

# Result Update

**CMP : INR 4640**  
**Rating : Sell**  
**Target : INR 3800**

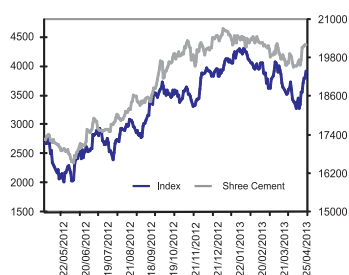
## KEY DATA

Market Cap (INR bn)	161.7
Market Cap (USD mn)	2993.7
52 WK High / Low	4800 / 2270
Avg Daily Volume (BSE)	1545
Face Value (INR)	10

BSE Sensex	19736
Nifty	5999
BSE Code	500387
NSE Code	SHREECEM
Reuters Code	SHCM.BO
Bloomberg Code	SRCM IN

Shareholding %	1Q	2Q	3Q
Promoters	65.0	65.0	65.0
MF/Banks/Indian FIs	5.0	6.0	6.0
FII/ NRIs/ OCBs	19.0	18.0	19.0
Indian Public	11.0	11.0	10.0

## Performance Chart



## PRICE PERFORMANCE (%)

	3 M	6 M	12 M
Absolute	(2.0)	4.0	58.8
Relative	1.5	0.5	45.7

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## Shree Cements Ltd

### Cement business disappoints, while lower depreciation and tax allowance helps the bottom-line

### Power division witnesses healthy growth while cost savings aids margin expansion

### Maintain 'Sell' rating on Shree Cement with a revised target price of Rs 3800

Despite disappointing cement dispatch growth, Shree Cement posted excellent bottom-line growth driven primarily by decent growth in cement realization, excellent growth in the power business and lower depreciation and tax outgo during Q3FY13 (Quarter ended March 2013).

The cement volumes fell 4% to 3.22 mn tonnes during the quarter, while the power volumes rose 68% to 722 mn units. But 3.5% Y-o-Y improvement in cement realization helped the total revenue to come in 7% higher Y-o-Y to Rs 14.72 bn. The cement realization during the quarter improved to Rs 3677 per tonne as compared to Rs 3552 per tonnes during the corresponding quarter of the previous year. Coupled with improvement in realization, fall in operating costs helped margin expansion by 144 bps to 28.6% during the quarter under review.

The good news is that the power division is doing exceedingly well, while the cement realization has improved despite poor demand. But the fact that the cement demand has remained poor despite the quarter being the peak season for cement consumption in the northern markets where the company operates is a major concern. The continuation of such scenario may result in steep price correction going ahead, although the company expects the cement demand and price to increase by 10% and 5% respectively in the next fiscal. Lower PET Coke prices and sharp fall in coal prices helped the company to lower its fuel expenses and that in turn helped the EBIDTA margins during Q3FY13 expand 144 bps Y-o-Y to 28.6%. As a percentage of net adjusted sales the power & fuel expenses contracted 215 bps to 24.1%, while the freight expenses fell 160 bps to 16.3% although the personnel expenses and other operating expenses increased marginally.

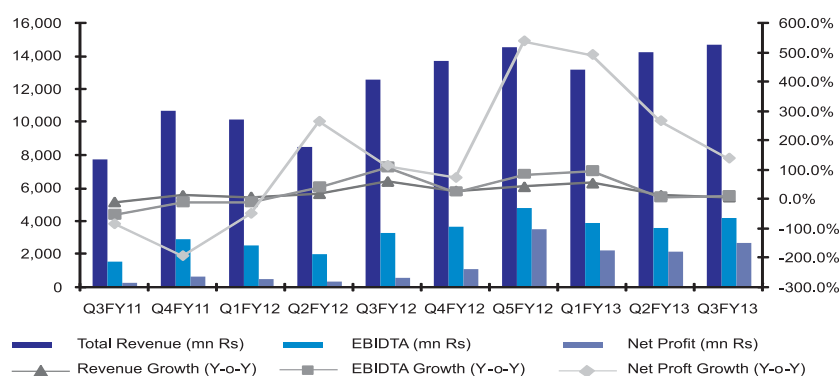
The company has been following accelerated depreciation on certain assets for some time now and that caused the depreciation allowance this time to be very low. It came in at Rs 1.27 bn (46% lower Y-o-Y), while the tax expenses also came in 69% lower Y-o-Y at Rs 176 mn thus helping the bottom-line to post 136% gain during the quarter to Rs 2.74 bn.

Shree Cement has been aggressively expanding its cement and power capacity during the past several years and the stabilization of the same in the days ahead bodes well for the company. We expect the power business of the company to improve sharply, but the lacklustre growth of the cement segment is a major concern. We reckon that if the cement demand remains poor the company would witness price fall in the quarters ahead. We also see cost pressure going ahead driven by higher power & fuel cost and freight expenses. Thus if cement price falls from these levels we see margin pressure going ahead for the company's cement business. Although on the power business of the company we are quiet bullish. Nevertheless we expect Shree Cement to maintain its market leadership position in the northern region and would rather continue to outgrow the cement industry going ahead. Integrated operations have enabled the company to post significantly higher operating efficiency than its larger peers in India.

### Despite the relative macro strength of Shree Cement, we reckon that the share price has run ahead of its valuation, hence maintain 'Sell' rating on the stock with a revised target price of Rs 3800 (considering USD 140 per tonne replacement cost to value the cement business)

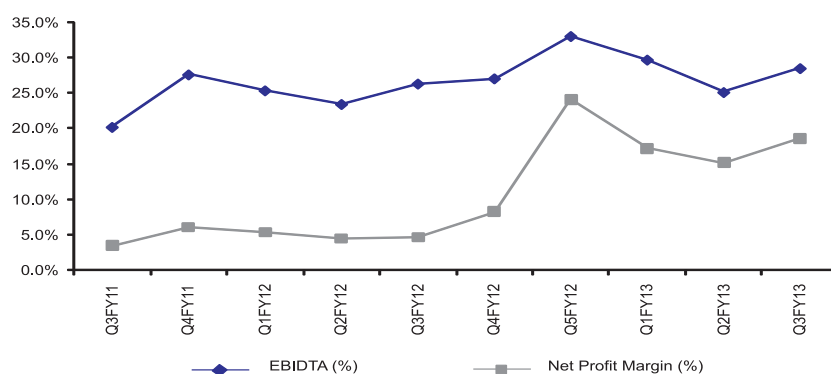
We expect the company to maintain its cost leadership position in the cement industry, as it witnesses significant ramp-up in its power business. We believe there would be pickup in pre election spending in several states in the next 12 months while the demand supply mismatch would narrow in favor of demand as the capacity expansion slows down. At the current price of Rs 4640, the stock is trading at PE and EV/EBIDTA of 13.8x and 8x FY14E earnings. While we continue to be positive on Shree Cement operational matrix, we are a bit worried about the cement industry macro at this point as the demand growth continues to remain weak. We believe Shree Cement has run ahead of its valuation even after considering increased cement replacement cost of USD 140 per tonne to value its cement business. We maintain our 'Sell' rating on the stock with a revised one year price target of Rs 3800. We value the cement business at USD 140 per tonnes (in line with current replacement cost of USD 140- 150 per tonne). We value the power business using discounted cash flow (DCF) approach to arrive at per share value of Rs 544. We estimate the revenue and EPS for FY13 to come in at Rs 56.96 bn and Rs 277.8 respectively.

## Revenue & Profit Growth



Source: Company, FQ Research

## Profit margin trend



Source: Company, FQ Research

## Comparative valuation

Company	Rating	Market Cap. (bn. Rs)	Enterprise Value (bn. Rs)	CMP (Rs)	Target Price (Rs)	EPS (Rs)		P/E (x)		P/BV (x)		EV/EBIDTA (x)		EV/Tonne (US\$)		Annual EPS Growth (%) (FY14E/ FY13E)	Annual Sales Growth (%) (FY14E/ FY13E)
						FY14E	FY15E	FY14E	FY15E	FY14E	FY15E	FY14E	FY15E	FY14E	FY15E		
Shree Cement**	Sell	162	170	4640	3800	278	337	17	14	4.4	3.3	10.0	8.0	242	220	80%	-4%
ACC*	Sell	234	228	1246	1210	70	88	18	14	2.9	2.6	9.2	7.2	100	95	24%	-1%
Ambuja Cement*	Sell	293	271	190	178	9	11	20	17	3.1	2.7	10.7	8.5	163	155	-3%	-1%
UltraTech	Sell	517	555	1885	1505	104	115	18	16	2.9	2.5	10.9	9.9	204	179	7.4%	14.6%
India Cement*	Buy	26	53	86	110	11	13	8	6	0.7	0.5	4.6	4.3	63	56	6%	13%

# ACC & Ambuja FY14 & FY15 figures are the CY13 & CY14 figures respectively

Source: Company Reports, FQ Research

\* Ratings will be reviewed after the Q4FY13 results

\*\* Shree Cement FY14 & FY15 figures are June ended FY13 & FY14 figures respectively

### Q3FY13 Results

Particulars (Mn. Rs.)	Q3 FY13	Q3 FY12	Y-o-Y change %	Q2 FY13	Q-o-Q change %	9M FY13	9M FY12	Y-o-Y change %
<b>Total Revenue</b>	<b>14,716</b>	<b>13,763</b>	<b>6.9%</b>	<b>14,280</b>	<b>3.1%</b>	<b>42,235</b>	<b>34,869</b>	<b>21.1%</b>
Less:								
Net Raw Material consumed	1,411	1,457	(3.1%)	1,136	24.3%	3,847	3,455	11.3%
% of total revenue	9.6%	10.6%	-99	8.0%	164	9.1%	9.9%	-80
Purchases of finished goods	0	12	(100.0%)	0	NM	0	640	(100.0%)
% of total revenue	0.0%	0.1%	-9	0.0%	0	0.0%	1.8%	-183
Payment to and provision for employees	747	605	23.4%	749	(0.2%)	2,200	1,836	19.8%
% of total revenue	5.1%	4.4%	68	5.2%	-17	5.2%	5.3%	-6
Power and fuel	3,545	3,611	(1.8%)	4,227	(16.1%)	11,062	8,869	24.7%
% of total revenue	24.1%	26.2%	-215	29.6%	-551	26.2%	25.4%	76
Freight, handling and other expenses	2,395	2,459	(2.6%)	2,284	4.9%	6,810	6,114	11.4%
% of total revenue	16.3%	17.9%	-159	16.0%	28	16.1%	17.5%	-141
other expenditure	2,416	1,887	28.0%	2,287	5.6%	6,578	4,900	34.2%
% of total revenue	16.4%	13.7%	270	16.0%	40	15.6%	14.1%	152
<b>Total Expenditure</b>	<b>10,514</b>	<b>10,031</b>	<b>4.8%</b>	<b>10,683</b>	<b>(1.6%)</b>	<b>30,497</b>	<b>25,814</b>	<b>18.1%</b>
<b>EBIDTA</b>	<b>4,202</b>	<b>3,732</b>	<b>12.6%</b>	<b>3,597</b>	<b>16.8%</b>	<b>11,737</b>	<b>9,055</b>	<b>29.6%</b>
Less: Depreciation	1,265	2,346	(46.1%)	818	54.6%	3,025	6,316	(52.1%)
<b>EBIT</b>	<b>2,937</b>	<b>1,386</b>	<b>111.9%</b>	<b>2,779</b>	<b>5.7%</b>	<b>8,713</b>	<b>2,740</b>	<b>218.0%</b>
Less: Interest	447	411	8.9%	563	(20.6%)	1,553	1,399	11.1%
Add: Other income	428	772	(44.6%)	323	32.4%	1,043	1,148	(9.2%)
Extraordinary Expense	1	28	(98.2%)	0	NM	10	40	(74.5%)
<b>Profit Before Tax</b>	<b>2,917</b>	<b>1,719</b>	<b>69.7%</b>	<b>2,539</b>	<b>14.9%</b>	<b>8,192</b>	<b>2,449</b>	<b>234.5%</b>
<b>Profit Before Ex.-ordinary items and Tax</b>	<b>2,918</b>	<b>1,747</b>	<b>67.0%</b>	<b>2,539</b>	<b>14.9%</b>	<b>8,202</b>	<b>2,489</b>	<b>229.5%</b>
Less: Total Tax	176	576	(69.4%)	365	(51.6%)	995	329	202.1%
<b>Profit After Tax</b>	<b>2,741</b>	<b>1,143</b>	<b>139.8%</b>	<b>2,174</b>	<b>26.1%</b>	<b>7,197</b>	<b>2,120</b>	<b>239.5%</b>
<b>Profit After Tax Excl. extra-ordinaries</b>	<b>2,741</b>	<b>1,162</b>	<b>136.0%</b>	<b>2,174</b>	<b>26.1%</b>	<b>7,206</b>	<b>2,154</b>	<b>234.5%</b>
Shares Outstanding (mn)	35	35		35		35	35	
<b>Reported EPS (Rs.)</b>	<b>78.7</b>	<b>32.8</b>	<b>139.8%</b>	<b>62.4</b>	<b>26.1%</b>	<b>206.6</b>	<b>60.8</b>	<b>239.5%</b>
<b>Proforma EPS (Rs.)</b>	<b>78.7</b>	<b>33.3</b>	<b>136.0%</b>	<b>62.4</b>	<b>26.1%</b>	<b>206.8</b>	<b>61.8</b>	<b>234.5%</b>

Margin Analysis			Bps Change		Bps Change			Bps Change
EBIDTA Margin	28.6%	27.1%	144	25.2%	336	27.8%	26.0%	182
Proforma NPM	18.6%	8.4%	1019	15.2%	340	17.1%	6.2%	1088
Effective Tax Rate	6.0%	33.5%	-2748	14.4%	-832	12.1%	13.5%	-130

Cost Analysis			Bps Change		Bps Change			Bps Change
RM/Net Revenue	9.6%	10.6%	-99	8.0%	164	9.1%	9.9%	-80
Purchase of Finished Goods/ Net Revenue	0.0%	0.1%	-9	0.0%	0	0.0%	1.8%	-183
Personnel/Net Revenue	5.1%	4.4%	68	5.2%	-17	5.2%	5.3%	-6
Power & Fuel Expenses/Net Revenue	24.1%	26.2%	-215	29.6%	-551	26.2%	25.4%	76
Freight & handling/ Net Revenue	16.3%	17.9%	-159	16.0%	28	16.1%	17.5%	-141
Other Expenditure/ Net Revenue	16.4%	13.7%	270	16.0%	40	15.6%	14.1%	152

Source: Company, FQ Research

NM - Not Meaningful

### Result Analysis

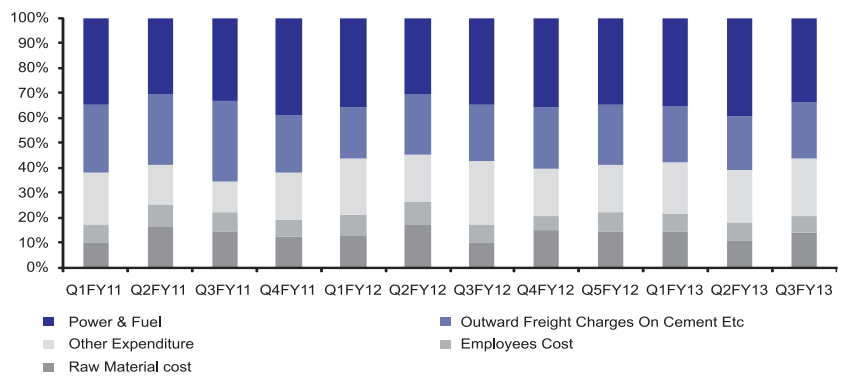
The cement volumes fell 4% Y-o-Y to 3.22 mn tonnes during the quarter and the power volumes rose 68% Y-o-Y to 722 mn units. However the cement realization improved to Rs 3677 per tonne in Q3FY13 as compared to Rs 3552 per tonnes during the corresponding quarter of the previous year, thus helping the revenue during the quarter to come in at Rs 14.72 bn, 7% higher than the corresponding quarter of the previous year. Despite poor cement volumes the capacity utilization has remained very healthy during the quarter under review. The cement revenue fell 0.5% Y-o-Y to Rs 11.8 bn, while the net power revenue which contributed 20% of the total revenue of the company grew by 54% Y-o-Y to Rs 2.89 bn. We expect the cement volume sales to remain flat going head, while cement realization would come under pressure.

### Cost Analysis

Particulars	Q3 FY13	Q3 FY12	Y-o-Y change %	Q2 FY12	Q-o-Q change %	9M FY12	9M FY11	Y-o-Y change %
<b>Operating Costs (Rs. Per tonne)</b>								
Less:								
Net Raw Material consumed	439	435	0.8%	381	15.0%	418	398	5.1%
Purchases of finished goods	0	4	(100.0%)	0	#DIV/0!	0	74	(100.0%)
Payment to and provision for employees	232	181	28.4%	251	(7.7%)	239	212	13.1%
Power and fuel	1,102	1,078	2.2%	1,420	(22.4%)	1,203	1,022	17.8%
Freight, handling and other expenses	745	735	1.4%	767	(2.9%)	741	704	5.2%
Other expenditure	751	564	33.2%	768	(2.2%)	715	564	26.7%
<b>Total Expenditure</b>	<b>3,268</b>	<b>2,996</b>	<b>9.1%</b>	<b>3,587</b>	<b>(8.9%)</b>	<b>3,317</b>	<b>2,974</b>	<b>11.5%</b>

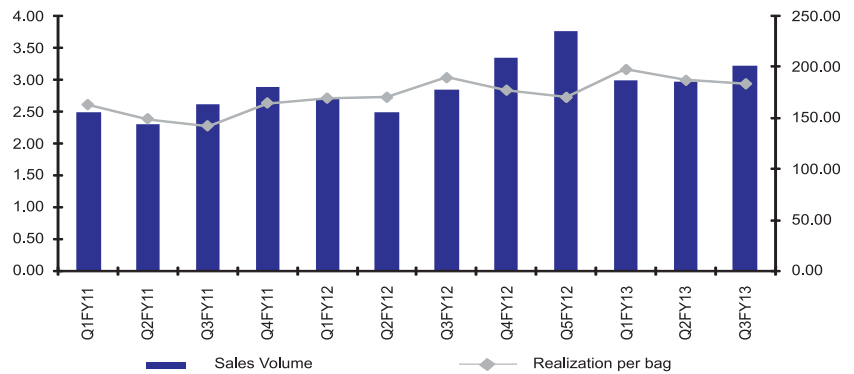
Source: Company Reports, FQ Research

### Break-up of operational costs



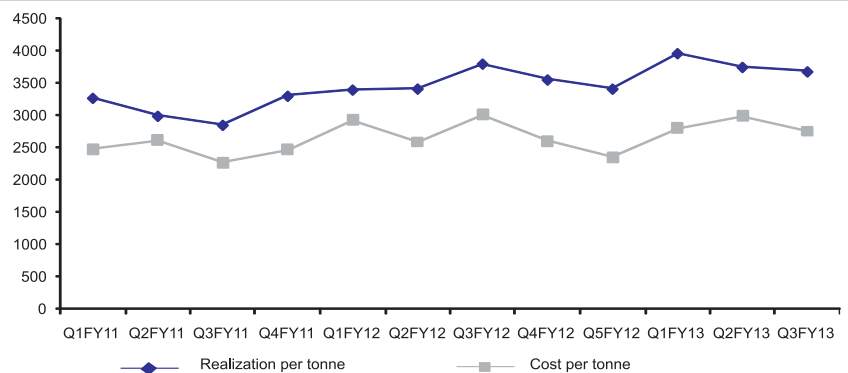
Source: Company, FQ Research

### Sales Volume and realization per bag



Source: Company, FQ Research

### Realization and cost per tonne



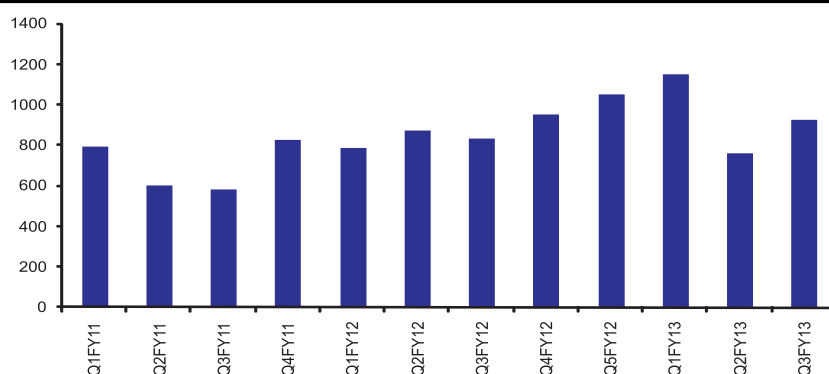
Source: Company, FQ Research

Despite disappointing performance by the cement segment, the power business improved, while the operating cost matrix improved thus enabling healthy improvement in margins during Q3FY13. The company is the most efficient cement producer in the country, drawing significant synergy from its power business; where it is able to produce power at lower than the grid cost.

- The Net raw material cost per tonne in Q3FY13 marginally rose to Rs 439 as compared to Rs 435 in Q4FY12 while, as a proportion of sales, fell 100 bps Y-o-Y to 9.6%.
- Personnel expenses, as a proportion of sales, rose 70 bps Y-o-Y from 4.4% in Q4 FY12 to 5.1% in Q3 FY13.
- Power & fuel costs per tonne rose 2% to Rs 1102. The Power & fuel cost as a percentage of sales, was lower by 215 bps Y-o-Y at 24.1%.
- Freight costs per tonne rose 1.4% to Rs 745 while as a percentage of sales, were lower by 160 bps at 16.3%.

The overall operating costs for the company is expected to remain firm as it depend on imported coal and pet coke for its cement and power business. The rupee volatility against the US dollar may also accentuate the cost pressure. The freight cost may also firm up as the diesel prices increases.

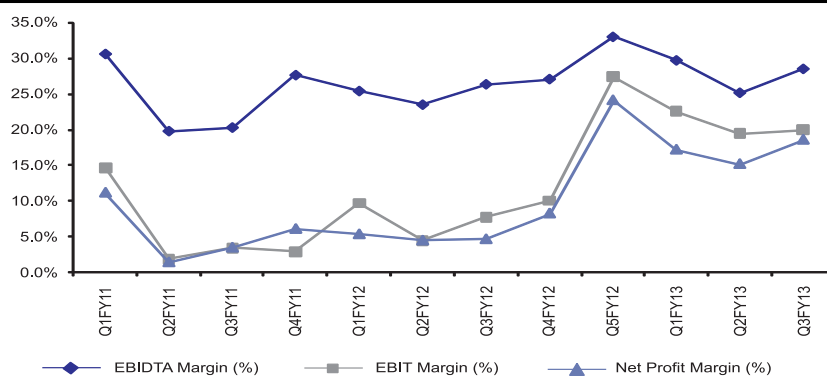
### EBIDTA per tonne analysis



Source: Company, FQ Research

### Margin trend

#### Margin Analysis



Source: Company, FQ Research

- The EBIDTA margin for the company rose 144 bps Y-o-Y (lower by 336 bps Q-o-Q) to 28.6% in Q3FY13.
- The EBIT margin improved significantly to 20% in Q3FY13 as compared to 10.1% in Q4FY12.
- The NPM rose to 18.6% in Q3FY13 as compared to 8.4% in Q4FY12.

## Valuation

Shree Cement is the best in the cement pack when it comes to operational parameters and has presence in the markets (Rajasthan and NCR) where the demand is fairly strong compared to the other regions. We continue to believe that Shree cement will outgrow the industry growth, but the volume growth and realization would come under pressure and would also impact margins as the costs rise. But we are positive on the company's power business. Nevertheless we expect the company to maintain its cost leadership position in the cement industry, as it witnesses significant ramp-up in its power business.

At the current price of Rs 4640, the stock is trading at PE and EV/EBIDTA of 13.8x and 8x FY14E earnings. While we continue to be positive on Shree Cement's operation matrix we are a bit worried about the cement industry macro at this point as the demand growth continues to remain weak. We believe Shree Cement has run ahead of its valuation even after considering increased cement replacement cost of USD 140 per tonne to value its cement business. We maintain our 'Sell' rating on the stock with an increased price target of Rs 3800. We value the cement business at USD 140 per tonnes, while we value the power business using discounted cash flow (DCF) approach to arrive at per share value of Rs 544. We cite imminent margin pressure due to further fuel price increase, probable penalty from CCI investigation and limited pricing power for the industry from these levels.

## Financial Summary

### Profit and Loss Statement

Particulars (INR mn)	FY11	FY12 (15M)	FY13E	FY14E
Net Sales	34,535	58,981	56,805	63,828
Other Operating Income	446	204	155	175
<b>Total Revenue</b>	<b>34,981</b>	<b>59,186</b>	<b>56,961</b>	<b>64,003</b>
Less:				
Cost of Raw material (Net)	3,387	5,967	5,399	5,868
Purchase of Trading Goods	42	2	0	0
Power & Fuel Expenses	9,048	14,999	14,460	14,943
Freight Forwarding Expenses	7,751	12,952	9,240	9,619
Payment to and provision for employees	1,985	3,195	2,955	3,321
Other Expenses	3,474	5,409	9,020	10,135
<b>Total Operating Expenditure</b>	<b>25,687</b>	<b>42,524</b>	<b>41,074</b>	<b>43,886</b>
<b>EBIDTA</b>	<b>9,294</b>	<b>16,662</b>	<b>15,887</b>	<b>20,116</b>
Less: Depreciation	6,758	8,731	3,986	4,695
<b>EBIT</b>	<b>2,536</b>	<b>7,931</b>	<b>11,901</b>	<b>15,422</b>
Interest Paid	1,754	2,354	2,162	2,232
Non-operating Income	30	416	1,485	640
Extraordinary Income	775	1,007	0	0
Extraordinary Expense	485	123	0	0
<b>Profit Before tax</b>	<b>1,104</b>	<b>6,877</b>	<b>11,223</b>	<b>13,830</b>
Tax	(994)	693	1,547	2,074
<b>Net Profit</b>	<b>2,097</b>	<b>6,185</b>	<b>9,676</b>	<b>11,755</b>
<b>Net Profit Excl. extra-ordinaries</b>	<b>1,545</b>	<b>5,390</b>	<b>9,676</b>	<b>11,755</b>

### Ratios

Particulars	FY11	FY12 (15M)	FY13E	FY14E
<b>Valuation Ratio (x)</b>				
P/E	104.6	30.0	16.7	13.8
P/BV	8.1	5.9	4.4	3.3
EV / Sales	5.06	2.88	2.80	2.50
EV / EBIDTA	19.1	10.2	10.0	8.0
MCap/Sales	4.6	2.7	2.8	2.5
<b>Leverage Ratio</b>				
Debt-Equity	1.0x	0.5x	0.4x	0.3x
Interest Coverage	5.3x	7.1x	7.3x	9.0x
<b>Per Share Data (Rs)</b>				
Diluted EPS	44.4	154.7	277.8	337.4
Diluted Cash EPS	238.3	405.3	392.2	472.2
DPS	8.0	8.0	5.0	5.1
Book Value	570.1	784.8	1,056.2	1,387.3
<b>Returns (%)</b>				
ROE	8.0%	22.7%	30.1%	27.5%
ROCE	12.3%	18.8%	25.4%	24.0%
Dividend Payout	15.4%	5.2%	2.3%	1.9%
<b>Du-Pont Analysis</b>				
EBIDTA/Sales (%)	26.6%	28.2%	27.9%	31.4%
Sales/Operating assets (x)	97.5%	163.4%	157.2%	153.0%
EBIDTA/Operating Assets (%)	25.9%	46.0%	43.8%	48.1%
Operating Assets/Net Assets (x)	90.9%	91.1%	80.0%	73.7%
Net Earnings/EBIDTA (%)	16.6%	32.4%	60.9%	58.4%
Net Assets/Net Worth (x)	204.8%	167.4%	140.8%	133.0%
RoE (%)	8.0%	22.7%	30.1%	27.5%
<b>Margins (%)</b>				
EBIDTA margin	26.6%	28.2%	27.9%	31.4%
PAT margin	4.4%	9.1%	17.0%	18.4%
<b>Growth Ratios (%)</b>				
Net Sales	-5%	71%	-4%	12%
EBIDTA	(38.6%)	79.3%	(4.7%)	26.6%
PAT	(69.0%)	194.9%	56.4%	21.5%
APAT	(78.7%)	248.9%	79.5%	21.5%
<b>Operating Cycle</b>				
Debtors Days	10	10	10	10
Inventory Days	57	43	43	43
Creditors Days	26	50	30	31

### Balance Sheet

YE March (INR mn)	FY11	FY12 (15M)	FY13E	FY14E
<b>Liabilities</b>				
Equity Capital	348	348	348	348
Reserves & Surplus	19,513	26,991	36,447	47,981
<b>Equity</b>	<b>19,862</b>	<b>27,339</b>	<b>36,796</b>	<b>48,329</b>
<b>Net Worth</b>	<b>19,862</b>	<b>27,339</b>	<b>36,796</b>	<b>48,329</b>
Net Deferred tax liability/(Asset)	(723)	(697)	(93)	(124)
<b>Total Loans</b>	<b>20,464</b>	<b>13,308</b>	<b>13,973</b>	<b>14,672</b>
<b>Capital Employed</b>	<b>39,603</b>	<b>39,950</b>	<b>50,676</b>	<b>62,877</b>
<b>Assets</b>				
Gross Block	40,421	52,450	56,724	66,000
Less: Depreciation	28,750	37,240	41,226	45,920
<b>Net Block</b>	<b>11,671</b>	<b>15,211</b>	<b>15,498</b>	<b>20,080</b>
Capital WIP	7,290	967	4,095	8,517
<b>Investments</b>	<b>11,965</b>	<b>25,352</b>	<b>15,459</b>	<b>19,492</b>
<b>Current Assets</b>				
Inventories	4,042	5,033	4,862	5,195
Sundry Debtors	1,082	1,811	1,564	1,757
Cash and Bank Balance	4,987	4,590	16,351	16,325
Loans and Advances	7,371	5,680	7,205	8,939
Other Current Assets	273	385	489	606
<b>Total Current Assets</b>	<b>17,756</b>	<b>17,499</b>	<b>30,470</b>	<b>32,822</b>
<b>Less: Current Liabilities &amp; Provisions</b>				
Sundry Creditors	1,847	5,843	3,376	3,727
Provisions	2,828	1,954	1,335	1,732
Other Current Liabilities	4,403	11,283	10,135	12,575
<b>Total Current Liabilities &amp; Provisions</b>	<b>9,078</b>	<b>19,079</b>	<b>14,846</b>	<b>18,034</b>
<b>Capital Applied</b>	<b>39,603</b>	<b>39,950</b>	<b>50,676</b>	<b>62,877</b>

### Cash Flow Statement

Particulars (INR mn)	FY11	FY12 (15M)	FY13E	FY14E
<b>Cash Inflows from Operations</b>				
Profit Before Tax	1,104	6,877	11,223	13,830
Depreciation	6,758	8,731	3,986	4,695
Less:				
Dividend Payout	324	324	220	221
Tax Paid	(994)	693	1,547	2,074
<b>Operating Cash flow</b>	<b>8,531</b>	<b>14,592</b>	<b>13,442</b>	<b>16,228</b>
<b>Changes in Capital Structure</b>				
Increase in Other reserves	(244)	1,616	0	0
Increase in Others	(599)	25	605	(32)
Inc/(Dec) in Loans	(599)	(7,156)	665	699
Inc/(Dec) in Equity/Loans/MI	(1,441)	(5,515)	1,270	667
<b>Adjustments</b>				
Diff.in Depreciation	3	(241)	0	0
<b>Total Inflows</b>	<b>7,093</b>	<b>8,836</b>	<b>14,712</b>	<b>16,895</b>
<b>Cash Outflows</b>				
<b>Working Capital Changes</b>				
Inc/(Dec) in Provisions	(2,171)	(874)	(618)	397
Inc/(Dec) in Current Liabilities	1,582	10,875	(3,614)	2,792
Less:				
Inc/(Dec) in Inventory	461	991	(172)	333
Inc in Debtors	258	729	(247)	193
Inc/(Dec) in Loans & Advances	231	(1,691)	1,525	1,735
Inc/(Dec) in Other Current Assets	160	112	103	118
<b>Inc/(Dec) in Working Capital</b>	<b>1,699</b>	<b>(9,860)</b>	<b>5,443</b>	<b>(810)</b>
<b>Capex/Investments</b>				
Inc/(Dec) in Investments	(3,958)	13,387	(9,893)	4,033
Addition to Gross Block	10,912	12,030	4,274	9,276
Inc/(Dec) in Capital WIP	(2,384)	(6,323)	3,127	4,423
<b>Inc/(Dec) in Fixed Assets/ Investments</b>	<b>4,570</b>	<b>19,094</b>	<b>(2,492)</b>	<b>17,731</b>
Inc/(Dec) in Cash/Bank Balance	824	(398)	11,762	(26)
<b>Total Outflows</b>	<b>7,093</b>	<b>8,836</b>	<b>14,712</b>	<b>16,895</b>

### Recommendation Summary

Event	Date	Price	Rating	Target
Initiating Coverage	23-11-2011	2012	Buy	2417
Result Update (Q3FY12)	27-01-2012	2215	Buy	2417
Result Update (Q4FY12)	17-05-2012	2650	Sell	2417
Result Update (Q1FY13)	18-10-2012	4078	Sell	3390
Result Update (Q3FY13)	03-05-2013	4640	Sell	3800

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**BUY**

**More than 10% return**

**HOLD**

**Between 5-10% return**

**SELL**

**Less than 5% return**