

# Just Dial

<b>BSE SENSEX</b>	<b>S&amp;P CNX</b>
29,682	8,952
Bloomberg	JUST IN
Equity Shares (m)	70.2
M.Cap. (INR b) / (USD b)	109/1.8
52-Week Range (INR)	1,895/983
1, 6, 12 Rel. Per (%)	7/-18/-40
Avg Val (INRm)/Vol '000	681/475
Free float (%)	67.1

**CMP: INR1,554**
**TP: INR1,800 (+16%)**
**Buy**

## Strong operational performance; Search Plus set for quantum leap

- Revenue in line; margins surprise positively, deferred recognition of other income drives PAT miss:** Just Dial (JUST) reported revenue of INR1,544m (est INR1,558m) as against INR1,199m in 3QFY14 marking a YoY growth of 28.8%. Paid campaigns grew by 25% YoY and stood at 312,800 (est. 312,000). EBITDA grew 49% YoY from INR333m in 3QFY14 to INR501m in 3QFY15 (est INR436m). EBITDA margins expanded 460bps YoY from 27.8% in 2QFY14 to 32.5% in 3QFY15. EBITDA adjusted for ESOPs grew by 67% and stood at INR556m with margins at 36%, an expansion of 820bp YoY. Margins were higher led by lower advertising costs in current quarter as against ad spend of INR70m in 3QFY15. Further, as most of the data acquisition costs were recognized in 1HFY15, costs on data acquisition were low this quarter. PAT grew by 8.0% YoY and stood at INR321m in 3QFY15 (est. INR347m), impacted by deferred profit booking of other income (down 69% YoY).
- Search Plus – set for quantum leap:** JUST has 23 live Search Plus services on its platform. Management has guided for a Big Bang advertising launch (~INR0.5b) for the Search Plus platform in 4QFY15 / 1QFY16 with an objective to spread a viral effect regarding the potential of the platform amongst consumers. Management has guided that monetization for Search Plus will begin meaningfully only by 2HFY16. India's e-commerce market is expected to post 63% CAGR to reach USD8.6b by FY17. We estimate JUST's market share of 2.5% / 5%, translating into a Gross Mercantile Value (GMV) of USD133m / USD430m for FY16 / FY17 and build in revenues of INR160m and INR515m for FY16 and FY17 for Search Plus.
- Valuation and view:** We believe JUST is making the right investments in scaling up its Search Plus platform, full results of which will start appearing meaningfully beginning FY17. We remain enthused with JUST's leadership position in the local search business and the synergistic entry in the high-potential e-commerce space through Search Plus. However, given JUST is entering an investment phase, we believe the stock may consolidate in the near term. We downgrade our EPS estimates by 4% / 29% / 17% for FY15 / FY16 / FY17 to build in lower other income and higher advertising spend. The stock trades at 79x FY16E and 52x FY17E EPS. Maintain **Buy** with a TP of INR1,800 (60x FY17, v/s post listing avg PE of 70x).

### Financials & Valuation (INR billion)

Y/E Mar	2015E	2016E	2017E
Sales	6.0	7.9	10.2
EBITDA	1.8	2.0	3.1
NP	1.3	1.4	2.1
EPS (INR)	18.5	19.6	30.0
EPS Gr (%)	7.5	6.2	53.1
BV/Sh(INR)	90.1	102.8	123.6
RoE (%)	22.2	20.3	26.5
RoCE (%)	31.8	29.1	37.9
P/E (x)	84.1	79.2	51.7
P/BV (x)	17.3	15.1	12.6

Estimate change

17% ↓

TP change



Rating change



### Consolidated - Quarterly Earning Model

(INR million)

Y/E March	FY14				FY15				FY14	FY15E	FY15	Var %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	1,046	1,127	1,199	1,242	1,350	1,474	1,544	1,615	4,613	6,000	1,558	-0.9
YoY Change (%)	28.0	28.6	25.9	26.4	29.1	30.8	28.8	30.0	27.2	30.1	30.0	
Total Expenditure	683	774	865	868	1,010	1,048	1,043	1,098	3,191	4,218	1,122	
EBITDA	363	352	333	374	340	426	501	517	1,422	1,782	436	14.9
Margins (%)	34.7	31.3	27.8	30.1	25.2	28.9	32.5	32.0	30.8	29.7	28.0	4.5
Depreciation	42	44	43	44	57	63	61	64	173	230	40	
Other Income	73	87	111	129	97	85	35	80	399	300	100	
PBT	393	394	402	459	380	448	475	533	1,649	1,852	496	
Tax	113	108	104	118	99	133	153	160	442	556	149	
Rate (%)	29	27	26	26	26	30	32	30	26.8	30.0	30	
Reported PAT	280	287	298	341	281	315	321	373	1,206	1,296	347	
Adj PAT	280	287	298	341	281	315	321	373	1,206	1,296	347	-7.5
YoY Adj PAT Change (%)	68.5	84.9	85.7	59.7	0.2	9.9	8.0	9.2	72.3	7.5	17	
Margins (%)	26.8	25.4	24.8	27.5	20.8	21.4	20.8	23.1	26.1	21.6	22.3	

E: MOSL Estimates

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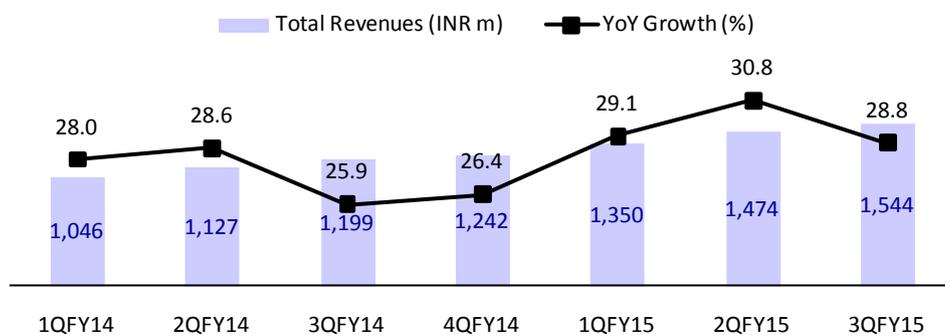
Investors are advised to refer through disclosures made at the end of the Research Report.

 Motilal Oswal research is available on [www.motilaloswal.com/Institutional-Equities](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

**Revenue growth in-line, Margins beat estimates**

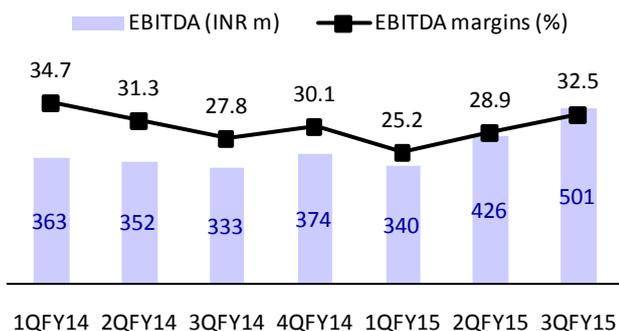
- Just Dial (JUST) reported revenue of INR1,544m (est INR1,558m) as against INR1,199m in 3QFY14 marking a YoY growth of 28.8%.
- Volume growth during the quarter stood at 25%, Premium listings formed 20% of total campaigns and 45% of revenues.
- This quarter had 5 days lesser working days as compared to 3QFY14, in the absence of which paid campaign additions would have been even stronger.
- EBITDA grew 49% YoY from INR333m in 3QFY14 to INR501m in 3QFY15 (est INR436m). EBITDA margins expanded 460bps YoY from 27.8% in 2QFY14 to 32.5% in 3QFY15 primarily led by decline in other expenses by 580bp.
- EBITDA adjusted for ESOPs grew by 67% and stood at INR556m with margins at 36%, an expansion of 820bp YoY.
- Margins were higher led by lower advertising costs in current quarter as against ad spend of INR70m in 3QFY15. Further, most of the data acquisition costs were recognized in 1HFY15, costs on this count were low this quarter.
- During the quarter, JUST granted 2.4 lakh stock options to employees at an exercise price of INR80/share, with vesting over a period of 4 to 7 years.
- ESOP expenses recognized in the quarter stood at INR55m.
- Other Income was down by 69% to INR34.6m in 3QFY15 from INR110.8m in 3QFY14 on account of deferred profit booking on investments.
- Cash stood at INR7.4b as at 3QFY15 as compared to INR6.0b as at 3QFY14.
- PAT grew by 8.0% YoY and stood at INR321m in 3QFY15 (est. INR347m). PAT growth was impacted by deferred profit booking of other income.

**Exhibit 1: Revenue trend**



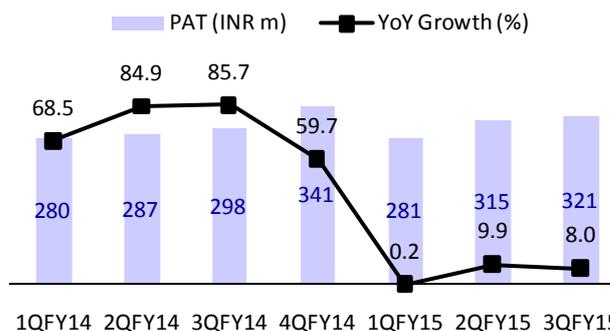
Source: Company, MOSL

**Exhibit 2: EBITDA trend**



Source: Company, MOSL

**Exhibit 3: PAT trend**



Source: Company, MOSL

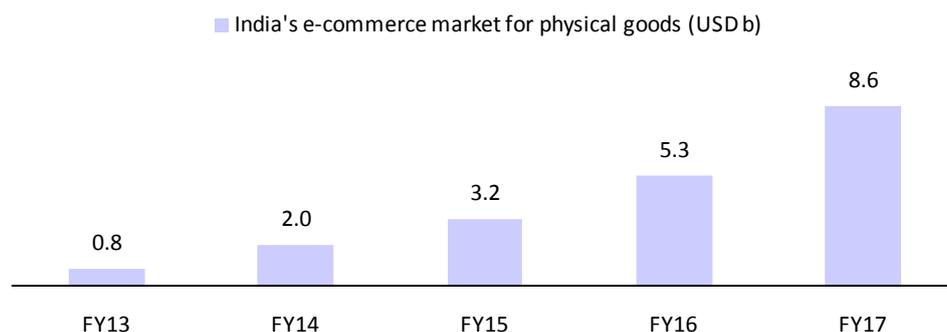
### Search Plus – set for quantum leap

- JUST has 23 Search Plus services live on its platform currently which includes services like online food delivery, groceries, doctors' appointments, taxi bookings, online purchases of electronics, online recharge, movie ticketing, etc.
- Hotel reservation, movie tickets, online shopping, bus / flight ticketing – are some of the services that are witnessing strong traction as per management.
- JUST will launch JD Cash in April, 2015 and management guided that recent RBI regulations on payment banks will not impact JD Cash as it is intermediating.
- Except for some specific categories where e-commerce companies are excessively discounting, management suggests that prices of products on its platform are as competitive as those on leading e-commerce portals.
- Management has guided for a Big Bang advertising launch of the Search Plus platform in 4QFY15 / 1QFY16 with an objective to spread a viral effect regarding the potential of the platform. Monetization will begin meaningfully by 2HFY16.
- Even as management highlighted that they haven't finalized their budgets for the Big Bang ad spend, we believe this would entail advertising spend of INR0.5b. We've factored in the impact of this ad spend in our FY16 forecasts as we believe the launch in 1QFY16 is more likely as against 4QFY15.

### Search Plus – mapping revenue potential for JUST

- We highlight below the revenue potential for JUST's Search Plus business.
- India's e-commerce market is expected to grow to USD8.6b by FY17 (63% CAGR)
- We estimate JUST's market share of 2.5% / 5%, translating into a Gross Mercantile Value (GMV) of USD133m / USD430m for FY16 / FY17.
- Assuming a blended gross margin of a modest 2% on GMV, we believe JUST can post revenues to the tune of USD2.7m / USD8.6m for FY16 / FY17.
- We thus build in revenues of INR159m and INR516m for FY16 and FY17 for JUST.

#### Exhibit 4: India's e-commerce market set to grow to USD8.6b by FY17



Source: Accel estimates and industry sources

#### Exhibit 5: Assessing Just Dial's revenues from Search Plus (INR m)

Parameters	FY16	FY17
E-commerce market size (USD b)	5.3	8.6
JUST's market share (%)	2.5%	5.0%
GMV (USD m)	133	430
Gross margins on GMV (%)	2%	2%
Potential revenues (USD m)	2.7	8.6
<b>Potential revenues (INR m)</b>	<b>159</b>	<b>516</b>

Source: Company, MOSL

**JUST to deploy unique evangelist program to drive adoption of Master App**

- JUST is working on improving its Master App and will release a fully functional mobile application by March, 2015 with complete bouquet of services.
- The mobile app will also enable voice search through which users can easily find the product or service they’re looking for with a simple voice command.
- Given the increasing popularity of the mobile platform (>35% users accessing JUST through mobile currently), the management is focused on developing this channel aggressively, and aims to attract maximum number of users on its app.
- Currently, approximately 5m users have downloaded JUST’s mobile app, and JUST is registering ~12k downloads per day.
- Management believes that adding users organically is the right way to go from a long term perspective; hence it has refrained from adding customers in-organically (like other e-commerce players who spend ~INR150/user download).
- JUST will thus be working on a unique evangelist program wherein free lancers will be educating consumers on the richness and functionality of the mobile application. This will be a one of the kind’s initiatives and management expressed high confidence in the model, even as they revealed minimal details.
- Management guided that evangelist program will be a continuing activity and not a one-off event for the company.

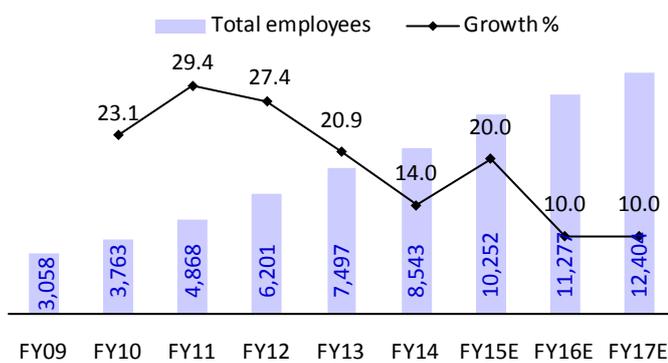
**International – focusing on content creation currently**

- Management highlighted that content creation is the core focus area in the international business and monetization is not a near term objective.
- In terms of geographies, while in UK, the platform is active, management will look at launching the platform in Middle East in the coming quarter.
- JUST will have a single mobile app for all international countries and depending on the country, the app will provide country-specific local search automatically.
- JUST will be working on a differentiated strategy for the US business - for example – branding services as service magic – (plumbers, carpenters, etc).

**Employee growth at 6% YoY**

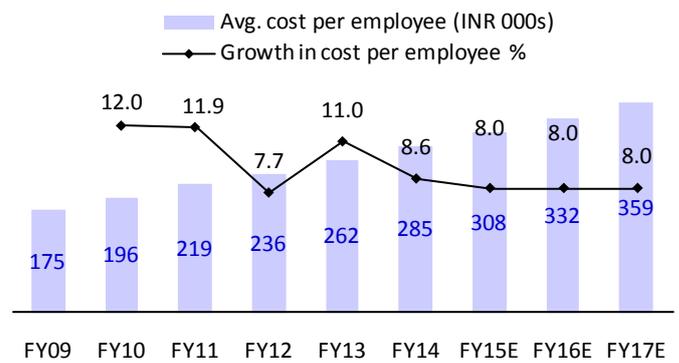
- Total employees as of 3QFY15 stood at 9,226 as against 8,683 in 3QFY14 (6% YoY growth) and 8,899 employees in 2QFY15 (growth of 3.7% QoQ)..
- Management highlighted that they’ll end FY15 with an addition of 1,000 employees and will look at adding similar number of 1,000 employees in FY16.

**Exhibit 6: Total employees continue to rise**



Source: Company, MOSL

**Exhibit 7: Average cost per employee to stabilize**

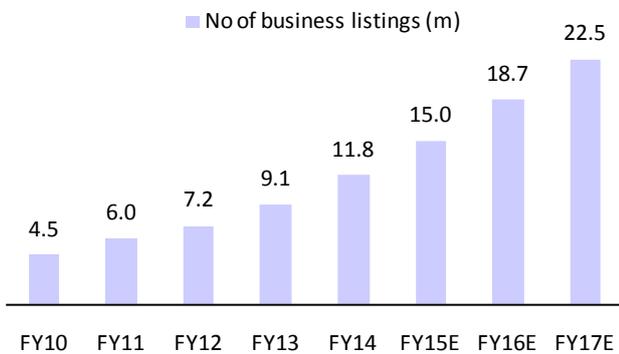


Source: Company, MOSL

**Campaigns post strong growth**

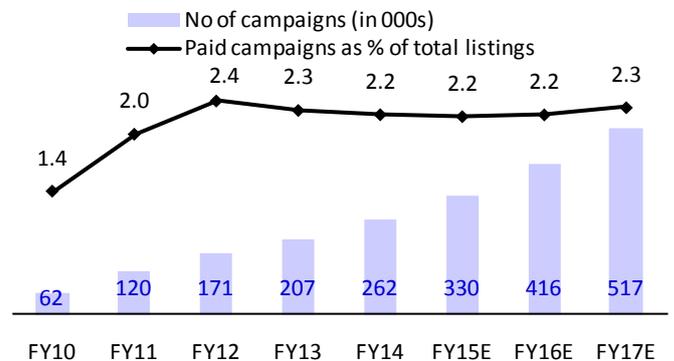
- Total listings stood at 14.7m in 3QFY15 vs 10.9m in 3QFY14, marking a YoY growth of 35%. (14.5m as of 2QFY15).
- Paid campaigns as of end of 3QFY15 stood at 312,800 (est. 312,000) as against 249,500 campaigns in 3QFY14 (25% growth YoY) and 2,96,100 campaigns in 2QFY15 (5.6% growth QoQ).
- Tier II / III cities showed strong traction during the quarter, and contributed 10.5% to revenues this quarter.
- JUST’s proprietary search engine automatically takes care of price increase, hence management doesn’t plan to take a manual price increase like in FY14.
- JUST has more than 50m ratings and reviews on its platform as of 3QFY15 of which ratings form 95% and reviews form the balance 5%.

**Exhibit 8: Total number of business listings**



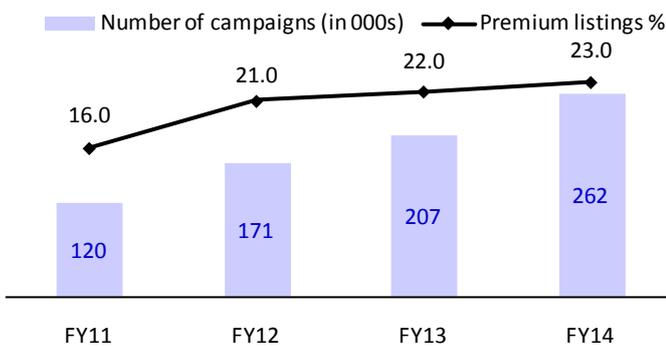
Source: Company, MOSL

**Exhibit 9: Paid campaign as a % of total listings**



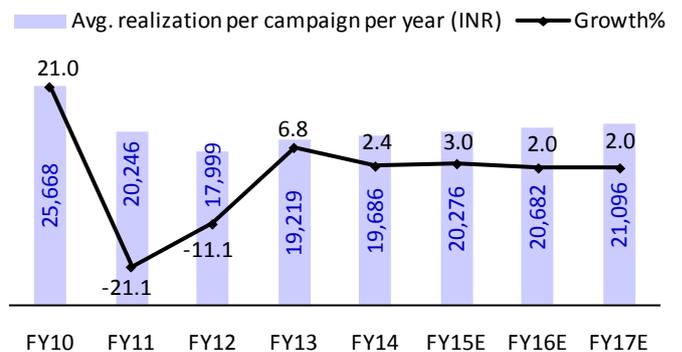
Source: Company, MOSL

**Exhibit 10: Premium listing continue to rise**



Source: Company, MOSL

**Exhibit 11: Average realization per campaign to moderate**



Source: Company, MOSL

**No acquisition or fund raising plan for FY16**

- In 2QFY15, JUST board has passed an enabling resolution to raise INR10b.
- However, JUST management clarified that it was only an enabling resolution and there are no acquisition or fund raising plans on the anvil for FY16.

**Other conference call highlights**

- JUST plans to shortly launch a cloud solution B2B platform for businesses.
- Reverse auction queries are currently witnessing 60% conversion.
- JD Guarantee promises 7 hour delivery guarantee across 15k unique products – vendors for this service are carefully hand-picked to ensure timely delivery.

**Valuation and view**

We value JUST at 60x FY17E EPS, versus post listing average multiple of 70x, which we believe is justified considering:

■ **High entry barriers ensure limited competition**

JUST is the leader in India’s local search business and enjoys a strong first-mover advantage. It has a database of 14.7m listings spread across ~2,000 Indian cities as on 3QFY15, significantly ahead of competitors. We believe the biggest strength of JUST is maintenance of its database by keeping it updated and accurate through un-paralleled feet-on-street strength (~9,000 employees as of 3QFY15), its ability to develop direct and personal relationships with SMEs and its unique voice-based search infrastructure, which is difficult to replicate by competitors.

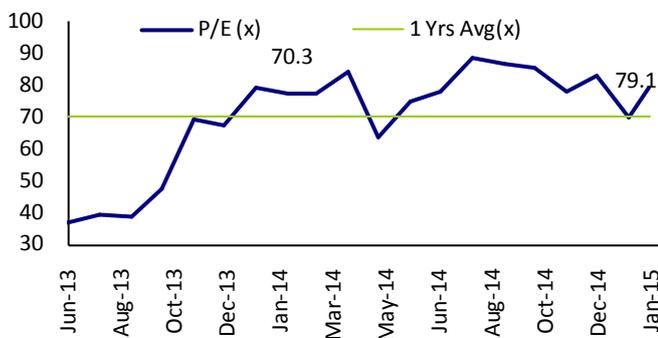
■ **Strong growth potential for India’s local search business**

We believe JUST has significant growth potential as at 14.7m listings, it has still tapped less than 50% of the India’s overall base of 32m SMEs. Further, opportunity in terms of monetization is huge given only 2% of JUST’s listings are paid listings, and less than 1% of India’s SME base of 32m small businesses are paid advertisers on its platform. JUST’s proprietary pricing algorithms to set the price range for various membership packages depending on the keyword and locality as well as its unique mechanism of offering monthly/weekly payment packages ensure high affordability for SME’s which should drive higher monetization going forward.

■ **Search Plus, a game changer – Synergistic move, from search to transactions**

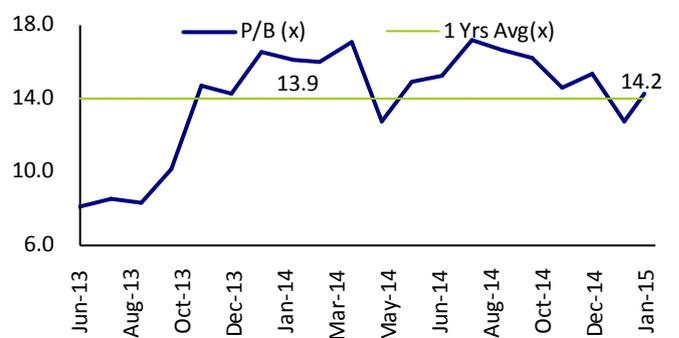
JUST has extended its offerings from search to transactions with launch of a host of services under the JD Search Plus platform. JUST currently has 23 products under ‘Search Plus’ which includes online food delivery, groceries, wine delivery, doctors’ appointments, taxi bookings, online purchases of electronics, etc. Further, JUST is launching a plethora of new products like ‘Just Dial Guaranteed’, ‘Just Dial Cash’, Online cab booking, etc which we believe will take the Search Plus platform to a completely different league. Management plans to aggressively advertise to create a viral impact for these recent launches. We believe given strong relationships enjoyed by JUST with SMEs, it is best placed to capture the off-line to on-line e-commerce opportunity with its foray into enabling transactions on its platform.

**Exhibit 12: Price to earnings (One year forward)**



Source: Company, MOSL

**Exhibit 13: Price to book (One year forward)**



Source: Company, MOSL

We value the stock at 60x FY17E EPS and arrive at a target price of INR1800 – 16% upside. Maintain **Buy** rating.

Service offered on Just Dial Platform

Exhibit 14: Online table booking

The screenshot displays the Just Dial website interface for a restaurant named 'The Little Door'. At the top, the Just Dial logo is on the left, and search, login, and sign-up options are on the right. The restaurant's name 'The Little Door' is prominently displayed, along with a link to read reviews. Below this, there is a contact number (+91)-22-61625703, the address (Narang Food And Services Lp, Plot No B - 31, Shree Siddhivanayak Plaza, Off New Link Road, Andheri...), and a 'Send Enquiry by Email' button. A 'BOOK A TABLE' button is also visible. The restaurant's establishment year (2012) and 1106 ratings are shown, along with a 'JD Verified' badge. A 'MENU' button is located at the bottom right of the restaurant details section.

The 'MENU' section is expanded, showing a list of menu categories with a 'Price' column and a '+' icon for each item:

- From The Farmers
- From The Hunters
- From The Fishermen
- From The Bakers
- For The Feast
- Drunkesserts

A disclaimer note states: '\* The prices indicated are subjected to changes. Justdial tries to ensure that the prices indicated on the website are up to date and accurate. However, we accept no liability for any errors and omissions in the menu card.'

Below the menu, a user review is shown for 'Saidah Jules' with a 5-star rating. The review text reads: 'Nice place to hang out in Lokhandwala. Nice food, good drinks, decent crowd.' To the right of the review, there is a bar chart for 'Overall Ratings (1106)' and a line graph for 'Ratings Over Time'.

Rating	Percentage
Excellent	32.7 %
Very Good	44.5 %
Good	16.9 %
Average	4 %
Poor	1.9 %

The 'Ratings Over Time' graph shows a fluctuating trend from May to October. At the bottom of the page, there are links for 'More Information about The Little Door' and a promotional banner for 'Download & Win an iPad\*'.

Source: Company, MOSL

**Exhibit 15: Get quotes for Samsung mobile**

**Get lowest quotes from multiple vendors**  
**Samsung Galaxy S3 Neo Blue [GT-I9300I]** [Skip This](#)

**MRP :- ₹25400.00**



Name\*

Mobile\*

Email

Delivery Area\*

Select your preference to receive LOWEST PRICE quotes

SMS / Email
  SMS
  Email

I don't mind calls with special offers!
  Strictly no calls

**SUBMIT**

**Key Features:**

brand name:	Samsung	series:	Galaxy
color:	Blue	form factor:	Touchscreen
operating system:	Android	type:	GSM/GSM
dimension:	136.6 x 70.7 x 8.6 mm	external memory:	Upto 64 GB
dual sim:	Yes	screen size:	4.8 Inches
weight:	132 gm	processor:	Quad core

Source: Company, MOSL

**Exhibit 16: Bus booking on Just Dial**

**Jd Plan Your Trip** [Cancel Ticket](#) | [Login](#)

**Bus**

Cab

Flight COMING SOON

Hotel

Train COMING SOON

From

To

Date of Journey

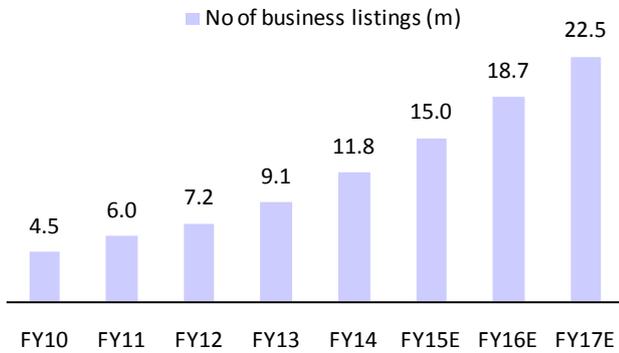
Date of Return (Optional)

**Search Buses**

Source: Company, MOSL

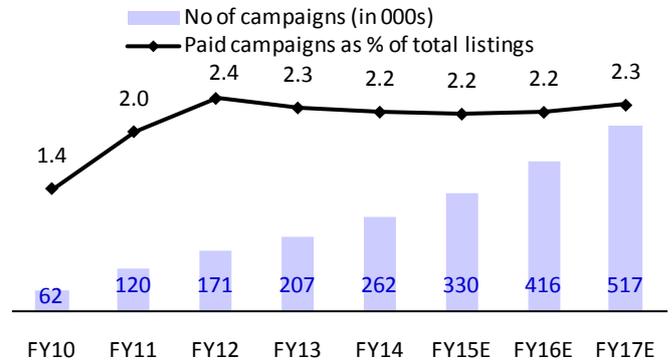
Story in charts

Exhibit 17: Total number of business listings



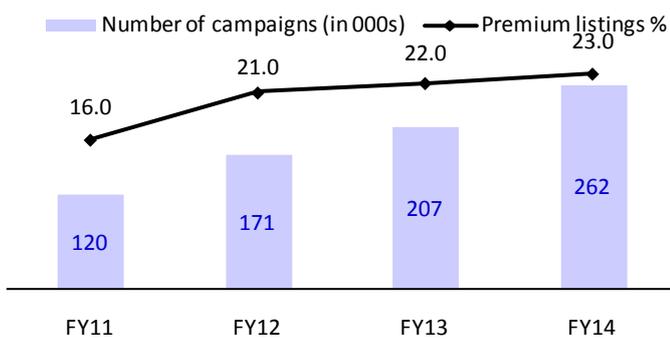
Source: Company, MOSL

Exhibit 18: Paid campaign as a % of total listings



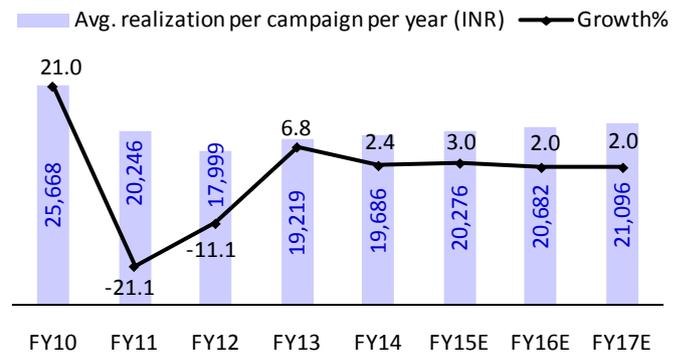
Source: Company, MOSL

Exhibit 19: Premium listing continue to rise



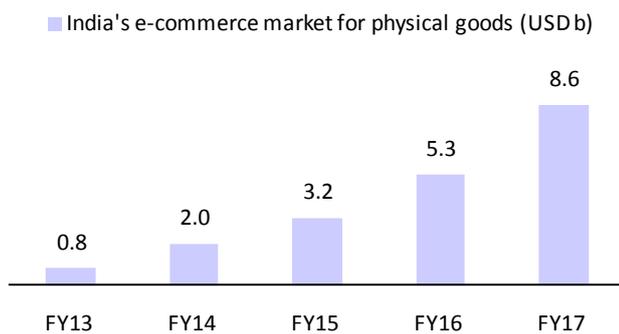
Source: Company, MOSL

Exhibit 20: Average realization per campaign to moderate



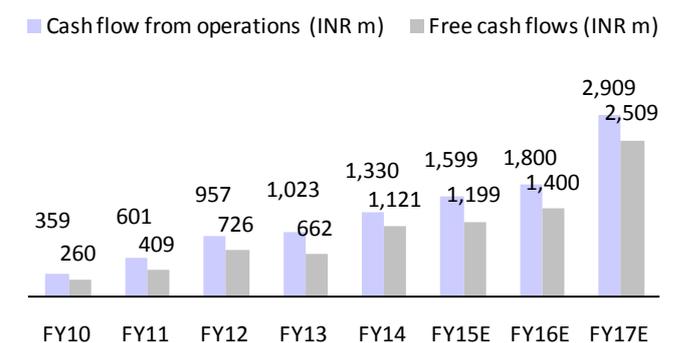
Source: Company, MOSL

Exhibit 21: Search Plus to drive e-commerce sales for JUST



Source: Company, MOSL

Exhibit 22: JUST has a robust cash generating business model



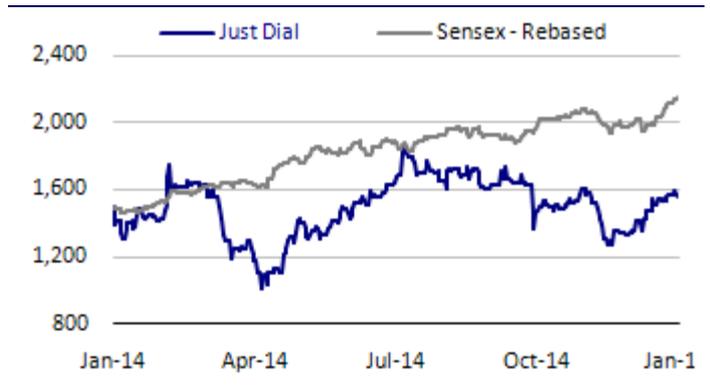
Source: Company, MOSL

## Corporate profile: Just Dial

### Company description

Just Dial Ltd (JUST) is one of the leading local search engines in India. It provides users with information and user reviews from its database of local businesses, products and services across India. Its search service is available to users through multiple platforms: Internet, mobile Internet, telephone (voice) and text (SMS). JDL is a well known and established brand on the Internet and through its easy to remember phone numbers (88888 88888 and 6999 9999) and user friendly mobile phone interface, it attained significant mind share with users for their local search needs.

### Exhibit 23: Sensex rebased



### Exhibit 24: Shareholding pattern (%)

	Dec-14	Sep-14	Dec-13
Promoter	32.9	33.0	33.0
DII	4.7	4.6	5.5
FII	27.4	26.6	23.0
Others	35.0	35.8	38.5

Note: FII Includes depository receipts

### Exhibit 26: Top management

Name	Designation
Venkatachalam Sthanu Subramani	Managing Director

### Exhibit 28: Auditors

Name	Type
S R Batliboi & Associates LLP	Statutory

### Exhibit 25: Top holders

Holder Name	% Holding
Saif II Mauritius Company Ltd	8.6
Tiger Global Four JD Holdings	8.2
Tiger Global Five Indian Holdings	5.1
Sequoia Capital India Investments III	4.7
SCI Growth Investments II	4.3

### Exhibit 27: Directors

Name	Name
Venkatachalam Sthanu Subramani	Shailendra Jit Singh
Sanjay Bahadur	Ravi Chandra Adusumalli
Malcolm Monteiro	Ramani Iyer
Anand Balasundaram	Venkata Challam Krishnan

\*Independent

### Exhibit 29: MOSL forecast v/s consensus

EPS (INR)	MOSL forecast	Consensus forecast	Variation (%)
FY15	18.5	19.9	-7.0
FY16	19.6	29.7	-33.9
FY17	30.0	41.6	-27.9

## Key assumptions

### Exhibit 30: Annual metrics

Particulars	FY10	FY11	FY12	FY13	FY14	FY15E	FY16E	FY17E
No of business listings (m)	4.5	6.0	7.2	9.1	11.8	15.0	18.7	22.5
No of campaigns	61,500	120,200	171,000	206,500	262,150	329,692	415,862	517,017
Paid campaigns as % of total listings	1.4%	2.0%	2.4%	2.3%	2.2%	2.2%	2.2%	2.3%
Average realization per campaign per year (INR)	25,668	20,246	17,999	19,219	19,686	20,276	20,682	21,096
<b>Growth YoY</b>								
Listings growth YoY	0.0%	33.3%	20.0%	26.4%	29.7%	27.0%	25.0%	20.0%
Campaign growth YoY	51.9%	95.4%	42.3%	20.8%	26.9%	25.8%	26.1%	24.3%
Average realisation growth (YoY)	21.0%	-21.1%	-11.1%	6.8%	2.4%	3.0%	2.0%	2.0%

Source: Company, MOSL

### Exhibit 31: Quarterly metrics

	1QFY14	2QFY14	3QFY14	4QFY14	1QFY15	2QFY15	2QFY15
Total Campaigns (mn)	9.5	10.1	10.8	11.8	14.2	14.5	14.7
Paid Campaigns (in 000s)	221.5	238.6	249.6	262.2	278.0	296.1	312.8
Paid Campaigns as a proportion of total campaigns	2.3%	2.4%	2.3%	2.2%	2.0%	2.0%	2.1%
Total Campaigns (YoY)	23%	23%	23%	30%	49%	44%	36%
Paid Campaigns (YoY)	22.4%	27.1%	27.9%	26.9%	25.5%	24.1%	25.3%

Source: Company, MOSL

## Financials and valuations

Consolidated - Income Statement							(INR Million)	
Y/E March	FY10	FY11	FY12	FY13	FY14	FY15E	FY16E	FY17E
<b>Net Sales</b>	<b>1,309</b>	<b>1,839</b>	<b>2,621</b>	<b>3,628</b>	<b>4,613</b>	<b>6,000</b>	<b>7,860</b>	<b>10,240</b>
Change (%)	52.4	40.5	42.5	38.4	27.2	30.1	31.0	30.3
<b>EBITDA</b>	<b>308</b>	<b>454</b>	<b>672</b>	<b>1,007</b>	<b>1,422</b>	<b>1,782</b>	<b>2,044</b>	<b>3,103</b>
Margin (%)	23.5	24.7	25.7	27.8	30.8	29.7	26.0	30.3
Depreciation	40	68	90	144	173	230	277	333
<b>EBIT</b>	<b>268</b>	<b>386</b>	<b>582</b>	<b>863</b>	<b>1,249</b>	<b>1,552</b>	<b>1,766</b>	<b>2,770</b>
Int. and Finance Charges	4	0	0	0	0	0	0	0
Other Income - Rec.	39	37	132	136	399	300	200	240
<b>PBT bef. EO Exp.</b>	<b>302</b>	<b>423</b>	<b>713</b>	<b>1,000</b>	<b>1,649</b>	<b>1,852</b>	<b>1,966</b>	<b>3,010</b>
EO Expense/(Income)	434	0	0	15	0	0	0	0
<b>PBT after EO Exp.</b>	<b>-132</b>	<b>423</b>	<b>713</b>	<b>984</b>	<b>1,649</b>	<b>1,852</b>	<b>1,966</b>	<b>3,010</b>
Current Tax	2	120	206	281	434	556	590	903
Deferred Tax	-29	8	3	19	9	0	0	0
Tax Rate (%)	20.4	30.2	29.3	30.4	26.8	30.0	30.0	30.0
<b>Reported PAT</b>	<b>-105</b>	<b>295</b>	<b>504</b>	<b>685</b>	<b>1,206</b>	<b>1,296</b>	<b>1,376</b>	<b>2,107</b>
<b>PAT Adj for EO items</b>	<b>241</b>	<b>295</b>	<b>504</b>	<b>700</b>	<b>1,206</b>	<b>1,296</b>	<b>1,376</b>	<b>2,107</b>
Change (%)	246.8	22.7	70.7	38.8	72.3	7.5	6.2	53.1
Margin (%)	18.4	16.1	19.2	19.3	26.1	21.6	17.5	20.6

Consolidated - Balance Sheet							(INR Million)	
Y/E March	FY10	FY11	FY12	FY13	FY14	FY15E	FY16E	FY17E
Equity Share Capital	11	521	531	695	702	702	702	702
Total Reserves	639	433	542	3,564	4,643	5,617	6,509	7,971
<b>Net Worth</b>	<b>650</b>	<b>954</b>	<b>1,072</b>	<b>4,259</b>	<b>5,344</b>	<b>6,318</b>	<b>7,211</b>	<b>8,673</b>
Minority Interest	0	0	0	0	0	0	0	0
Deferred Liabilities	0	0	0	9	18	18	18	18
Total Loans	5	1	0	0	0	0	0	0
<b>Capital Employed</b>	<b>655</b>	<b>956</b>	<b>1,072</b>	<b>4,269</b>	<b>5,363</b>	<b>6,336</b>	<b>7,229</b>	<b>8,691</b>
Gross Block	322	441	600	995	1,080	1,480	1,880	2,280
Less: Accum. Deprn.	134	170	251	388	552	782	1,059	1,392
<b>Net Fixed Assets</b>	<b>188</b>	<b>272</b>	<b>348</b>	<b>608</b>	<b>528</b>	<b>698</b>	<b>820</b>	<b>888</b>
Capital WIP	0	0	12	16	0	0	0	0
<b>Total Investments</b>	<b>808</b>	<b>1,182</b>	<b>1,568</b>	<b>4,858</b>	<b>6,257</b>	<b>6,257</b>	<b>6,257</b>	<b>6,257</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>229</b>	<b>448</b>	<b>540</b>	<b>593</b>	<b>865</b>	<b>1,846</b>	<b>2,883</b>	<b>4,892</b>
Inventory	0	0	0	0	0	0	0	0
Account Receivables	0	1	0	9	0	6	8	10
Cash and Bank Balance	114	196	237	239	370	1,246	2,163	4,027
Loans and Advances	115	251	303	345	495	594	713	856
<b>Curr. Liability &amp; Prov.</b>	<b>590</b>	<b>959</b>	<b>1,405</b>	<b>1,806</b>	<b>2,287</b>	<b>2,465</b>	<b>2,732</b>	<b>3,346</b>
Account Payables	577	938	1,392	1,787	2,103	2,225	2,420	2,941
Provisions	13	21	13	18	184	239	311	405
<b>Net Current Assets</b>	<b>-361</b>	<b>-511</b>	<b>-865</b>	<b>-1,213</b>	<b>-1,422</b>	<b>-618</b>	<b>152</b>	<b>1,546</b>
<b>Appl. of Funds</b>	<b>655</b>	<b>956</b>	<b>1,072</b>	<b>4,269</b>	<b>5,363</b>	<b>6,336</b>	<b>7,229</b>	<b>8,691</b>

E: MOSL Estimates

## Financials and valuations

### Ratios

Y/E March	FY10	FY11	FY12	FY13	FY14	FY15E	FY16E	FY17E
<b>Basic (INR)</b>								
EPS	217.1	5.7	9.5	10.1	17.2	18.5	19.6	30.0
Cash EPS	253.0	7.0	11.2	12.1	19.7	21.8	23.6	34.8
BV/Share	13.6	15.2	16.5	61.3	76.2	90.1	102.8	123.6
DPS	0.0	0.0	0.0	0.0	2.6	5.2	7.9	10.5
Payout (%)	0.0	0.0	0.0	0.0	13.6	24.9	35.1	30.6
<b>Valuation (x)</b>								
P/E	7.2	274.1	163.6	154.3	90.4	84.1	79.2	51.7
Cash P/E	6.1	222.8	138.7	128.0	79.1	71.4	65.9	44.7
P/BV	114.6	102.2	94.2	25.4	20.4	17.3	15.1	12.6
EV/Sales	83.2	59.2	41.5	30.0	23.6	18.0	13.6	10.3
EV/EBITDA	353.8	239.8	161.8	108.0	76.4	60.5	52.3	33.8
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.2	0.3	0.5	0.7
<b>Return Ratios (%)</b>								
RoE	44.2	36.8	49.8	26.3	25.1	22.2	20.3	26.5
RoCE	56.0	52.6	70.4	37.5	34.3	31.8	29.1	37.9
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	4	4	4	4	4	4	4	4
Asset Turnover (x)	2.0	1.9	2.4	0.8	0.9	0.9	1.1	1.2
Debtor (Days)	0	0	0	1	0	0	0	0
Creditor (Days)	161	186	194	180	166	135	112	105
Working Capital Turnover (Days)	-132	-140	-154	-146	-142	-113	-93	-88
<b>Leverage Ratio (x)</b>								
Current Ratio	0.4	0.5	0.4	0.3	0.4	0.7	1.1	1.5
Debt/Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

### Consolidated - Cash Flow Statement

(INR Million)

Y/E March	FY10	FY11	FY12	FY13	FY14	FY15E	FY16E	FY17E
NP/ (Loss) Before Tax and EO Items	-132	423	713	984	1,649	1,852	1,966	3,010
Depreciation	40	68	90	144	173	230	277	333
Direct Taxes Paid	-44	-133	-209	-307	-433	-556	-590	-903
(Inc)/Dec in WC	506	256	444	314	327	73	146	469
<b>CF from Operations</b>	<b>370</b>	<b>614</b>	<b>1,039</b>	<b>1,135</b>	<b>1,716</b>	<b>1,599</b>	<b>1,800</b>	<b>2,909</b>
EO Expense	-11	139	84	-112	-386	0	0	0
<b>CF from Operating incl EO</b>	<b>359</b>	<b>753</b>	<b>1,123</b>	<b>1,023</b>	<b>1,330</b>	<b>1,599</b>	<b>1,800</b>	<b>2,909</b>
(inc)/dec in FA	-99	-176	-231	-361	-208	-400	-400	-400
(Pur)/Sale of Investments	-374	-377	-1,091	-3,188	-1,051	0	0	0
<b>CF from Investments</b>	<b>-301</b>	<b>-508</b>	<b>-1,209</b>	<b>-3,535</b>	<b>-1,241</b>	<b>-400</b>	<b>-400</b>	<b>-400</b>
Dividend Paid	0	0	0	0	0	-322	-484	-645
<b>CF from Fin. Activity</b>	<b>-148</b>	<b>-164</b>	<b>127</b>	<b>2,514</b>	<b>41</b>	<b>-322</b>	<b>-484</b>	<b>-645</b>
<b>Inc/Dec of Cash</b>	<b>-90</b>	<b>81</b>	<b>41</b>	<b>2</b>	<b>130</b>	<b>877</b>	<b>916</b>	<b>1,864</b>
Add: Beginning Balance	204	114	196	237	239	370	1,246	2,163
<b>Closing Balance</b>	<b>114</b>	<b>196</b>	<b>237</b>	<b>239</b>	<b>370</b>	<b>1,246</b>	<b>2,163</b>	<b>4,027</b>

E: MOSL Estimates

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