Shasun Chemicals

STOCK INFO.	BLOOMBERG
BSE Sensex: 13,131	SSCD IN
	REUTERS CODE
S&P CNX: 3,805	SHAS.BO

Equity Shares (m)	48.1
52-Week Range	114/60
1,6,12 Rel. Perf. (%)	24/12/-19
M.Cap. (Rs b)	5.4
M.Cap. (US$ b)	0.1

3 November 2006

Buy

Previous Recommendation: Buy

Rs112

YEAR END	NET SALES* (RS M)	PAT* (RS M)	EPS* (RS)	EPS GROWTH (%)	P/E (X)	P/BV (X)	ROE (%)	ROCE (%)	EV/ SALES	EV/ EBITDA
03/06A	3,578	365	7.6	11.7	14.7	3.0	23.0	19.7	1.7	8.8
03/07E	7,973	-100	-2.1	N.A.	-	2.6	19.3	16.4	1.5	8.7
03/08E	9,751	585	12.2	N.A.	9.2	2.2	23.7	20.9	1.2	6.2

*Consolidated

Shasun's 2QFY07 results were in-line with our estimates with PAT growth of 25% to Rs78m. Key highlights includes:

- Net sales (standalone) grew by 22% YoY to Rs1.03b, with 47% growth in Ibuprofen sales (to Rs562m) and 46% growth in CRAMS sales (to Rs66m).
- EBITDA margins for 2QFY07 declined by 120bp YoY to 16.1%, impacted by higher material costs (up 30%) and staff costs (up 30%). However, lower tax provisioning (at 13.1% of PBT v/s 20.3% in 2QFY06) propped up net profit to Rs78m.
- On consolidated basis, net sales stood at Rs2b on account of consolidation of Rhodia acquisition, where as consolidated PAT was at Rs159m (includes release of negative goodwill of Rs180m as per UK GAAP). Excluding the goodwill impact, Shasun would have reported a consolidated net loss.

Shasun's operations are likely to undergo a gradual transformation, led by higher revenues from CRAMS and commercialization of the company's generics pipeline, thus resulting in a gradual increase in EBITDA margins. Although, the recent acquisition of Rhodia's custom manufacturing business is likely to negatively impact Shasun's consolidated earnings for FY07E (net loss of Rs100m), we believe that it can bring in long-term benefits. We expect the UK operations to achieve break-even (at net level) by FY08E led by increased order flow from big pharma and emerging pharma clients. We have revised our FY07E consolidated PAT estimates downwards from Rs5m to a net loss of Rs100m (excl. write back of goodwill) while our FY08E EPS estimates have been revised upwards by 32% to Rs12.2. At 9.2x FY08E consolidated EPS, we believe valuations are reasonable. We maintain **Buy** with revised target price of Rs140.

QUARTERLY PERFORMANCE (STANDALONE) (Rs Million)

Y/E MARCH	FY06				FY07				FY06	FY07E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	**750**	**844**	**993**	**991**	**955**	**1,030**	**1,123**	**1,211**	**3,578**	**4,318**
YoY Change (%)	*14.3*	*2.8*	*31.0*	*-4.3*	*27.3*	*22.0*	*13.1*	*22.1*	*9.4*	*20.7*
Total Expenditure	628	698	789	764	809	864	930	959	2,880	3,561
EBITDA	**122**	**146**	**203**	**228**	**146**	**166**	**193**	**252**	**698**	**757**
Margins (%)	*16.2*	*17.3*	*20.5*	*23.0*	*15.3*	*16.1*	*17.2*	*20.8*	*19.5*	*17.5*
Depreciation	52	58	61	60	67	66	72	73	231	277
Interest	13	13	13	11	11	15	18	20	49	64
Other Income	2	3	2	6	3	5	3	2	13	12
PBT	**59**	**78**	**132**	**163**	**71**	**89**	**106**	**161**	**431**	**427**
Tax	17	15	**4**	**28**	**15**	**14**	**14**	**12**	**63**	**56**
Deferred Tax	-1	1	-1	4	-6	-3	0	9	3	0
Rate (%)	*27.3*	*20.3*	*2.0*	*19.4*	*13.2*	*13.1*	*13.0*	*12.9*	*15.3*	*13.0*
PAT	**43**	**62**	**129**	**132**	**62**	**78**	**92**	**140**	**365**	**372**
YoY Change (%)	*8.7*	*8.6*	*43.2*	*6.0*	*44.8*	*25.5*	*-28.8*	*6.8*	*17.6*	*1.8*
Margins (%)	*5.7*	*7.3*	*13.0*	*13.3*	*6.5*	*7.5*	*8.2*	*11.6*	*10.2*	*8.6*

E: MOSt Estimates

Nimish Desai (Nimishdesai@MotilalOswal.com); Tel: +91 22 39825406 / Jinesh K Gandhi (Jinesh@MotilalOswal.com); Tel +91 22 39825416

Ibuprofen and CRAMS drive sales growth…

Net sales (standalone) grew by 22% YoY to Rs1.03b, with 47% growth in Ibuprofen sales (to Rs562m) and 46% growth in CRAMS sales (to Rs66m). While, Nizatidine sales were flat, Ranitidine sales de-grew by 81% YoY, as GSK has postponed sourcing of the product from Shasun.

Domestic operations (which contributed 43% of sales), grew by 113% and Exports de-grew by 7%. Domestic sales were driven by higher sales of Ibuprofen and Ranitidine.

TREND IN PRODUCT MIX (STANDALONE) (RS M)

	2QFY07	2QFY06	YOY (%)	1QFY07	QOQ (%)
Ibuprofen	562	380	47.8	506	11.2
Ranitidine	22	120	-81.3	105	-78.7
Nizatidine	239	241	-1.0	201	18.5
CRAMS	66	45	46.6	61	8.7
Others	114	29	291.7	64	77.5
Excipients	34	17	97.7	22	56.0
Total Sales (Gross)	**1,037**	**832**	**24.6**	**959**	**8.2**

Source: Company

Among older products, Ibuprofen sales were boosted by withdrawal of Valdecoxib and safety issues surrounding other Cox-II inhibitors. Furthermore, in domestic market, NPPA has recently notified a 10.5% price increase for Ibuprofen to Rs408/Kg, which should augur well for Shasun in the coming quarters.

...but EBITDA margins decline

EBITDA margins for 2QFY07 declined by 120bp YoY to 16.1%, impacted by higher material costs (up 30%) and staff costs (up 30%). Shasun's Ibuprofen business does not enjoy high margins and hence a significant increase in Ibuprofen sales has actually led to a decline in margins. The Ibuprofen business is facing input cost pressures as some of the key inputs are linked to the petrochemical cycle. Since the product has been completely genericised, Shasun is unable to pass-on the price increase to its customers. However, the recent price increase granted by the NPPA in the domestic market should partly negate the adverse impact.

Cuddalore EoU results in lower tax

Shasun has converted a part of its Cuddalore facility into an Export Oriented Unit (EoU) resulting in fiscal incentives for the company. Shasun's CRAMS and Nizatidine sales enjoy these fiscal benefits resulting in significant tax savings for the company. Effective tax rate for the quarter was only 13.1% compared to 20.3% in 2QFY06, boosting PAT growth of 25% YoY to Rs78m.

Consolidated financials

On consolidated basis, net sales stood at Rs2b on account of consolidation of Rhodia acquisition, where as consolidated PAT was at Rs159m (includes release of negative goodwill of Rs180m as per UK GAAP). Excluding the goodwill impact, Shasun would have reported a consolidated net loss.

For the quarter, Shasun Pharma Solutions (Rhodia Pharma) recorded operating loss of GBP0.8m on quarterly revenue of GBP10.6m. Operations have improved sequentially (EBITDA loss of GBP2.5m in 1Q) due to increased order flow. The management indicated that total goodwill write-back will be about GBP6m (~ Rs516m) as the acquisition cost for this loss-making business was quite low (less than GBP1m). The company will be writing back this goodwill in FY07E, which is likely to prop up the bottom-line of the acquired company. We would view this as, a one-time development as hence are treating it as an extra-ordinary item.

Valuation and outlook

CRAMS and Generics to be the main growth drivers

We believe that Shasun's operations will be back on the growth path from FY07E onwards led mainly by the commencement of generic supplies as well as higher traction in its CRAMS business. Our estimates do not include upsides from any potential contracts that the company may sign going forward (Shasun has indicated supply of validation batches to some of the innovator companies). We have also not included upsides from any new partnership arrangements that the company may enter into for its generics business.

Improving sales mix to expand EBITDA margins

We expect a gradual improvement in Shasun's EBITDA margins (stand-alone) led by increased revenues from the CRAMS segment as well as commencement of generic exports from FY07E onwards. It should be noted that both these segments will enjoy better margins (20%+) as compared to the 15-20% margin for the company's mature products (which contributed about 80% of revenues for FY06). CRAMS (excluding mature products) contributed about 13% to Shasun's revenues in FY06. We expect CRAMS contribution to increase to about 13-14% by FY08E and generic exports to start contributing to revenues from FY07E. We expect mature product's contribution to decline from about 80% (for FY06) to about 70% in FY07E and 63% in FY08E, thus positively impacting EBITDA margins beginning FY07E onwards.

MNC relationships will help in the long-term

Shasun has existing relationships with MNCs like Eli Lilly, GSK Pharma, Boots Plc (now taken over by Reckitt Benckiser) for their global requirements. In India, the company has existing arrangements with Sanofi-Aventis and Abbott for supplying Ibuprofen. We believe that, given the confidential nature of the CRAMS industry, having existing MNC relationships and a track record of servicing MNC clients will have long-term advantages for Shasun. The company is likely to leverage these relationships to expand its current CRAMS pipeline (by adding more products as well as by entering into new relationships).

CRAMS business has long gestation period

The CRAMS business has a long gestation period. As the Indian CRAMS industry is still evolving, potential customers take a long time to award contracts. Secondly, as a test case, the initial off-take by the customer may not be very high. It should also be noted that post the announcement of the contract it takes 18-24 months for the supplies to begin. This is due to the time-consuming registration process with various countries before which supplies cannot commence. Depending on the type of contract and the products to be manufactured, the contract manufacturer may also have to undertake front-ended capex to set up dedicated facilities for servicing the contract. We believe that Shasun's existing facilities are capable of servicing 2-3 new contracts.

Rhodia acquisition - Short-term negative but will bring in long-term benefits

Shasun has acquired the pharmaceutical customs synthesis business of Rhodia Pharma Solutions (RPS), UK.

Key Highlights of the acquisition are:

- Shasun acquires the assets of Rhodia's development and custom manufacturing services, catering to innovator MNCs and other pharmaceutical clients in US, Europe and Asia. This was a part of Rhodia's pharmaceutical business.
- The acquisition includes manufacturing sites at Dudley and Annan located in the UK. The transaction excludes transfer of debt or any other liabilities, including any pension liabilities, for event prior to the completion date. RPS had revenues of Euro 60m in CY05 and had operating loss of Euro 9m. Shasun would retain existing management along with existing 349 employees.
- Shasun would be investing around US$35m in RPS, including purchase consideration, working capital requirement and enhancing capabilities. Of investment of US$35m for RPS, Shasun would be making equity investment of around US$10m in SPS and balance US$25m would be in form of debt. Also, Shasun expects its own capex at Rs1.1b (including setting up an API facility at Vizag at capex of Rs400m). It plans to fund the acquisition as well as the capex through debt and equity (if required). Hence, we do not rule out a minor equity dilution.
- RPS has a pipeline of 14 products in Phase II(B) and Phase III, with around 12 products already commercialized. Shasun's CCS pipeline gets strengthened because of this acquisition.
- Also, this acquisition brings in customer base which primarily consists of emerging pharmaceutical companies. About 98% of customers have continued their relationship with RPS post the take-over by Shasun.
- RPS has been making loss at operating level as it has only around 12 products commercialized and was operating at around 40-50% capacity utilization. Shasun is hopeful of turning around RPS in next 24 months by improving capacity utilization as 14 products are in late stage of development. The company is hopeful of

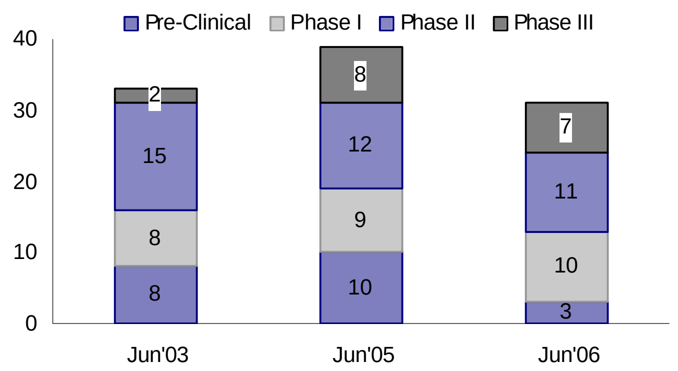
achieving higher growth in revenues of RPS (led by increased order flow from big pharma and emerging pharma clients) and marginal savings in cost arising out of sourcing some raw material from India. We believe that top-line growth is critical to RPS' turnaround.

New contracts and ramp-up in existing contracts drive top-line growth of 10% for RPS

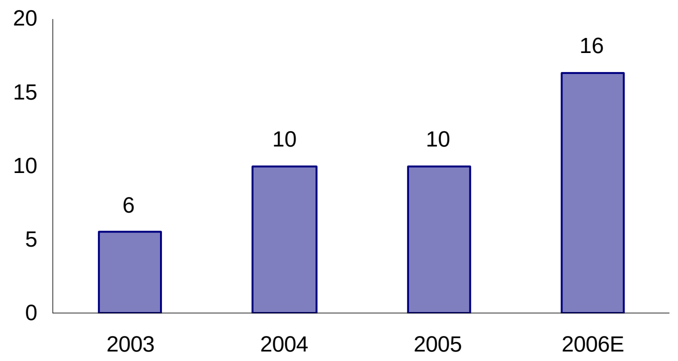
Shasun has indicated that RPS has commenced supplying validation batches for 3 new products. Commercial level supplies for these products are likely to commence from FY08 onwards. RPS' current capacity utilization is at 50%, which the management expects to increase to 60% by FY08E mainly through addition of new contracts and ramp-up of existing contracts. We believe that new contract additions should augur well for RPS' turnaround.

RPS HAS PRESENCE ACROSS THE CRAMS SEGMENT (CCS TO COMMERCIAL MANUFACTURING).

CCS PIPELINE



TREND IN CCS REVENUES (GBP M)



Source: Company/ Motilal Oswal Securities

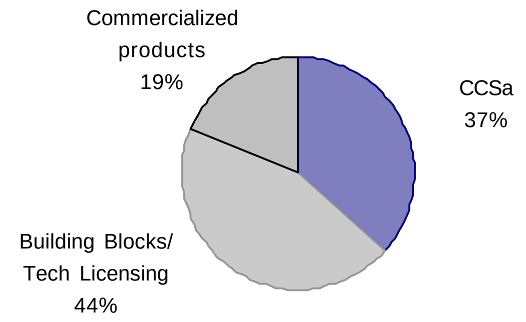
Commercialized pipeline

The company is a preferred supplier for 4 of the top 5 pharmaceutical companies and supplies to 18 of the top 20 companies globally. SPSL has indicated significant traction in this segment with revenues expected to touch GBP14m in 2006E as compared to GBP7m in 2005. This growth will be driven by progression of some products through the clinical development pipeline.

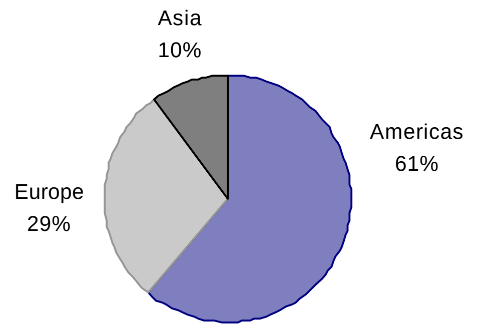
SPSL owns certain IPRs (53 patents) related to Chiral Synthesis, Fluorination and Aromatic Bond Formation. These IPRs earned GBP3.8m in revenues for the company in 2005 which is expected to touch about GBP5m in 2006E.

The company has tied up with a lead optimization company to provide libraries related to SPSL's IPRs to the latter's clients. SPSL 2005 sales (GBP36.7m) breakup is as under:

SEGMENT MIX

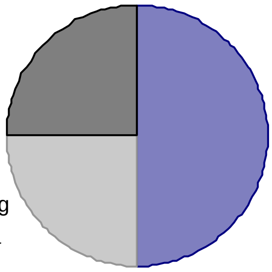


MARKET MIX



Source: Company/ Motilal Oswal Securities

CLIENT PROFILE



Source: Company/ Motilal Oswal Securities

SPSL is looking at a small-sized acquisition in the US to gain proximity to its US clients and is also evaluating opportunities in the clinical trials and formulations outsourcing.

Guides RPS break-even in FY07E

Shasun management has guided that RPS is likely to achieve EBITDA break-even by FY07E and may generate minor profits in FY08E. We believe that Shasun may not be able to immediately transfer the RPS manufacturing to India, given the regulatory issues involved as well as some of the critical technologies involved and hence top-line growth becomes imperative for RPS' turnaround. We have forecast revenues of GBP43m for FY07E (as per management guidance) and GBP54-55m for FY08E. We estimate break-even for RPS by FY08E (PAT of GBP0.6m), and hence in the interim, it would drag down the consolidated earnings in the short-term. On consolidation with RPS (and factoring in the increased funding requirements), we expect a net loss of Rs100m (excl. write back of goodwill) as against stand-alone EPS of Rs11. For FY08E EPS we expect consolidated EPS of Rs12.2.

BEAK DOWN OF P&L BY UNITS (RS M)

	FY07E			FY08E		
	RPS	SHASUN	CONSOL.	RPS	SHASUN	CONSOL.
Sales	3,655	4,318	7,973	4,642	5,109	9,751
EBITDA	(370)	757	387	274	1,016	1,289
Depreciation	43	277	320	85	315	400
PBIT	(412)	491	79	189	716	904
Interest	43	64	107	77	70	147
Tax	17	56	73	60	113	172
PAT	(472)	372	(100)	53	532	585
EPS		7.7	(2.1)		11.1	12.2

Source: Motilal Oswal Securities

This acquisition would aid transformation of Shasun's operations in favor of CRAMS business. Through the RPS acquisition, it gets access to new MNC clients and strengthens its CCS pipeline. This, along with commercialization of the company's generics pipeline would result in gradual improvement in EBITDA margins in medium term.

Revising estimates

We have revised our FY07E consolidated PAT estimates downwards from Rs5m to a net loss of Rs100m (excl. write back of goodwill) while our FY08E EPS estimates have been revised upwards by 32% to Rs12.2. As a consequence, we have revised our target price upwards by 17% to Rs140.

REVISED ESTIMATES (RS M)

	FY07E			FY08E		
	REV.	OLD	% CHG	REV.	OLD	% CHG
Net Sales	7,973	7,181	11	9,751	8,428	16
Net Profit	-100	5		585	448	31
EPS (Rs)	-2.1	0.1		12.2	9.2	32

Source: Company/ Motilal Oswal Securities

Shasun's operations are likely to undergo a gradual transformation, led by higher revenues from CRAMS and commercialization of the company's generics pipeline, thus resulting in a gradual increase in EBITDA margins. Although, the recent acquisition of Rhodia's custom manufacturing business is likely to negatively impact Shasun's consolidated earnings for FY07E (net loss of Rs100m), we believe that it can bring in long-term benefits. We expect the UK operations to achieve break-even (at net level) by FY08E led by increased order flow from big pharma and emerging pharma clients. At 9.2x FY08E consolidated EPS, we believe valuations are reasonable. We maintain **Buy** with revised target price of Rs140.

Shasun Chemicals: an investment profile

Company description

Shasun has been focusing on the partnership model for all the segments of its operations. It has existing relationships with innovator pharmaceutical companies like GSK, Eli Lilly and Reliant Pharma, which augur well for future outsourcing opportunities. Shasun has leveraged its strength in manufacturing and relationships with global majors to position itself as a 'partner of choice' for innovator companies across the product life cycle and value chain

Key investment arguments

- Business to undergo a gradual transformation led by higher revenues from CRAMS and generics resulting in EBITDA margin expansion over the next 2-3 years
- Likely beneficiary of the increased pharmaceutical outsourcing from India
- Existing relationships with MNCs and a partnership approach to augur well for the company

Key investment risks

- Execution risks in CRAMS business
- Delay in turn-around of Rhodia's custom manufacturing business may stretch the company's financials
- Funding of acquisitions and future capex may lead to equity dilution

Recent developments

- Has acquired Rhodia's custom manufacturing business recently

Valuation and view

- Has existing relationships with innovators like GSK and Eli Lilly which can be leveraged for more outsourcing contracts in the future
- Partnerships with Actavis and Glenmark in the generics space to start contributing incrementally from FY07E onwards
- Valuations at 9.2xFY08E EPS (consolidated) are reasonable; **Buy** with a target price of Rs140

Sector view

- Very few players from India are adequately prepared for exploiting the huge outsourcing opportunity
- Expect a time-lag of about 18-24 months between signing of contracts and actual commencement of revenues
- We are overweight on companies that are towards the end of the investment phase

COMPARATIVE VALUATIONS

		SHASUN	DIVI'S LABS	JUBILANT
P/E (x)	FY07E	-	35.1	20.6
	FY08E	9.2	29.0	15.1
P/BV (x)	FY07E	2.6	8.6	3.0
	FY08E	2.2	6.9	2.4
EV/Sales (x)	FY07E	1.5	5.9	1.9
	FY08E	1.2	5.3	1.6
EV/EBITDA (x)	FY07E	8.7	22.3	10.9
	FY08E	6.2	19.1	8.0

SHAREHOLDING PATTERN (%)

	SEP.06	JUN.06	SEP.05
Promoter	42.5	57.5	40.1
Domestic Inst	11.6	11.6	17.4
Foreign	16.2	0.0	15.6
Others	29.7	30.9	26.9

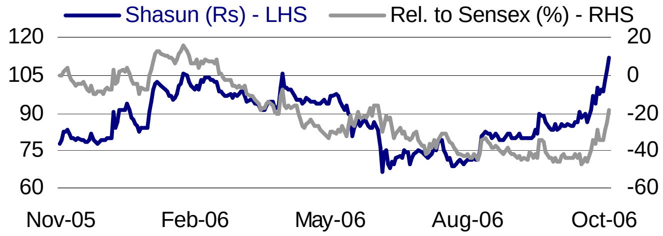
EPS: MOST FORECAST VS CONSENSUS (RS)

	MOST FORECAST	CONSENSUS FORECAST	VARIATION (%)
FY07	-	0.1	-
FY08	12.2	9.3	31.9

TARGET PRICE AND RECOMMENDATION

CURRENT PRICE (RS)	TARGET PRICE (RS)	UPSIDE (%)	RECO.
112	140	25.0	Buy

STOCK PERFORMANCE (1 YEAR)



INCOME STATEMENT					(Rs Million)
Y/E MARCH	2005	2006E	2007E	2008E	2009E
Net Sales	**3,271**	**3,578**	**4,318**	**5,109**	**5,751**
Net Sales (incl RPS)	***3,271***	***3,578***	***7,973***	***9,751***	***10,857***
Change (%)	*22.2*	*9.4*	*20.7*	*18.3*	*12.6*
Total Expenditure	2,587	2,880	3,561	4,093	4,550
% of Sales	*79.1*	*80.5*	*82.5*	*80.1*	*79.1*
EBITDA	**684**	**698**	**757**	**1,016**	**1,201**
Margin (%)	*20.9*	*19.5*	*17.5*	*19.9*	*20.9*
Depreciation	216	231	277	315	351
Int. and Finance Charges	34	49	64	70	60
Other Income - Rec.	8	13	12	15	20
PBT	**443**	**431**	**427**	**645**	**810**
Current Tax	70	63	56	71	89
Deferred Tax	62	3	0	42	53
Tax Rate (%)	*29.9*	*15.2*	*13.0*	*17.5*	*17.5*
PAT Adj for EO Items	**310**	**365**	**372**	**532**	**669**
Change (%)	*30.2*	*17.7*	*17*	*43.3*	*25.6*
Margin (%)	*9.5*	*10.2*	*8.6*	*10.4*	*11.6*
Add: Share of RPS profits	0	0	-472	53	174
Net Profit (incl RPS)	**310**	**365**	**-100**	**585**	**842**

BALANCE SHEET (Standalone)				(Rs Million)	Million)
Y/E MARCH	2005	2006E	2007E	2008E	2009E
Equity Share Capital	91	96	96	96	96
Total Reserves	1,296	1,703	1,954	2,349	2,881
Net Worth	**1,387**	**1,799**	**2,050**	**2,446**	**2,977**
Deferred Liabilities	205	208	208	250	303
Total Loans	893	795	1,345	995	995
Capital Employed	**2,485**	**2,802**	**3,604**	**3,691**	**4,275**
Gross Block	2,517	2,914	3,464	3,864	4,014
Less: Accum. Deprn.	952	1,166	1,444	1,759	2,109
Net Fixed Assets	**1,565**	**1,747**	**2,020**	**2,105**	**1,904**
Capital WIP	170	22	300	150	151
Total Investments	2	59	445	445	445
Curr. Assets, Loans an	**1,496**	**1,706**	**1,729**	**2,036**	**2,933**
Inventory	471	450	593	691	777
Account Receivables	652	918	803	946	1,064
Cash and Bank Balance	150	50	111	136	798
Loans and Advances	222	288	222	262	295
Curr. Liability & Prov.	**749**	**733**	**891**	**1,045**	**1,159**
Account Payables	470	421	508	601	677
Other Current Liabilities	174	204	233	272	305
Provisions	104	108	150	171	177
Net Current Assets	**747**	**973**	**838**	**991**	**1,774**
Misc Expenditure	3	1	1	1	1
Appl. of Funds	**2,486**	**2,802**	**3,604**	**3,691**	**4,275**

E: MOSt Estimates; SPS=Shasun Pharma SolutionsUK

RATIOS (STANDALONE)					
Y/E MARCH	2005	2006E	2007E	2008E	2009E
Basic (Rs)					
EPS-consolidated	**6.8**	**7.6**	**-2.1**	**12.2**	**17.5**
Cash EPS	11.5	12.4	3.7	18.7	24.8
BV/Share	30.3	37.4	42.6	50.8	61.9
DPS	1.5	1.7	2.2	2.5	2.5
Payout (%)	25.3	25.5	32.5	25.7	20.5
Valuation (x)					
P/E	16.5	14.7	-	9.2	6.4
Cash P/E	9.7	9.0	30.4	6.0	4.5
P/BV	3.7	3.0	2.6	2.2	1.8
EV/Sales	1.9	1.7	1.5	1.2	1.0
EV/EBITDA	9.0	8.8	8.7	6.2	4.7
Dividend Yield (%)	1.3	1.5	2.0	2.2	2.2
Return Ratios (%)					
RoE	24.7	23.0	19.3	23.7	24.7
RoCE	24.0	19.7	16.4	20.9	23.5
Working Capital Ratios					
Debtor (Days)	71	91	66	66	66
Creditor (Days)	103	87	83	86	89
Inventory (Days)	53	46	50	49	49.3
Working Capital Turnover (D	67	94	61	61	62
Leverage Ratio (x)					
Debt/Equity	0.6	0.4	0.7	0.4	0.3

CASH FLOW STATEMENT (STANDALONE)				(Rs Million)	Million)
Y/E MARCH	2005	2006E	2007E	2008E	2009E
Oper. Profit/(Loss) before T	684	698	757	1,016	1,201
Interest/Dividends Recd.	8	13	12	15	20
Direct Taxes Paid	-70	-63	-56	-71	-89
(Inc)/Dec in WC	-159	-326	196	-128	-121
CF from Operations	**464**	**323**	**910**	**832**	**1,010**
(Inc)/Dec in FA	-589	-266	-828	-250	-151
CF from Investments	**-589**	**-323**	**-1,214**	**-250**	**-151**
					859
Issue of Shares	23	142	0	0	0
(Inc)/Dec in Debt	336	-98	551	-350	0
Interest Paid	-34	-49	-64	-70	-60
Dividend Paid	-78	-93	-121	-137	-137
CF from Fin. Activity	**247**	**-99**	**366**	**-557**	**-197**
Inc/Dec of Cash	**122**	**-99**	**61**	**25**	**662**
Add: Beginning Balance	27	150	50	111	136
Closing Balance	**149**	**50**	**111**	**136**	**798**

N O T E S

For more copies or other information, contact
Institutional: Navin Agarwal. **Retail:** Manish Shah, Mihir Kothari
Phone: (91-22) 39825500 Fax: (91-22) 22885038. E-mail: inquire@motilaloswal.com

Motilal Oswal Securities Ltd, 3rd Floor, Hoechst House, Nariman Point, Mumbai 400 021

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Disclosure of Interest Statement	**Shasun Chemicals**
1. Analyst ownership of the stock	No
2. Group/Directors ownership of the stock	No
3. Broking relationship with company covered	No
4. Investment Banking relationship with company covered	No

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