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Rating Information	
Price (Rs)	960
Target Price (Rs)	900
Target Date	31stMar'19
Target Set On	6th Nov'17
Implied yrs of growth (DCF)	15
Fair Value (DCF)	900
Fair Value (DDM)	210
Ind Benchmark	BSEOIL
Model Portfolio Position	NA

Stock Information	
Market Cap (Rs Mn)	132,205
Free Float (%)	39.11 %
52 Wk H/L (Rs)	978/470
Avg Daily Volume (1yr)	93,077
Avg Daily Value (Rs Mn)	67
Equity Cap (Rs Mn)	1,377
Face Value (Rs)	10
Bloomberg Code	GUJGA IN

Ownership	Recent	3M	12M
Promoters	60.9 %	0.0 %	0.0 %
DII	2.4 %	0.1 %	-1.8 %
FII	14.9 %	-0.5 %	1.4 %
Public	21.8 %	0.0 %	0.4 %

Price %	1M	3M	12M
Absolute	5.5 %	27.2 %	74.5 %
Vs Industry	-1.3 %	15.7 %	33.1 %
IGL	8.1 %	32.1 %	82.2 %
MGL	13.3 %	24.7 %	77.9 %

Standalone Quarterly EPS forecast

Rs/Share	1Q	2Q	3Q	4Q
EPS (17A)	5.4	5.0	3.1	2.4
EPS (18E)	7.6	4.4	6.0	6.2

Gujarat Gas Ltd.

2QFY18 Results: Estimate (↓), TP (↑), Rating (↓)

Regular Coverage

Absolute: REDUCE
Relative: Benchmark
5% Downside in 17 Months

Volumes in line but margins disappoint on one-offs - downgrade to REDUCE

Oil & Gas

Gujarat Gas (GGAS) posted an 11% yoy growth in its 2Q volumes to 5.7mmscmd led by growth across segments. A significant miss in the EBITDA was due to flood donations, lack of input tax credit, and an increase in spot LNG prices. While the recent increase in oil/spot LNG would hurt near-term margins, a higher increase in CNG prices should partly offset the impact. We expect a 13% volume CAGR over FY17-FY20E to 7.8mmscmd on (1) higher volumes from ceramic customers and (2) a pick-up in liquid-to-gas conversion in new geographies on lower gas prices. We slash FY18E/FY19E EPS by 22%/9% on lower volume expectations and forecast a 20%/36% EBITDA/PAT CAGR over FY17-FY20E off a low base. Post its recent rally, the stock is trading expensive at 30x FY19E. We roll over to a DCF-based Mar'19 TP of Rs 900. Downgrade to REDUCE (from Sep'18 PT of Rs. 780).

In-line volumes: Volumes at 5.7mmscmd were up 11% yoy and down 6% qoq, in line with EE. CNG/household/commercial/industrial volumes grew 7%/5%/0%/13% yoy to 1.3/0.5/0.1/3.9mmscmd. Q2 is seasonally weak quarter due to monsoons, but this time GST implementation led to a slowdown in Morbi volumes. The company's focus is to expand CNG volumes with a ~20% increase in CNG stations planned this year.

Volume growth likely from Q4 but dependency on Morbi continues: We expect a qoq improvement in Q3 volumes, but see sharp growth in Q4 when (1) new plants come up in Morbi (2) alternate fuels, mainly LPG, become expensive in winter, and (3) NG comes under the taxation net due to inclusion in GST. However, low contribution from new GAS would make GGAS dependent on Morbi for volume growth over the next 1-2 years.

Lack of price increases to hurt near-term margins: Despite the recent run-up in crude oil/spot LNG, GGAS did not take price hikes in the industrial segment, possibly due to upcoming state elections; this in turn is likely to pressurize margins. However, a CNG price hike of Rs 3.5/KG taken in Oct'17 would give partial relief. With a recovery in volumes, the company's pricing power should improve from Jan'18. We expect FY18E/FY19E EBITDA/scm of Rs 4.1/4.5scm against Rs 3.7/scm over the last two years.

EBITDA miss due to one-offs: Topline grew 12% yoy to Rs 13.9bn, in line EE, and realizations stood at Rs 26.4/scm, up 2% qoq. However, EBITDA/scm at Rs 3.8/scm missed estimates on (1) Rs 70mn given towards flood relief fund, and (2) Rs 80mn-100mn impact due to lack of input tax credit for GST cost items. EBITDA declined 25% qoq/3% yoy to Rs 2bn while PAT at Rs 0.6bn was down 12% yoy.

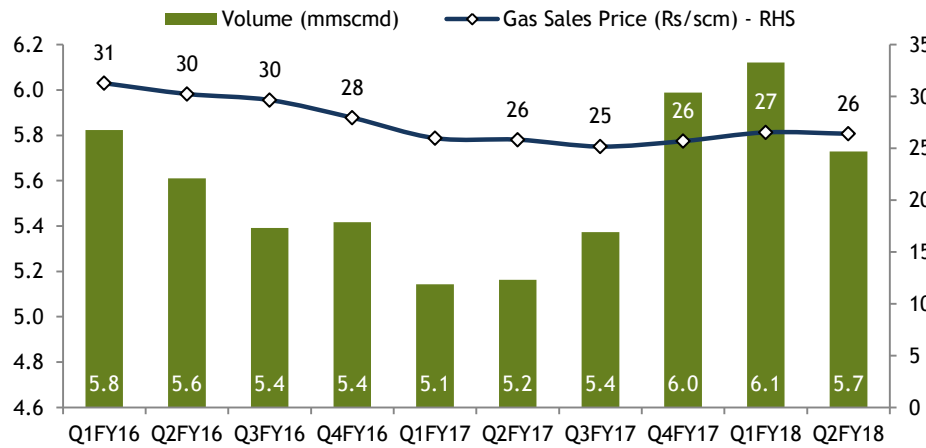
Change in Estimates

	FY18E	% Change	FY19E	% Change
Volume	6.3	-4%	7.0	-3%
Gross Margin/scm	6.7	-3%	7.0	1%
EBITDA	9,423	-11%	11,406	-6%
Reported PAT	3,337	-22%	4,611	-9%

Consolidated Financials

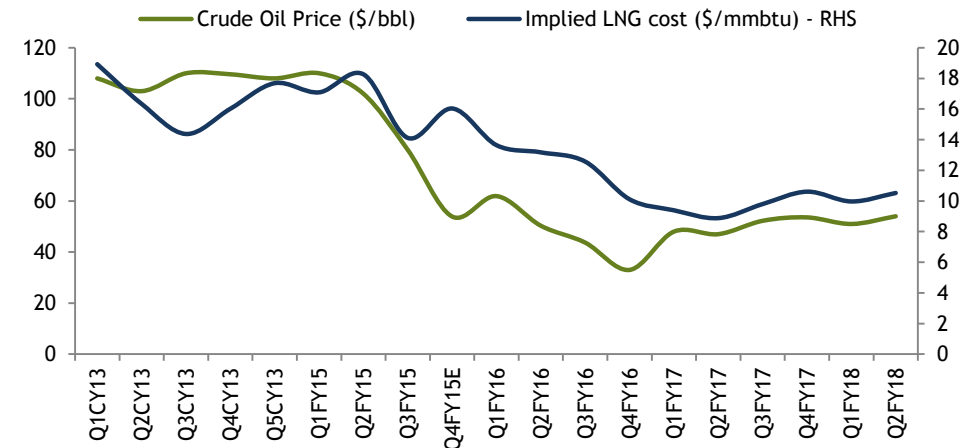
Rs. Mn YE Mar	FY17A	FY18E	FY19E	FY20E
Sales	50,926	61,501	70,994	79,124
EBITDA	7,433	9,423	11,406	12,844
Depreciation	2,573	2,714	2,945	3,187
Interest Expense	2,090	1,996	1,979	1,799
Other Income	263	347	400	400
Reported PAT	2,195	3,337	4,611	5,533
Recurring PAT	2,195	3,337	4,611	5,533
Total Equity	16,449	18,822	22,332	26,626
Gross Debt	33,144	35,572	32,476	28,495
Cash	608	1,569	2,914	4,109
Rs. Mn YE Mar	FY17A	FY18E	FY19E	FY20E
Earnings	15.9	24.2	33.5	40.2
Book Value	119	137	162	193
Dividends	30.9	6.0	6.8	7.7
FCFF	28.6	5.9	49.9	55.3
P/E (x)	60.2	39.6	28.7	23.9
P/B (x)	8.0	7.0	5.9	5.0
EV/EBITDA (x)	23.5	18.9	15.3	13.2
ROE (%)	14 %	19 %	22 %	23 %
Core ROIC (%)	8 %	9 %	11 %	13 %
EBITDA Margin (%)	15 %	15 %	16 %	16 %
Net Margin (%)	4 %	5 %	6 %	7 %

Exhibit 1: Strong growth across segments



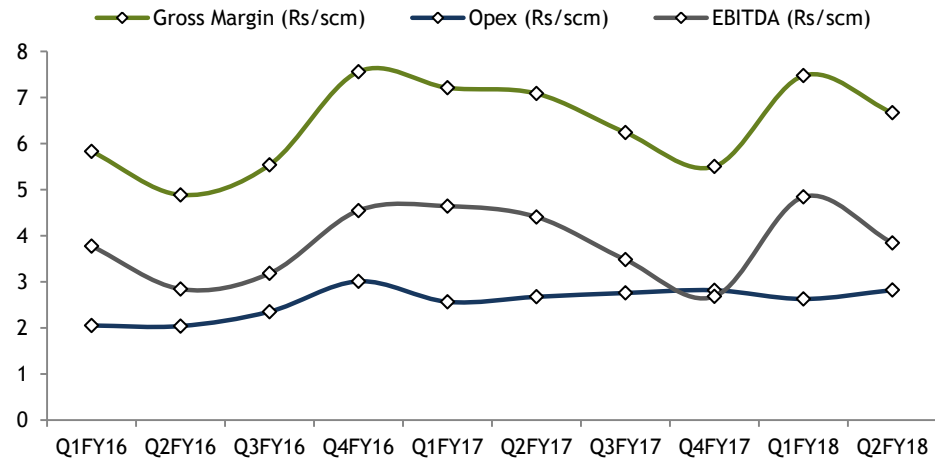
Source: Equirus Securities, Company

Exhibit 3: With higher volumes, GGAS can take more spot volumes and keep its implied LNG cost competitive



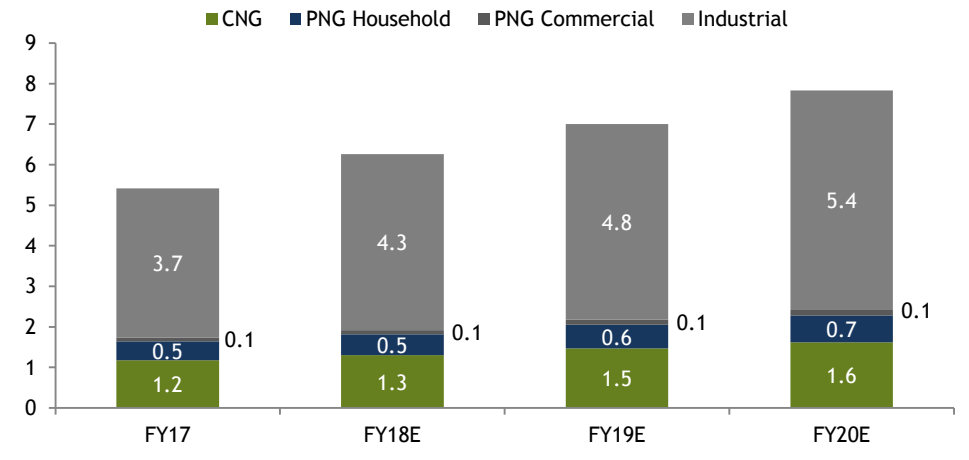
Source: Equirus Securities, Company

Exhibit 2: EBITDA/scm declines on higher spot LNG price, Rs 70mn of flood relief fund and Rs 80-100mn impact on lack of input tax credit



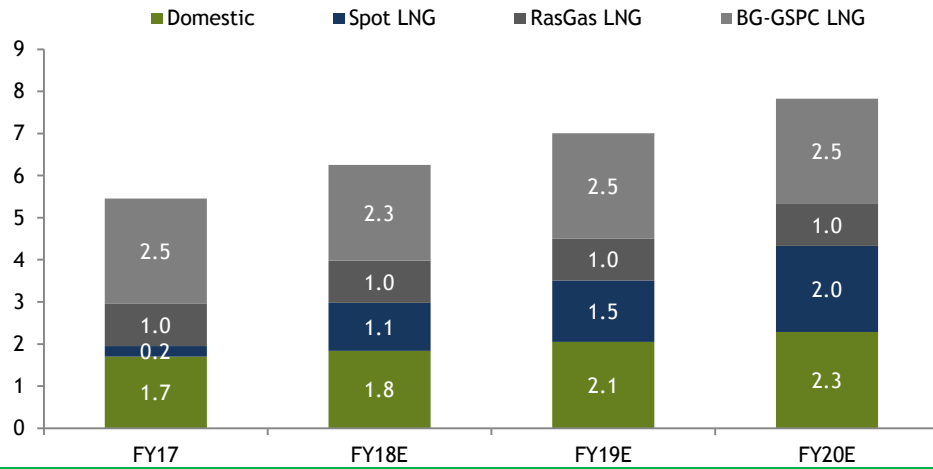
Source: Equirus Securities, Company

Exhibit 4: Expect 13% volume CAGR over FY17-FY20E as industrial volumes from Morbi recover and new geographies add volume



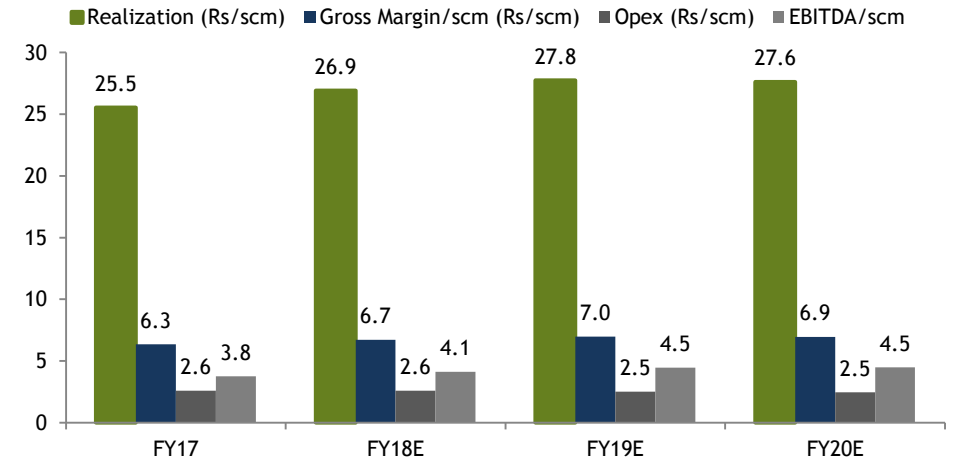
Source: Equirus Securities, Company

Exhibit 5: Rising share of spot LNG from FY18 onwards to reduce cost of supply



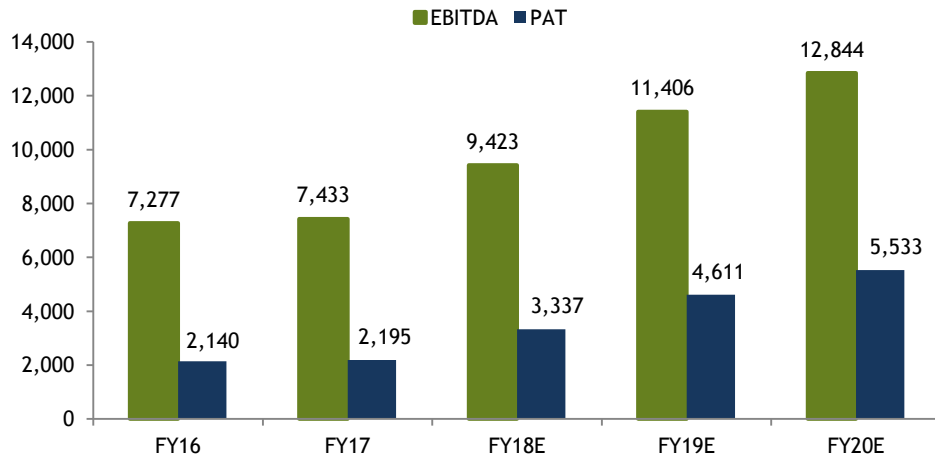
Source: Equirus Securities, Company

Exhibit 7: Key variables/assumptions; operating leverage at play as volume increases



Source: Equirus Securities, Company

Exhibit 6: EBITDA/PAT to grow at 20%/36% CAGR over FY17-FY20E



Source: Equirus Securities, Company

Quarterly performance

Rs mn	2QFY18	2QFY18E	1QFY18	2QFY17	% Change			Comments
					2QFY18E	1QFY18	2QFY17	
Net Sales	13,914	13,936	14,780	12,370	0%	-6%	12%	
Cost of Raw Material	10,400	10,126	10,617	9,005	3%	-2%	15%	
Employee Expenses	332	331	391	337	0%	-15%	-2%	
Operating & Other Expenses	1,156	1,030	1,074	933	12%	8%	24%	
Total Expenditures	11,888	11,488	12,082	10,276	3%	-2%	16%	
EBITDA	2,027	2,449	2,698	2,094	-17%	-25%	-3%	
Depreciation	683	680	666	645	0%	3%	6%	
EBIT	1,344	1,769	2,032	1,449	-24%	-34%	-7%	
Interest	499	499	496	541	0%	1%	-8%	
Other Income	89	90	78	52	-2%	13%	72%	
PBT	934	1,360	1,615	959	-31%	-42%	-3%	
Tax	323	449	571	265	-28%	-43%	22%	
Recurring PAT	611	911	1,044	695	-33%	-41%	-12%	
Extraordinaries	0	0	0	0				
Reported PAT	611	911	1,044	695	-33%	-41%	-12%	
EPS (Rs)	4.4	6.6	7.6	5.0	-33%	-41%	-12%	
EBITDA Margin	14.6%	17.6%	18.3%	16.9%	-300 bps	-369 bps	-237 bps	
EBIT Margin	9.7%	12.7%	13.8%	11.7%	-303 bps	-409 bps	-206 bps	
PBT Margin	6.7%	9.8%	10.9%	7.8%	-305 bps	-422 bps	-104 bps	
PAT Margin	4.4%	6.5%	7.1%	5.6%	-215 bps	-267 bps	-123 bps	
Tax Rate	34.6%	33.0%	35.4%	27.6%	158 bps	-80 bps	701 bps	
Volume (mmscmd)	5.7	5.7	6.1	5.2	0%	-6%	11%	
Gas Sales Price (Rs/scm)	26.4	26.4	26.5	25.8	0%	0%	2%	
Cost of Gas (Rs /scm)	19.7	19.2	19.1	19.0	3%	4%	4%	
Cost of Gas (\$/mmbtu)	8.6	8.3	8.3	7.9	3%	4%	8%	
Gas Margin (Rs /scm)	6.7	7.2	7.5	7.1	-7%	-11%	-6%	
EBITDA/scm	3.8	4.6	4.8	4.4	-17%	-21%	-13%	

Company Snapshot

How we differ from Consensus

	-	Equirus	Consensus	% Diff	Comment
EPS	FY18E	24.2	31.2	-22 %	We expect lower volume growth. Margins to be impacted from higher spot prices
	FY19E	33.5	40.0	-16 %	
Sales	FY18E	61,501	60,763	1 %	
	FY19E	70,994	71,245	0 %	
PAT	FY18E	3,337	4,323	-23 %	
	FY19E	4,611	5,565	-17 %	

Our Key Investment arguments:

- Merged entity largest CGD in the country with presence in the industrialized state of Gujarat.
- Expect 13% volume CAGR over next 3 years after a 9% decline in volume in past.
- EBITDA/scm will recover to Rs 4.5/scm as volume increase and pricing power returns.
- Higher spot prices to reduce LNG attractiveness over other fuels, resulting in volume decline.
- Margins have been affected due to no price hikes taken despite higher spot prices.

Key Drivers	FY17	FY18E	FY19E	FY20E
Volume (mmscmd)	5.4	6.3	7.0	7.8
Realization (Rs/scm)	25.5	26.9	27.8	27.6
Gross Margin/scm (Rs/scm)	6.3	6.7	7.0	6.9
Opex (Rs/scm)	2.6	2.6	2.5	2.5
EBITDA/scm	3.8	4.1	4.5	4.5
Gross Spread	25%	25%	25%	25%

Risk to Our View:

- Higher LNG price and significant INR Depreciation
- Delayed industrial recovery

Comparable valuation		Mkt Cap		Price	Target	EPS			P/E			BPS			P/B			RoE			Div Yield	
Company	Reco.	CMP	Rs. Mn.	Target	Date	FY17A	FY18E	FY19E	FY17A	FY18E	FY19E	FY17A	FY18E	FY17A	FY18E	FY19E	FY17A	FY18E	FY17A	FY18E	FY17A	FY18E
Gujarat Gas	REDUCE	960	132,205	900	31st Mar'19	15.9	24.2	33.5	60.2	39.6	28.7	119.5	7.0	14 %	19 %	22 %	3.2 %	0.6 %				
IGL	ADD	1,558	218,120	1,287	30th Sep'18	41.7	48.3	54.3	37.4	32.3	28.7	209.0	6.3	21 %	21 %	20 %	0.4 %	0.5 %				
MGL	NA	1,279	126,376	NA	NA	39.8	50.0	53.1	32.1	25.6	24.1	186.3	9.0	22 %	22 %	20 %	0.9 %	0.0 %				

Key Triggers:

Steady increase in volume. Likely fall in crude oil price which will have impact on LNG prices

Sensitivity to Key Variables	% Change	% Impact on EPS
Exchange Rate - Rupee Appreciation	2 %	8 %
Volume	5 %	5 %
Gas Margin	5 %	8 %

DCF Valuations & Assumptions

Rf	Beta	Ke	Term. Growth	Debt/IC in Term. Yr
6.7 %	0.8	11.5 %	4.0 %	0.0 %

	FY18E	FY19E	FY20-22E	FY23-27E	FY28-32E
Sales Growth	21 %	15 %	7 %	7 %	6 %
NOPAT Margin	7 %	8 %	8 %	9 %	9 %
IC Turnover	1.23	1.45	1.79	2.39	3.14
RoIC	9.2 %	11.5 %	14.8 %	21.0 %	30.2 %

	1	2	5	10	15
Years of strong growth					
Valuation as on date (Rs)	194	272	472	632	772
Valuation as of Mar'19	226	316	550	736	900

Based on DCF, assuming 15 years of 6% CAGR growth and 30% average ROIC, we derive our current fair value of Rs 772 and a Mar'19 fair value of Rs 900.

Company Description:

Gujarat Gas Ltd (GGL) has emerged as India's largest city gas distribution (CGD) player with presence in over 19 districts in Gujarat State, UT of Dadra Nagar Haveli & Thane GA, Maharashtra. It will have India's largest customer base: 1,023,000 domestic households, 2,750 industrial customers, 11,433 commercial customers and 230 CNG stations. The total daily gas sales volume has reached 6.5mmscmd, the highest in India.



Standalone Quarterly Earnings Forecast and Key Drivers

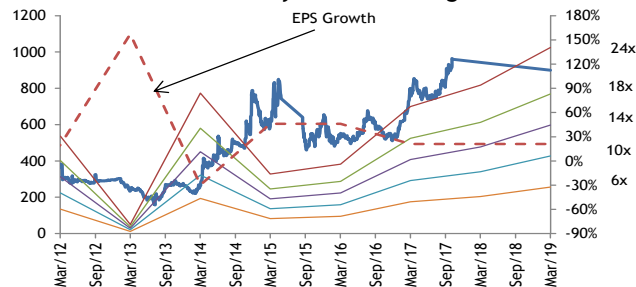
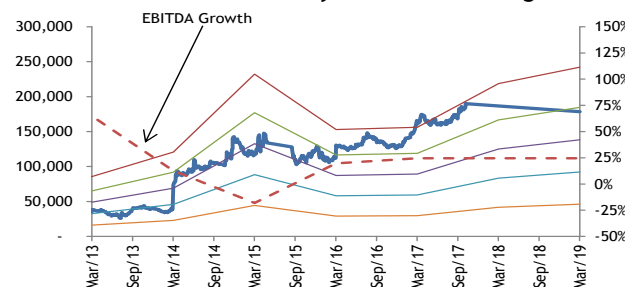
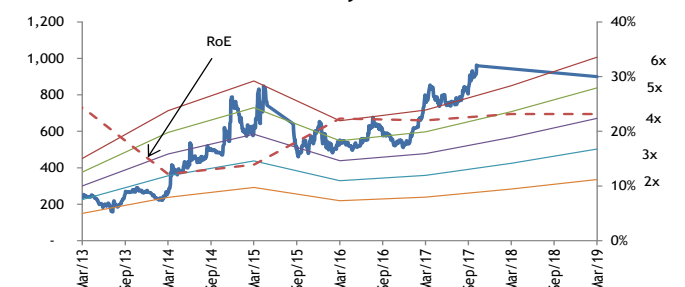
Rs in Mn	1Q17A	2Q17A	3Q17A	4Q17A	1Q18A	2Q18A	3Q18E	4Q18E	1Q19E	2Q19E	3Q19E	4Q19E	FY17A	FY18E	FY19E	FY20E
Revenue	12,247	12,370	12,308	14,002	14,780	13,914	15,460	17,347	17,415	16,481	17,423	19,675	50,926	61,501	70,994	79,124
Cost of Raw Material	8,873	9,005	9,362	11,140	10,617	10,400	11,766	13,436	13,156	12,349	12,954	14,683	38,379	46,219	53,142	59,190
Employee Expenses	322	337	324	299	391	332	357	328	430	365	392	361	1,282	1,407	1,548	1,703
Operating & Other Expenses	878	933	919	1,101	1,074	1,156	1,011	1,211	1,182	1,271	1,112	1,332	3,832	4,452	4,897	5,387
EBITDA	2,173	2,094	1,702	1,463	2,698	2,027	2,326	2,372	2,647	2,496	2,964	3,299	7,433	9,423	11,406	12,844
Depreciation	632	645	653	643	666	683	678	687	736	736	736	736	2,573	2,714	2,945	3,187
EBIT	1,542	1,449	1,049	820	2,032	1,344	1,648	1,685	1,911	1,760	2,228	2,563	4,860	6,709	8,462	9,657
Interest	534	541	539	476	496	499	499	503	495	495	495	495	2,090	1,996	1,979	1,799
Other Income	62	52	79	71	78	89	90	90	100	100	100	100	263	347	400	400
PBT	1,070	959	589	415	1,615	934	1,239	1,273	1,516	1,365	1,833	2,168	3,033	5,060	6,883	8,258
Tax	321	265	169	84	571	323	409	420	500	451	605	716	838	1,723	2,271	2,725
Recurring PAT	748	695	421	331	1,044	611	830	853	1,016	915	1,228	1,453	2,195	3,337	4,611	5,533
Extraordinary Reported PAT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EPS (Rs)	5.44	5.05	3.06	2.41	7.58	4.44	6.03	6.19	7.38	6.64	8.92	10.55	15.94	24.24	33.49	40.19
Key Drivers																
Volume (mmcmd)	5.1	5.2	5.4	6.0	6.1	5.7	6.1	7.0	6.9	6.4	6.9	7.8	5.4	6.3	7.0	7.8
Gas Sales Price (Rs/scm)	26.0	25.8	25.2	25.7	26.5	26.4	27.4	27.4	27.8	27.8	27.8	27.7	25.5	26.9	27.8	27.6
Gas Purchase Price (Rs/scm)	19.0	19.0	19.1	20.4	19.1	19.7	20.8	21.2	21.0	20.9	20.6	20.7	19.4	20.2	20.8	20.7
Gross Margin (Rs/scm)	7.2	7.1	6.2	5.5	7.5	6.7	6.5	6.2	6.8	7.0	7.1	7.0	6.3	6.7	7.0	6.9
Gross Spread	28 %	27 %	25 %	21 %	28 %	25 %	24 %	23 %	24 %	25 %	26 %	25 %	25 %	25 %	25 %	25 %
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sequential Growth (%)																
Revenue	-11 %	1 %	-1 %	14 %	6 %	-6 %	11 %	12 %	0 %	-5 %	6 %	13 %	-	-	-	-
Cost of Raw Material	-13 %	1 %	4 %	19 %	-5 %	-2 %	13 %	14 %	-2 %	-6 %	5 %	13 %	-	-	-	-
EBITDA	-3 %	-4 %	-19 %	-14 %	84 %	-25 %	15 %	2 %	12 %	-6 %	19 %	11 %	-	-	-	-
EBIT	-4 %	-6 %	-28 %	-22 %	148 %	-34 %	23 %	2 %	13 %	-8 %	27 %	15 %	-	-	-	-
Recurring PAT	-23 %	-7 %	-39 %	-21 %	215 %	-41 %	36 %	3 %	19 %	-10 %	34 %	18 %	-	-	-	-
EPS	-23 %	-7 %	-39 %	-21 %	215 %	-41 %	36 %	3 %	19 %	-10 %	34 %	18 %	-	-	-	-
Yearly Growth (%)																
Revenue	-27 %	-21 %	-17 %	2 %	21 %	12 %	26 %	24 %	18 %	18 %	13 %	13 %	-17 %	21 %	15 %	11 %
EBITDA	9 %	43 %	8 %	-35 %	24 %	-3 %	37 %	62 %	-2 %	23 %	27 %	39 %	2 %	27 %	21 %	13 %
EBIT	10 %	64 %	12 %	-49 %	32 %	-7 %	57 %	106 %	-6 %	31 %	35 %	52 %	1 %	38 %	26 %	14 %
Recurring PAT	44 %	150 %	31 %	-66 %	39 %	-12 %	97 %	157 %	-3 %	50 %	48 %	70 %	3 %	52 %	38 %	20 %
EPS	34 %	133 %	22 %	-66 %	39 %	-12 %	97 %	157 %	-3 %	50 %	48 %	70 %	3 %	52 %	38 %	20 %
Margin (%)																
EBITDA	18 %	17 %	14 %	10 %	18 %	15 %	15 %	14 %	15 %	15 %	17 %	17 %	15 %	15 %	16 %	16 %
EBIT	13 %	12 %	9 %	6 %	14 %	10 %	11 %	10 %	11 %	11 %	13 %	13 %	10 %	11 %	12 %	12 %
PBT	9 %	8 %	5 %	3 %	11 %	7 %	8 %	7 %	9 %	8 %	11 %	11 %	6 %	8 %	10 %	10 %
PAT	6 %	6 %	3 %	2 %	7 %	4 %	5 %	5 %	6 %	6 %	7 %	7 %	4 %	5 %	6 %	7 %

Consolidated Financials

P&L (Rs Mn)	FY17A	FY18E	FY19E	FY20E
Revenue	50,926	61,501	70,994	79,124
Op. Expenditure	43,493	52,078	59,588	66,280
EBITDA	7,433	9,423	11,406	12,844
Depreciation	2,573	2,714	2,945	3,187
EBIT	4,860	6,709	8,462	9,657
Interest Expense	2,090	1,996	1,979	1,799
Other Income	263	347	400	400
PBT	3,033	5,060	6,883	8,258
Tax	838	1,723	2,271	2,725
PAT bef. MI & Assoc.	2,195	3,337	4,611	5,533
Minority Interest	0	0	0	0
Profit from Assoc.	0	0	0	0
Recurring PAT	2,195	3,337	4,611	5,533
Extraordinaires	0	0	0	0
Reported PAT	2,195	3,337	4,611	5,533
FDEPS (Rs)	15.9	24.2	33.5	40.2
DPS (Rs)	30.9	6.0	6.8	7.7
CEPS (Rs)	34.6	43.9	54.9	63.3
FCFPS (Rs)	28.6	5.9	49.9	55.3
BVPS (Rs)	119.5	136.7	162.2	193.4
EBITDAM (%)	15 %	15 %	16 %	16 %
PATM (%)	4 %	5 %	6 %	7 %
Tax Rate (%)	28 %	34 %	33 %	33 %
Sales Growth (%)	-17 %	21 %	15 %	11 %
FDEPS Growth (%)	3 %	52 %	38 %	20 %

Balance Sheet (Rs Mn)	FY17A	FY18E	FY19E	FY20E
Equity Capital	1,377	1,377	1,377	1,377
Reserve	15,072	17,445	20,955	25,249
Networth	16,449	18,822	22,332	26,626
Long Term Debt	22,987	23,987	19,987	14,987
Def Tax Liability	10,157	11,585	12,489	13,508
Minority Interest	0	0	0	0
Account Payables	3,140	3,781	4,347	4,842
Other Curr Liabi	10,751	12,984	14,988	16,704
Total Liabilities & Equity	63,484	71,159	74,143	76,667
Net Fixed Assets	49,030	51,316	53,871	56,185
Capital WIP	5,057	5,057	5,057	5,057
Others	3,509	3,390	835	-1,479
Inventory	417	404	467	520
Account Receivables	3,475	2,864	3,307	3,685
Other Current Assets	1,388	6,557	7,692	8,589
Cash	608	1,569	2,914	4,109
Total Assets	63,484	71,159	74,143	76,667
Non-cash Working Capital	-8,611	-6,939	-7,870	-8,752
Cash Conv Cycle	-61.7	-41.2	-40.5	-40.4
WC Turnover	-5.9	-8.9	-9.0	-9.0
FA Turnover	0.9	1.1	1.2	1.3
Net D/E	1.4	1.2	0.8	0.4
Revenue/Capital Employed	0.8	1.2	1.5	1.5
Capital Employed/Equity	3.3	3.0	2.9	2.9

Cash Flow (Rs Mn)	FY17A	FY18E	FY19E	FY20E
PBT	3,033	5,060	6,883	8,258
Depreciation	2,573	2,714	2,945	3,187
Others	2,017	0	0	0
Taxes Paid	489	1,723	2,271	2,725
Change in WC	-118	-1,672	931	882
Operating C/F	7,016	4,378	8,487	9,602
Capex	-4,812	-4,881	-2,945	-3,187
Change in Invest	0	0	0	0
Others	223	0	0	0
Investing C/F	-4,588	-4,881	-2,945	-3,187
Change in Debt	176	1,000	-4,000	-5,000
Change in Equity	0	0	0	0
Others	-2,729	464	-197	-220
Financing C/F	-2,553	1,464	-4,197	-5,220
Net change in cash	-125	961	1,345	1,195
RoE (%)	14 %	19 %	22 %	23 %
RoIC (%)	8 %	9 %	11 %	12 %
Core RoIC (%)	8 %	9 %	11 %	13 %
Div Payout (%)	226 %	29 %	24 %	22 %
P/E	60.2	39.6	28.7	23.9
P/B	8.0	7.0	5.9	5.0
P/FCFF	33.6	162.5	19.2	17.3
EV/EBITDA	23.5	18.9	15.3	13.2
EV/Sales	3.4	2.9	2.5	2.1
Dividend Yield (%)	3.2 %	0.6 %	0.7 %	0.8 %

TTM P/E vs. 2 yr forward EPS growth

TTM EV/EBITDA vs. 2 yr forward EBITDA growth

TTM P/B vs. 2 yr forward RoE


Historical Consolidated Financials

P&L (Rs Mn)	FY14A	FY15A	FY16A	FY17A
Revenue	77,974	90,063	61,056	50,926
Op. Expenditure	72,233	79,001	53,779	43,493
EBITDA	5,741	11,062	7,277	7,433
Depreciation	2,826	2,377	2,454	2,573
EBIT	2,915	8,685	4,823	4,860
Interest Expense	3,003	3,332	2,474	2,090
Other Income	1,082	1,070	445	263
PBT	994	6,423	2,793	3,033
Tax	638	1,979	654	838
PAT bef. MI & Assoc.	356	4,444	2,140	2,195
Minority Interest	0	0	0	0
Profit from Assoc.	0	0	0	0
Recurring PAT	356	4,444	2,140	2,195
Extraordinaires	72	8	256	0
Reported PAT	284	4,436	1,883	2,195
EPS (Rs)	2.6	32.3	15.5	15.9
DPS (Rs)	8.4	8.4	9.0	30.9
CEPS (Rs)	23.1	49.5	33.4	34.6
FCFPS (Rs)	-70.6	69.7	87.3	28.6
BVPS (Rs)	118.8	146.0	109.6	119.5
EBITDAM (%)	7 %	12 %	12 %	15 %
PATM (%)	0 %	5 %	4 %	4 %
Tax Rate (%)	64 %	31 %	23 %	28 %
Sales growth (%)	152 %	16 %	-32 %	-17 %
FDEPS growth (%)	-88 %	1,149 %	-52 %	3 %

Balance Sheet (Rs Mn)	FY14A	FY15A	FY16A	FY17A
Equity Capital	1,377	1,377	1,377	1,377
Reserve	14,981	18,723	13,718	15,072
Networth	16,358	20,100	15,095	16,449
Long Term Debt	33,013	34,298	17,066	22,987
Def Tax Liability	8,216	9,533	10,117	10,157
Minority Interest	0	0	0	0
Account Payables	5,260	4,246	2,515	3,140
Other Curr Liabi	3,691	970	15,708	10,751
Total Liabilities & Equity	66,539	69,147	60,501	63,484
Net Fixed Assets	44,735	44,866	46,742	49,030
Capital WIP	2,701	3,574	4,682	5,057
Others	2,054	1,811	3,912	3,509
Inventory	375	411	413	417
Account Receivables	5,451	3,606	3,005	3,475
Other Current Assets	2,318	3,134	1,068	1,388
Cash	8,905	11,744	678	608
Total Assets	66,539	69,147	60,501	63,484
Non-cash Working Capital	-807	1,936	-13,736	-8,611
Cash Conv Cycle	-3.8	7.8	-82.1	-61.7
WC Turnover	-96.7	46.5	-4.4	-5.9
FA Turnover	1.6	1.9	1.2	0.9
Net D/E	1.5	1.1	1.1	1.4
Revenue/Capital Employed	7.0	7.4	1.7	0.8
Capital Employed/Equity	1.4	1.4	2.7	3.3

Cash Flow (Rs Mn)	FY14A	FY15A	FY16A	FY17A
PBT	922	6,414	2,537	3,033
Depreciation	2,826	2,377	2,454	2,573
Others	2,277	2,421	2,179	2,017
Taxes Paid	1,599	1,461	576	489
Change in WC	-309	1,193	-224	-118
Operating C/F	4,119	10,944	6,370	7,016
Capex	-3,456	-3,553	-5,585	-4,812
Change in Invest	-12,397	-2,564	9,373	0
Others	940	2,467	-36	223
Investing C/F	-14,913	-3,651	3,752	-4,588
Change in Debt	7,923	-756	-8,892	176
Change in Equity	5,000	0	0	0
Others	-1,952	-4,876	-3,349	-2,729
Financing C/F	10,971	-5,632	-12,241	-2,553
Net change in cash	177	1,660	-2,119	-125
RoE (%)	3 %	24 %	12 %	14 %
RoIC (%)	4 %	11 %	8 %	8 %
Core RoIC (%)	4 %	12 %	8 %	8 %
Div Payout (%)	475 %	30 %	77 %	226 %
P/E	371.5	29.7	61.8	60.2
P/B	8.1	6.6	8.8	8.0
P/FCFF	-13.6	13.8	11.0	33.6
EV/EBITDA	30.1	15.7	23.2	23.5
EV/Sales	2.2	1.9	2.8	3.4
Dividend Yield (%)	0.9 %	0.9 %	0.9 %	3.2 %



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