

- Sales figure disappoints once again, posting low growth of 7.8% yoy for Q4 FY07.
- Margin pressures continue with losses on Bandra-Worli and high interest outgo on account of over-leveraged balance sheet (For investment in Lavasa).
- High tax provisioning of 45.6% during the quarter on account of withdrawal of section 80IA benefits.
- Extra-ordinary items for Q4 FY07 include Rs154.3mn income from JV and provision of Rs425.2mn on account of tax to be paid with retrospective effect with withdrawal of tax benefits.
- The Board has recommended a dividend of Rs0.75 per share for FY07 (Rs0.7 for FY06)

Financials Highlights

Period to	03/07	03/06	Growth	03/07	03/06	Growth
(Rs mn)	(3)	(3)	(%)	(12)	(12)	(%)
Net sales	8,277	7,681	7.8	23,576	19,870	18.7
Expenditure	(7,555)	(7,006)	7.8	(21,424)	(18,041)	18.7
Operating profit	722	675	7.0	2,153	1,829	17.7
Other income	125	20	526.0	199	61	223.6
Interest	(212)	(85)	149.2	(620)	(414)	49.7
Depreciation	(244)	(147)	66.1	(797)	(524)	51.9
PBT	392	463	(15.5)	935	952	(1.8)
Tax	(179)	(25)	611.6	(386)	(135)	186.8
PAT	213	438	(51.4)	549	817	(32.8)
Extraordinary items	(271)	(12)	2,157.5	(181)	431	(142.1)
Adjusted PAT	(58)	426	(113.6)	368	1,248	(70.5)
OPM (%)	8.7	8.8	-	9.1	9.2	-
Equity capital	256	256		256	256	
EPS (Rs) Annualized	3.32	6.84		2.14	3.19	
P/E (x) @ CMP Rs102	30.5			47.4		

Note: Tax and extraordinary item figures have been reclassified. Therefore, they do not match with the ones released by the company

Cost analysis

Period	03/07	03/06	03/07	03/06
As % of sales	(3)	(3)	(12)	(12)
Raw Material	31.2	45.9	31.4	43.4
Staff Cost	7.4	4.9	8.9	6.6
Construction expenses	48.4	37.3	46.5	37.1
Other expenditure	4.3	3.0	4.1	3.6
Total Expenditure	91.3	91.2	90.9	90.8

A detailed update will follow post the analyst meet held by HCC today.....

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