	396	402
Finance lease liability	43	10	8	5	3
Deferred tax liability	55	(1)	(31)	(56)	(71)
Capital Employed	**8,400**	**8,966**	**10,398**	**12,493**	**15,058**
Gross block	5,425	5,589	5,989	6,989	7,689
Depreciation	3,309	3,669	4,070	4,545	5,060
Net block	2,116	1,920	1,919	2,444	2,629
Goodwill	13	9	0	0	0
Investments	2,301	2,723	2,860	3,003	3,453
Inventory	2,806	2,784	3,602	4,227	4,854
Debtors	3,363	4,054	4,943	5,786	6,554
Cash & Bank Bal	107	128	153	497	1,432
Loans & Advances	1,164	1,348	1,510	1,737	1,997
Other Assets	94	101	146	148	170
Current Assets	7,534	8,415	10,354	12,395	15,007
Sundry Creditors	1,965	2,389	2,841	3,260	3,683
Other current liabilitie	634	693	769	853	947
Provision for dividend	452	452	501	551	650
Other provisions	513	570	624	685	751
Current Liabilities	3,564	4,102	4,735	5,348	6,031
Net current assets	3,970	4,313	5,619	7,047	8,976
Capital Deployed	**8,400**	**8,966**	**10,398**	**12,493**	**15,058**

Ratios

RATIO ANALYSIS	FY2005E	FY2006	FY2007E	FY2008E	FY2009E
ROCE (%)	16.4	23.9	30.8	34.4	35.3
ROE (%)	17.8	21.6	25.5	27.3	27.1
Debt/Equity (x)	0.1	0.1	0.0	0.0	0.0
Interest Cover (x)	43.4	56.3	111.7	155.7	186.6
Cost Structure					
Raw Material Cost / Sales (%)	67.3	66.1	65.1	64.3	64.1
Manpower Cost / Sales (%)	7.9	7.9	7.3	6.9	6.6
Manufacturing & Op cost / Sales (%)	11.7	10.6	10.0	9.3	9.0
Other expenditure / Sales (%)	0.9	1.1	1.1	1.0	1.0
Net margin (%)	8.8	9.5	10.9	12.1	12.6
Fixed assets turnover ratio (x)	7.0	9.2	11.4	10.6	11.4
Avg. collection period (Days)	83.4	83.4	82.5	81.5	79.5
Avg. payment period (Days)	55.5	57.3	56.8	56.3	55.4
Cash & bank/share (Rs)	12.2	14.4	15.2	17.7	24.7
Other inc/pre-tax (%)	30.9	18.9	13.8	11.0	9.4

Cash flow statement

(Rs mn)	FY2005	FY2006	FY2007E	FY2008E	FY2009E
EBIT	1,380	2,143	3,200	4,301	5,309
(Inc)/Dec in working capital	(1,649)	(322)	(1,330)	(1,133)	(1,093)
Cash flow from operations	(269)	1,821	1,870	3,168	4,216
Other income	602	492	509	529	550
Extra-ordinary income	2	28	-	-	-
Depreciation	414	400	411	475	515
Interest paid	(41)	(45)	(32)	(31)	(31)
Dividends paid	(792)	(792)	(842)	(941)	(1,089)
Tax paid	(832)	(1,113)	(1,502)	(1,890)	(2,293)
Net cash from operations	(917)	791	414	1,311	1,869
Capital expenditure	(169)	(164)	(400)	(1,000)	(700)
Free Cash Flow	(1,085)	627	14	311	1,169
Inc/(Dec) in long term borrowing	107	(233)	(28)	(20)	-
Inc/(Dec) in short term borrowing	62	(1)	6	7	7
(Inc)/Dec in investments	1,060	(422)	(136)	(143)	(450)
Finance lease liability	(25)	(33)	(2)	(3)	(2)
Inc/(Dec) in Equity capital	-	-	-	-	-
Others	(266)	(70)	0	-	-
Cash from Financial Activities	937	(759)	(160)	(159)	(446)
Non Cash adj. forsubsidiary / Associate	69	153	172	192	212
Opening Cash	186	107	128	153	497
Closing Cash	107	128	153	497	1,432
Change in Cash	(79)	21	25	344	935

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Equity Research

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Stock Ratings		Absolute Returns	Stock Ratings		Absolute Returns
Buy	:	> 25%	Market Performer	:	0 - 15%
Out Performer	:	16 - 25%	Under Performer	:	< 0%

Karvy Stock Broking Limited

Regd Off : 46, Road No 4, Street No 1, Banjara Hills, Hyderabad – 500 034. Tel: 040-23351988, 23354283.