VENTURA

Kyon ki bhaiya, sabse bada rupaiya.

Action Construction Equipment

BUY

STOCK POINTER

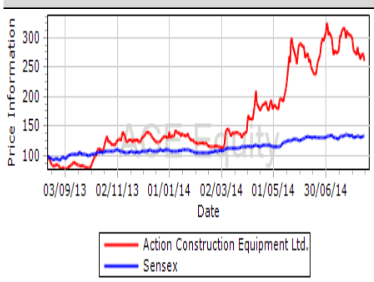
Target Price ₹42 | **CMP ₹28** | **FY16E EV/Sales 0.55x**

Index Details	
Sensex	26,391
Nifty	7,874
BSE 100	7,947
Industry	Infra

Scrip Details	
Mkt Cap (₹ cr)	280.0
BVPS (₹)	31.1
O/s Shares (Cr)	9.9
Av Vol (Lacs)	0.5
52 Week H/L	35/8
Div Yield (%)	0.4
FVPS (₹)	2.0

Shareholding Pattern	
Shareholders	%
Promoters	68.3
DIIs	2.8
FIIs	0.2
Public	28.7
Total	100.0

ACE vs. Sensex



With the new government according top priority to the infrastructure sector, we believe the infrastructure sector is on the cusp of a turn-around. The government has already taken many steps (making funding easier for infrastructure sector, expediting approval process, debottlenecking the system, simplifying bureaucratic complexities, restoring confidence of the investors, etc) which will show visible improvement over next few quarters. Action Construction Equipment (ACE), being in the derived demand space, is ideally poised to benefit from the revival of the infrastructure sector.

We initiate coverage on Action Construction Equipment with a BUY recommendation and a Price Objective of ₹42 implying a potential upside of ~51%. We value the company on EV/Sales multiple as the company is in a turn-around phase and EV/Sales methodology captures its valuation more appropriately than any other methodology. We assign EV/Sales multiple of 0.55x to its FY16 estimated sales, which is lower as compared to its historical average of 0.6x. We expect revenue and profits to post a CAGR of ~23% and ~128%, respectively, through FY14-16E. At the CMP of ₹28, the stock is trading at EV/Sales of 0.6x and 0.4x for FY15E and FY16E, respectively.

❖ Growth set to revive across all crane segments

Due to the sharp & prolonged slowdown in the infrastructure space, the demand for cranes had dwindled significantly from a high of 4,297 registered in FY11 to a low of 2,428 registered in FY14. However with growth expectations back, we expect the sales to pick up from H2FY15 onwards.

Key Financials (₹ in Cr)

Y/E Mar	Net Revenue	EBITDA	PAT	EPS	EPS Growth (%)	ROE	ROCE	EV/ Sales	P/E (x)
2013	667.8	29.7	7.2	0.7	(74.7)	2.4	3.6	0.6	39.1
2014	614.9	24.2	4.0	0.4	(44.1)	1.3	2.0	0.7	70.0
2015E	608.9	27.4	4.1	0.4	0.7	1.3	2.3	0.6	69.5
2016E	933.4	46.7	21.0	2.1	418.5	6.4	6.2	0.4	13.4

Monday 18th August, 2014

Crane volumes are expected to rally from the lows of FY2011 to 4,200 in FY16. With its predominant market share of 53%, 60% and 90% in the Pick N Carry, Fixed Tower, and Mobile Tower segments, respectively, ACE should benefit immensely when the demand for cranes picks up.

Over all the revenue from crane segment is expected to grow at a CAGR of 22.8% over FY14-16E.

❖ Tractor / agri-equipment diversification to lower revenue & profit volatility

To diversify the revenue streams and reduce its dependence on the infrastructure sector, the company had forayed into manufacturing tractors / agri-equipments in FY10. The tractor / agri-equipment segment has continued to gain traction through FY10-14, with number of units sold increasing to 4,217 in FY14 from 2,562 units in FY10. Sales have also grown at a robust CAGR of 22.9% to ₹179.5 cr in FY14 from ₹78.8 cr in FY10. Overall we expect Tractor sales to grow at a CAGR of 33.4% from 3,936 units in FY14 to 7,000 units in FY16E. In line with this, we expect the sales to grow at CAGR of 31.6% over FY14-16E to ₹308.7 cr on the back of sales of ~7,700 units in FY16 as compared to 4,217 units in FY14.

❖ ACE intrinsically linked to the economy and infrastructure growth revival

The growth of construction equipment industry is interlinked with the growth of infrastructure sector and hence indirectly fluctuates with the fortunes of the Indian economy at large. With the economy having bottomed out in FY14 and is all set to revive with the formation of new government, better policy initiatives, moderating inflation leading to easing of tight monetary stance and mild recovery of global growth. According to World Bank estimates, GDP growth forecasts for FY15 and FY16 are 5.5% and 6.3%, respectively, which will correspondingly reflect in revenue growth of ACE.

Few examples of steps taken by the new government to revive Infrastructure growth

- Banks permitted to raise long term funds for lending to infrastructure sector with minimum regulatory preemption
- The government has announced that it will allow online submission of applications for environmental clearances and forest clearances
- The government is also attempting to move towards a single-window clearance mechanism for core sector projects

❖ Valuation

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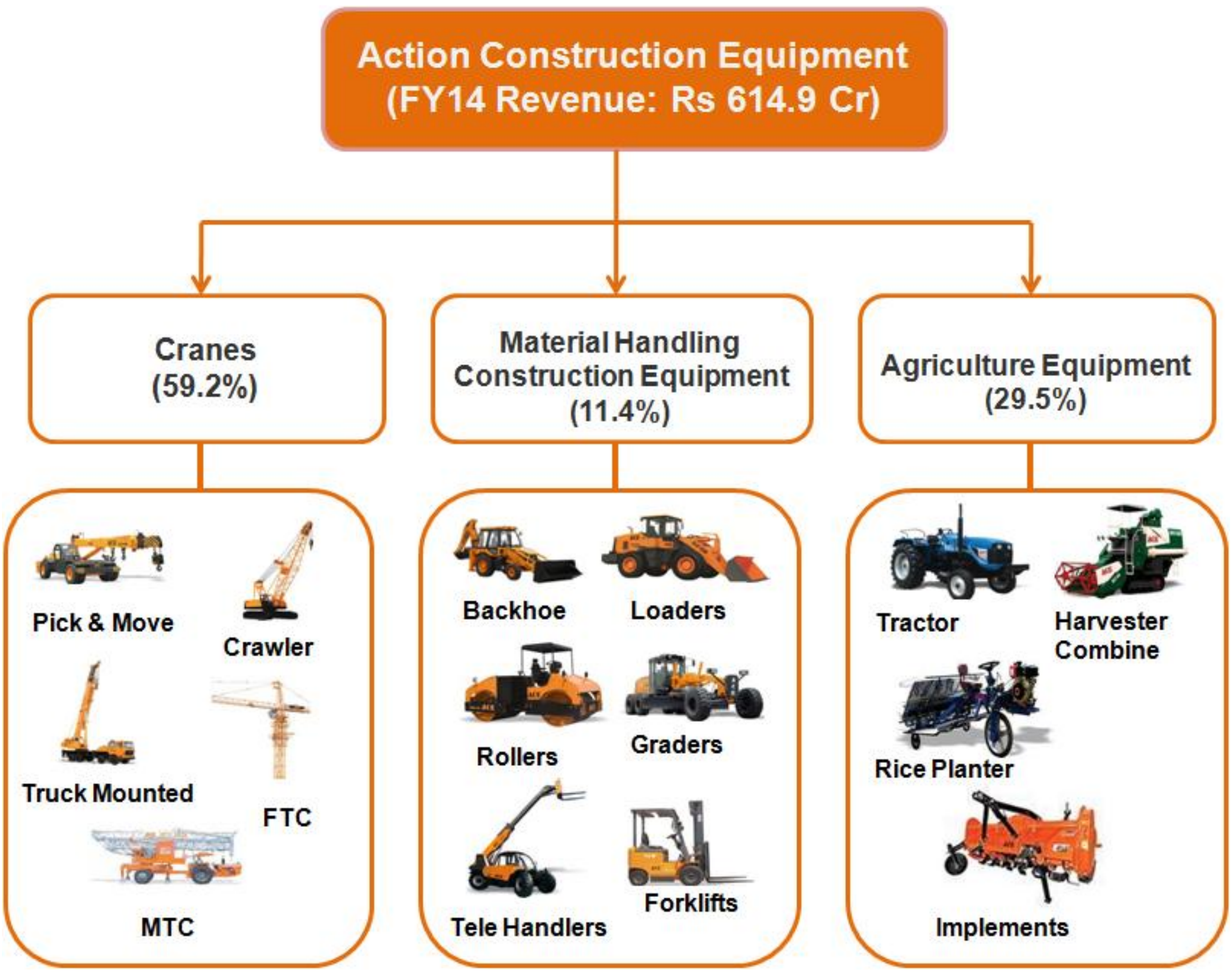
➢ Company Background

Action Construction Equipment is India's leading cranes, material handling and construction equipment manufacturing company with over 50% market share in the mobile crane segment. With its two manufacturing locations at Faridabad and Uttarakhand, it has the capacity to manufacture 7,500 cranes and 1300 material handling / construction equipments.

The company caters to a large clientele base, which includes major Indian as well as international players such as Reliance, L&T, BSES, BHEL, Punj Lloyd, Essar, Gammon, NCC, Gujarat Ambuja, IISCO, Simplex, Coal India, and etc. The company has also now ventured into agri-equipment segment, especially tractors.

ACE – Product Portfolio



Source: ACE, Ventura Research

➢ Key Investment Highlights

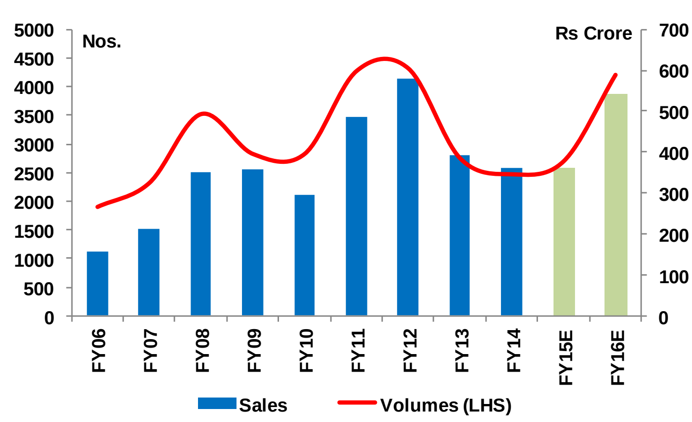
❖ Growth set to revive across all crane segments

Due to the sharp & prolonged slowdown in the infrastructure space, the demand for cranes had dwindled significantly from a high of 4,297 registered in FY11 to a low of 2,428 registered in FY14. However with growth expectations back, we expect the sales to pick up from H2FY15 onwards. Crane volumes are expected to rally from the lows of FY2011 to 4,200 in FY16.

With its predominant market share of 53%, 60% and 90% market-share in the Pick N Carry, Fixed Tower, and Mobile Tower segments, respectively, ACE should benefit immensely when the demand for cranes picks up. The Pick N Carry crane segment, (range of 8 to 18 lakhs) is expected to grow at a CAGR of 29.9% from 2,132 units in FY14 to 3,600 units in FY16E. Fixed Tower cranes, whose realization range from ₹40 to 50 lakhs are expected to witness a healthy CAGR of 30.3% over FY14-16E and will sell ~250 units in FY16 (as compared to 193 units in FY14) while Mobile Tower cranes (average realization around ₹16 lakhs) are expected to sell ~175 units in FY16 as compared to 103 units in FY14.

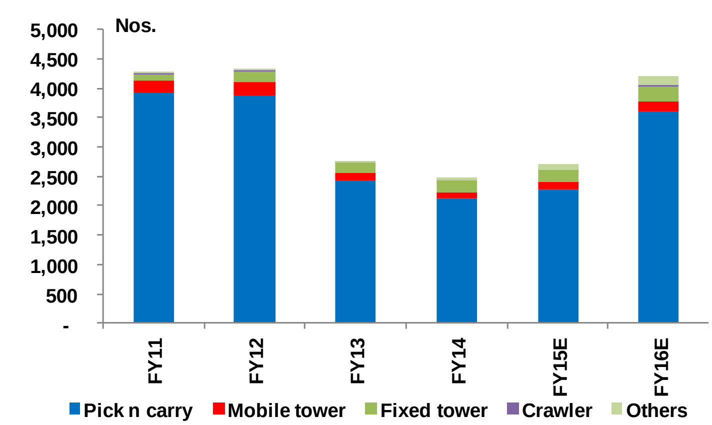
Over all the revenue from crane segment is expected to grow at a CAGR of 22.8% over FY14-16E.

Crane volume and sales trend



Source: ACE, Ventura Research

Cranes volume break-up

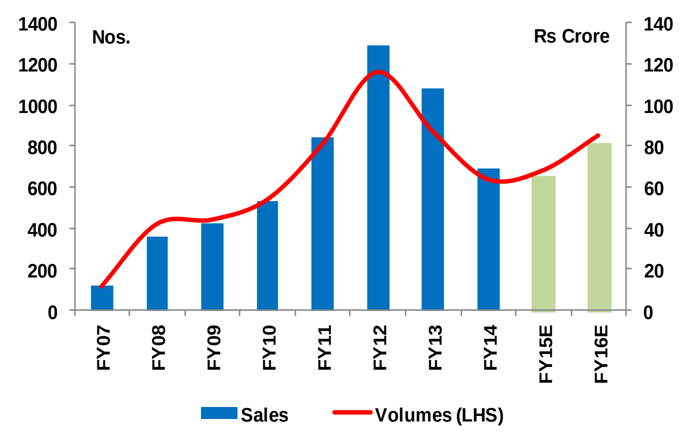


Source: ACE, Ventura Research

Similarly, the demand for construction equipments as well as material handling equipments declined over last two years from the high of 1,159 in FY12 to a low of 637 in FY14. Correspondingly, the sales from this segment fell from ₹128.9 cr in FY12 to ₹69.2 cr in FY14. However, with the new government focusing on reviving infrastructure sector, we expect the sales to rebound to 850 units by FY16, which will result in sales growth of 8.7% CAGR over FY14-16E. ACE ranks third in India when it comes to sale of forklifts in India.

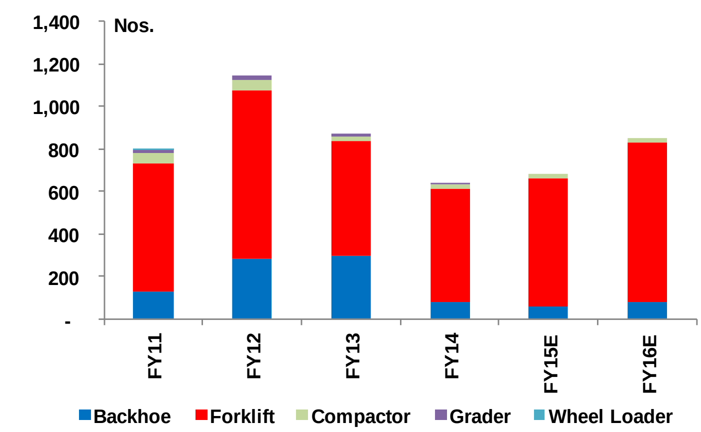
Forklift, (average realization of ₹8 lakhs) which is the largest selling equipment in MH/CE segment, is expected to grow at a CAGR of 18.8% to ~750 units in FY16E as compared to 531 units in FY14.

MH / CE volume and sales trend



Source: ACE, Ventura Research

MH / CE volume break-up

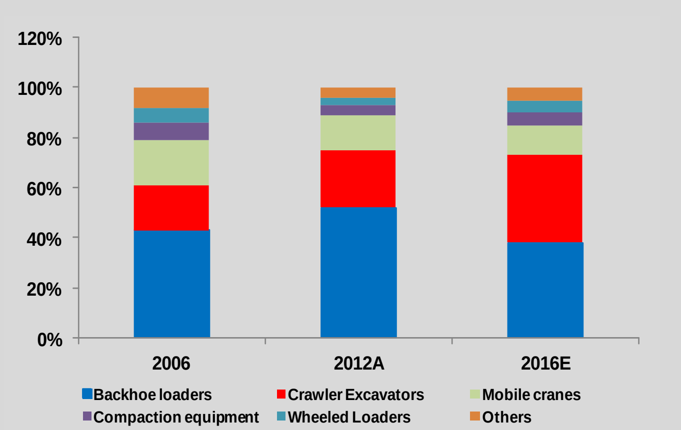


Source: ACE, Ventura Research

Industry outlook for MH/CE

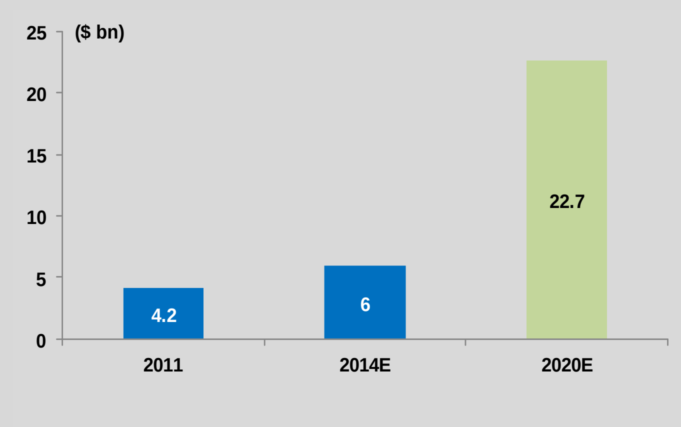
- Industry revenues estimated to grow at a CAGR of 20.9% and reach $22.7 bn by 2020 from ~ $6 bn in 2014 $4.2 billion in 2011)
- Total infrastructure spend to be about 10% of GDP during the 12th Five-Year Plan
- Backhoe loaders & Crawlers excavators expected to account for significant sales in earth moving equipment segment
- Significant increase in replacement market sales expected to drive growth further
- The organized construction sector in India (for example, roads, urban infrastructure) accounts for approximately 55.0% of the MH/CE industry. Mining, irrigation and other infrastructure segments (power, railways) account for the remaining

MH / CE industry trend



Source: IBEF, Ventura Research

MH /CE industry sales outlook



Source: IBEF, Ventura Research

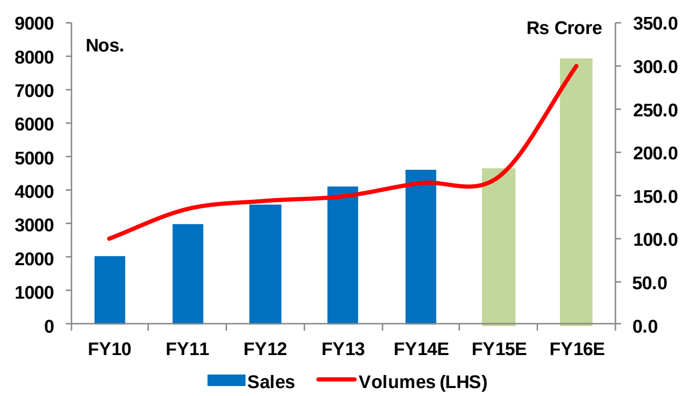
❖ Tractor / agri-equipment diversification to lower revenue & profit volatility

To diversify the revenue streams and reduce its dependence on the infrastructure sector, the company forayed into manufacturing tractors / agri-equipments in FY10. The tractor / agri-equipment segment has continued to gain traction through FY10-14, with number of units sold increasing to 4,217 in FY14 from 2,562 units in FY10. Sales have also grown at a robust CAGR of 22.9% to ₹179.5 cr in FY14 from ₹78.8 cr in FY10.

ACE has also ventured into manufacturing new products such as Combine Harvester, Rice Planter etc in this segment.

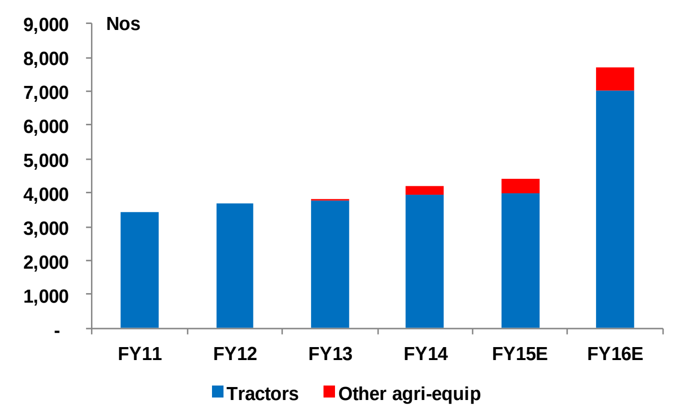
Overall we expect Tractor sales to grow at a CAGR of 33.4% from 3,936 units in FY14 to 7,000 units in FY16E (with an average realization of ~Rs 4.5 lakhs). In line with this we expect the sales to grow at CAGR of 31.6% over FY14-16E to ₹308.7 cr on the back of sales of ~7,700 units in FY16 as compared to 4,217 units in FY14.

Agri-equipment volume and sales trend



Source: ACE, Ventura Research

Agri-equip volume break-up



Source: ACE, Ventura Research

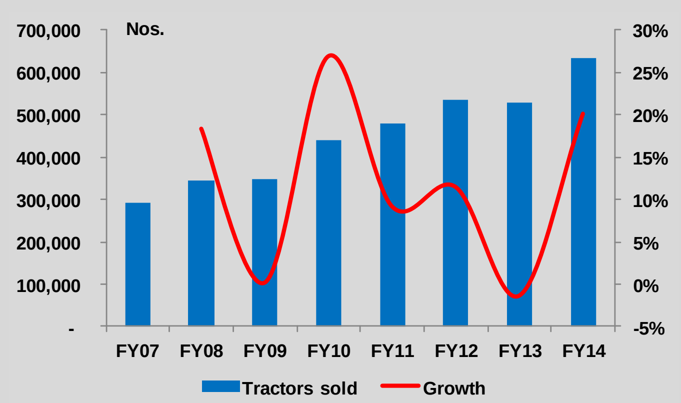
Growth drivers for the agri-equipment segment

India is the largest manufacturer of tractors in the world, accounting for about one-third of global production. Growing sales of tractors, tillers and other agri-equipments reflects the increasing level of mechanization in farming; over FY07-14, tractor sales has increased at a CAGR of 11.7%.

Growth drivers

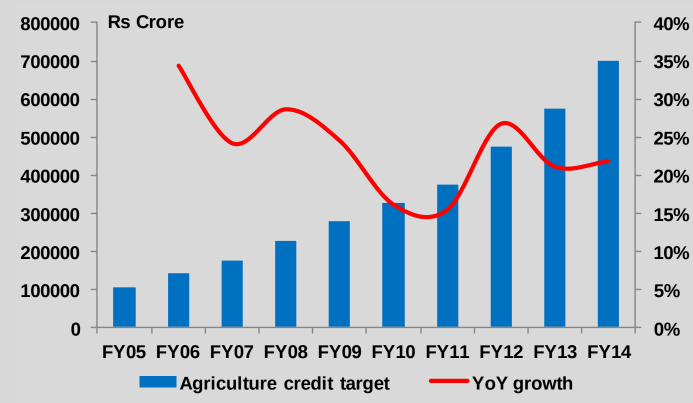
- Higher MSP for key crops leading to higher income for farmers
- Increasing rural wages makes alternative (tractors / agri-equipment) viable
- Ease of credit availability enables farmers to buy tractors / agri-equipment
- Mechanization helps in raising farm income by increasing productivity and limiting post-harvest losses

Tractor sales volumes trend



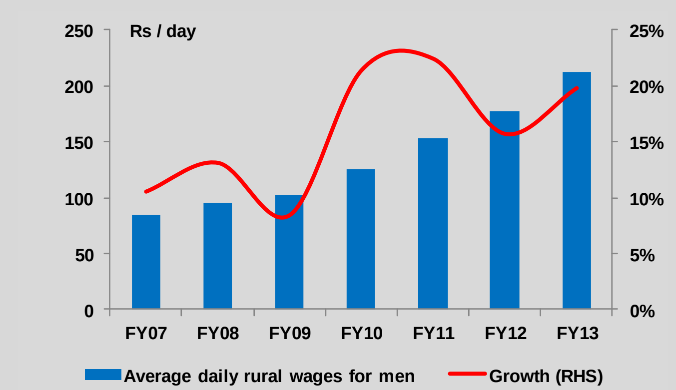
Source: Industry report, Ventura Research

Agriculture credit target



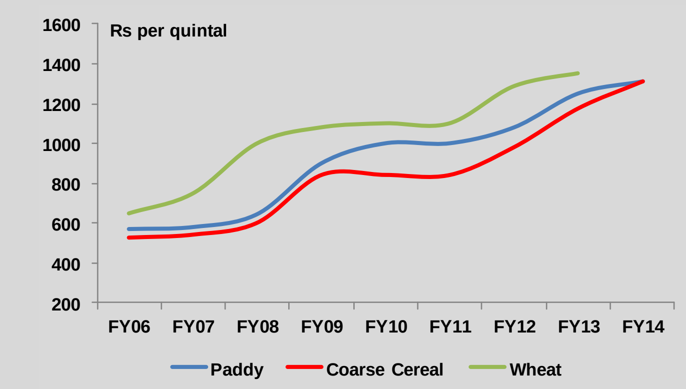
Source: RBI, Ventura Research

Avg daily rural wages for men on the rise



Source: RBI, Ventura Research

MSP increasing over the years



Source: RBI, Ventura Research

❖ ACE intrinsically linked to the economy and infrastructure growth revival

The growth of construction equipment industry is interlinked with the growth of infrastructure sector and hence indirectly fluctuates with the fortunes of the Indian economy at large. As can be seen from the chart, during the period FY06-08, ACE registered revenue growth in the range of 40% to 90% on the back of buoyant economy with GDP growing at the rate of more than 9%.

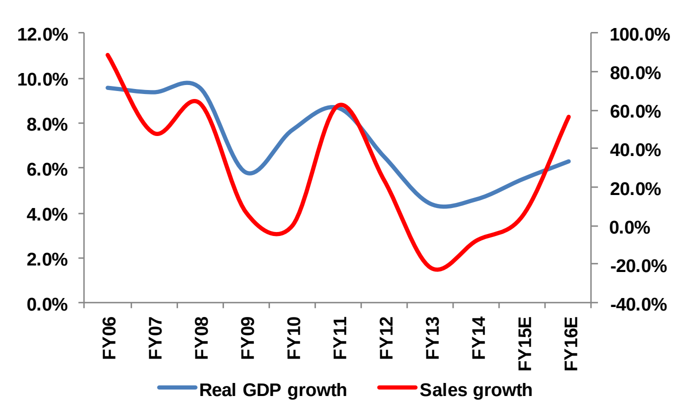
Following the Great Recession in 2008, when GDP growth fell during the period FY08-09, there was a corresponding dip in the revenue growth of the company, which later revived the following year as growth picked up in FY11. Since FY12, economy has turned sluggish hitting lows around 4.5% in FY13 and FY14, which is correspondingly reflected in the business performance of the company with a decline of 21.9% and 7.9% in revenues in the respective years.

With the economy having bottomed out in FY14 and is all set to revive with

- the formation of new government
- better policy initiatives
- moderating inflation leading to easing of tight monetary stance and
- mild recovery of global growth.

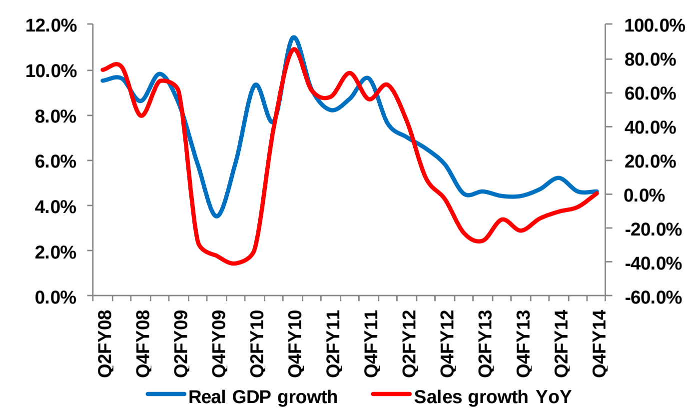
According to World Bank estimates, GDP growth forecasts for FY15 and FY16 are 5.5% and 6.3%, respectively, which will correspondingly reflect in revenue growth of ACE.

ACE business highly dependent on economy



Source: ACE, Ventura Research

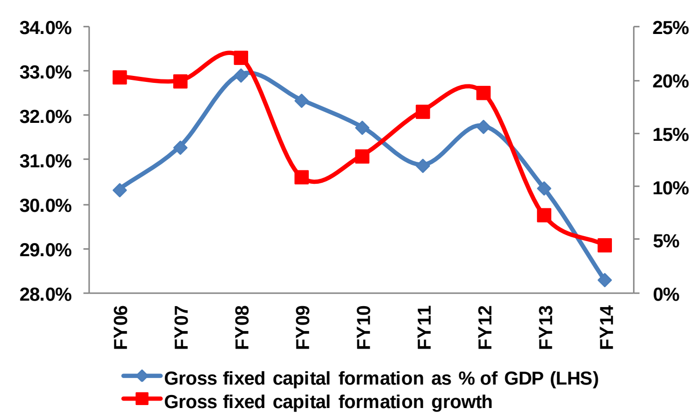
ACE business fluctuates with economy



Source: ACE, Ventura Research

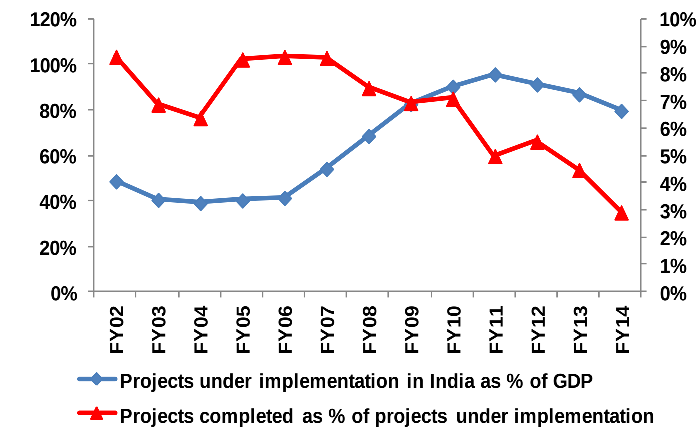
With the new government according top priority to the infrastructure sector, we believe the infrastructure sector is on the cusp of a turn-around. The government has already taken many steps (making funding easier for infrastructure sector, expediting approval process, debottlenecking the system, simplifying bureaucratic complexities, restoring confidence of the investors, etc) which will show visible improvement over next few quarters. ACE, being in the derived demand space, is ideally poised to benefit.

Infra growth sluggish over last few years



Source: ACE, Ventura Research

Projects getting stalled



Source: ACE, Ventura Research

Reasons for Infrastructure slowdown and consequences

- **Policy uncertainty.** Increasing difficulty of obtaining land use and environmental permits had raised regulatory uncertainty for infrastructure and other large-scale projects over last few years. Unclear policies (like allotting coal blocks not on auctioning basis) and lack of communication pertaining to policies of national importance added to the uncertainty. Also retrospective taxation policy announced in the FY13 Union budget had reduced foreign investors' interest in India.

- **Delayed project approvals and implementation.** As a reaction to high-profile governance scandals, project approvals, clearances, and implementation had slowed down sharply over last few years.

- **Bureaucratic complexities delaying projects / investments.** The regulatory framework is evolving significantly with the complexity and size of infrastructure projects increasing substantially during the last decade. Bureaucratic complexities and the protracted procedure for securing approvals are often considered serious disincentives for developers and contractors.

- **Land acquisition.** Several projects have been stalled or delayed due to land acquisition issues. There are multiple reasons that lead to delays in land acquisition. The primary reason is resistance from local communities due to huge difference between the registered value offered and the actual market value, which results in disputes and litigation. Lack of well-planned, efficient and demonstrable rehabilitation packages adds to the distrust of local communities. Land is a pre-requisite for any infrastructure project, yet many projects had been planned and awarded without substantial and contiguous parcels of land being acquired for projects.

- **Supply bottlenecks.** Particularly pronounced in mining and power, with attendant consequences for the broader economy, especially manufacturing.

- **Funding Constraint.** Once a slowdown began, other negative factors, including corruption and scams, also kicked in. As it became clear to banks that regulatory hurdles were holding up the infrastructure projects they had initially financed, they became wary of lending to fresh projects. There is increasing reliance on the private sector for developing and maintaining infrastructure. Infrastructure projects are mostly capital intensive and have a high gestation period. During last few years, most large developers or EPC contractors have over-leveraged their balance sheets to raise debt and their cash flow did not permit them raise fresh debt to fund new projects. Therefore, the projects awarded were witnessing delay in achieving financial closure.

Some of the consequences faced by Indian economy

- More than 50% of infrastructure projects were stuck due to regulatory hurdles like lack of approvals and delays in land acquisition.

- In 2006, the government had announced SEZs to boost industrial activity and exports. However, out of 576 SEZs that have received formal approval, only 172 are operational.

- Against a target of awarding road projects aggregating 50,621 km during five years to March 2013, approximately less than 1/3rd had been awarded. Also many of the projects awarded didn't see commencement of work due to problems in achieving financial closure, delays in land acquisition and obtaining environmental clearances.

- Out of 16 Ultra Mega Power Projects (UMPP) planned; contracts for only 4 had been awarded. Out of this, only one had become operational. Lack of clarity on coal import, forest clearances and land acquisition delays were the main hurdles.

Steps taken by the new government to revive Infrastructure growth

- Government has cleared 100% FDI in railways except for operations.

- Banks permitted to raise long term funds for lending to infrastructure sector with minimum regulatory preemption such as CRR, SLR and PSL. Long term funding will be readily available as banks are in a much better position to mobilize resources.

- Proposal to create Infrastructure Investment Trusts with pass through benefits, which will make easier monetization of investments in existing projects and raising resources for new projects.

- Sixteen new port projects proposed with a focus on port connectivity. An amount of ₹11,635 crore will be allocated for the development of Outer Harbour Project in Tuticorin. Effective steps will be taken to operationalize the SEZ Zones. The government has also announced SEZs in Kandla and JNPT.

- Development of new airports in Tier I and Tier II cities through Airport Authority of India or PPPs. Development of inland waterways. 'Jal Marg Vikas' (National Waterways-I) will be developed between Allahabad and Haldia to cover a distance of 1620 kms at cost of ₹4200 crore in 6 years.

- Incentives for REITs which will have pass through for the purpose of taxation. REITs would attract long term finance from foreign and domestic sources and reduce the pressure on the banking system while also making available fresh equity.

- To encourage development of Smart Cities, requirement of the built up area and capital conditions for FDI is being reduced from 50,000 Sqm to 20,000 Sqm and from $10 mn to $5 mn respectively with a three year post completion lock in.

- Mission on Low Cost Affordable Housing in urban areas with ₹4,000 cr allocated to NHB to increase flow of cheaper credit for affordable housing to the urban poor/EWS/LIG segment.

- Measures for enhancing domestic coal production are being put in place including supply of crushed coal and setting up of washeries. Exercise to rationalize coal linkages which will optimize transport of coal and reduce cost of power is underway. Government will work also towards encouraging investments in mining and resolving the issues in iron ore mining.

- The government will allow online submission of applications for environmental clearances and forest clearances.

➢ Key Risks and Concerns

- ACE business performance is highly sensitive to the economy and infrastructure outlook, which is cyclical in nature. A fall in the demand and / or prices would adversely impact the financial performance of the company.
- The crane industry is a technical intensive industry and thus faced with a constant demand for new designs, knowledge of nascent technology to meet market requirements.
- Raw material cost represents the largest expense and ACE's profitability and cost effectiveness may be affected due to change in the prices of raw materials and other inputs.
- Agri business runs the risk of a demand drop in case of significant variation in monsoon.

➢ Financial Performance

During Q1FY15, ACE reported profit dropped sharply by 12.3% to ₹0.9 crore from ₹1.03 crore in the same quarter previous year owing to subdued demand across construction equipment / material handling space. The company's top-line declined 6.9% to ₹131.7 crore, compared with ₹141.6 crore for the prior year period while its PAT declined 10.1% to ₹0.9 crore as compared to its PAT of ₹1.1 crore in Q1FY14. ACE has moderate debt on its balance sheet and its current debt to equity is around 0.49. The company is currently operating at TTM interest coverage ratio of 0.9, which could be a matter of concern for mid-term.

Quarterly Financial Performance *(₹ in crore)*

Particulars	Q1FY15	Q1FY14	FY14	FY13
Net Sales	131.8	141.6	614.9	667.9
Growth %	*-7.0*		*-7.9*	
Total Expenditure	125.8	135.8	590.8	638.1
EBIDTA	5.9	5.9	24.1	29.7
EBDITA Margin %	*4.5*	*4.1*	*3.9*	*4.5*
Depreciation	2.6	3.6	15.3	13.6
EBIT (EX OI)	3.4	2.2	8.9	16.1
Other Income	1.2	1.1	6.7	5.4
EBIT	4.5	3.3	15.5	21.5
Margin %	*3.4*	*2.4*	*2.5*	*3.2*
Interest	3.0	2.0	10.4	10.5
Exceptional items	0	0	0.0	0.0
PBT	**1.5**	**1.3**	**5.1**	**11.1**
Margin %	*1.2*	*0.9*	*0.8*	*1.7*
Provision for Tax	0.6	0.3	1.1	3.8
PAT	**0.9**	**1.1**	**4.0**	**7.2**
PAT Margin (%)	*0.7*	*0.7*	*0.7*	*1.1*

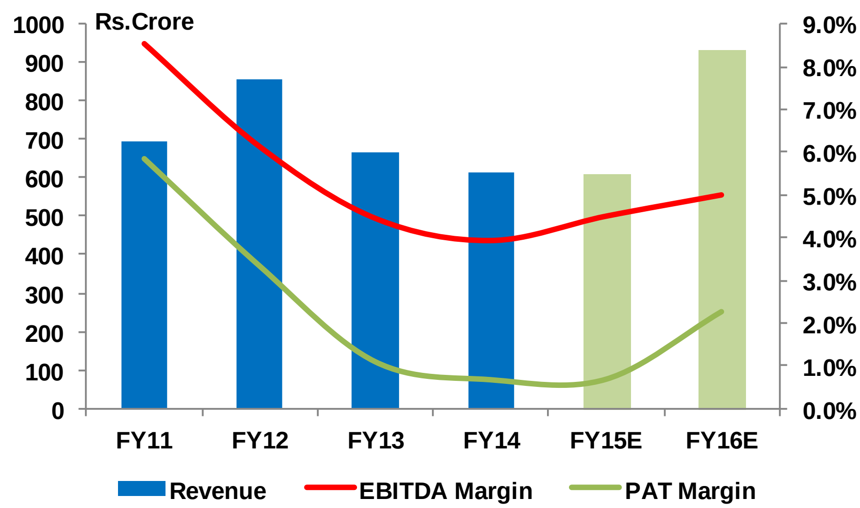
Source: ACE, Ventura Research

➢ Financial Outlook

Due to the slowdown in the economy and sluggish growth in the infrastructure sector during last few years, ACE's revenue has declined at a CAGR 3.9% over FY11-14 while its PAT declined at a CAGR of 53.7% over the same period. However, with new government is place which has accorded infrastructure sector its top priority, we expect the prospects for the company to improve significantly going forward (signs of improvement will be visible from H2FY15). We expect revenue to grow at a CAGR of ~23.2% over FY14-16E to ₹933.4 cr with EBITDA margins improving to 5.0% in

FY16 (v/s 3.9% in FY14). PAT is expected to grow at ~128.5% CAGR over FY14-16E to ₹21.1 crore and PAT margins to improve to 2.3% in FY16 (v/s 0.7% in FY14).

Revenue & Profitability



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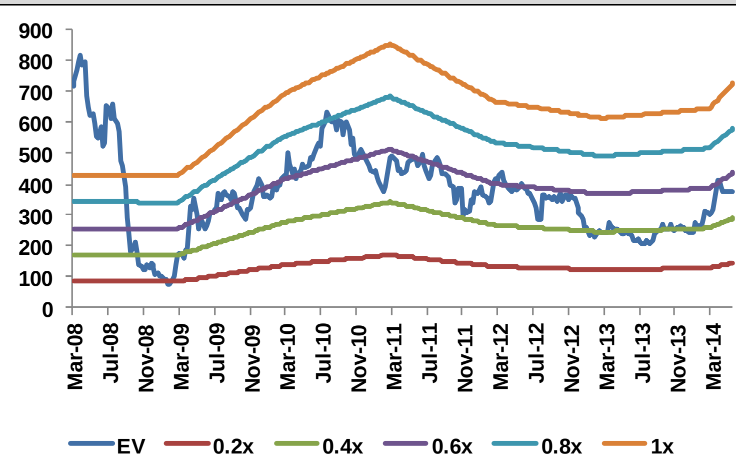
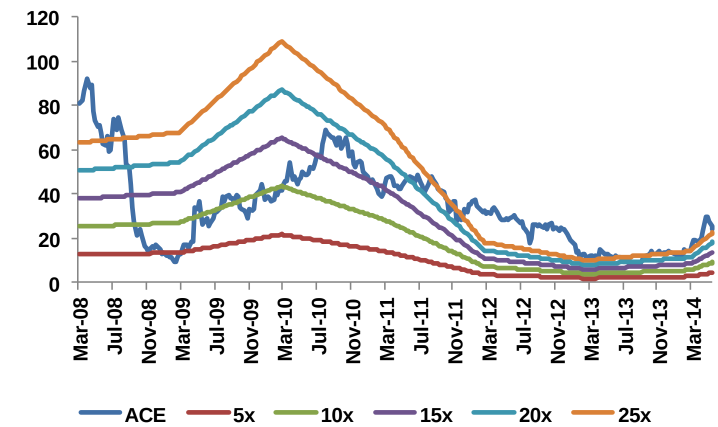
1 Year forward EV/Sales Chart



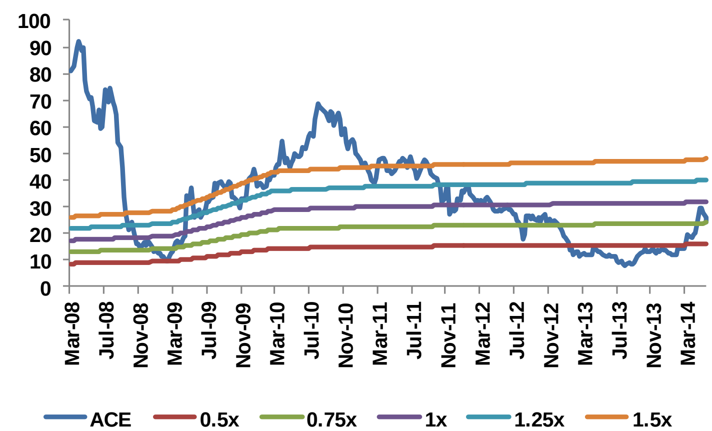
Source: ACE, Ventura Research

1 Year forward P/E Chart



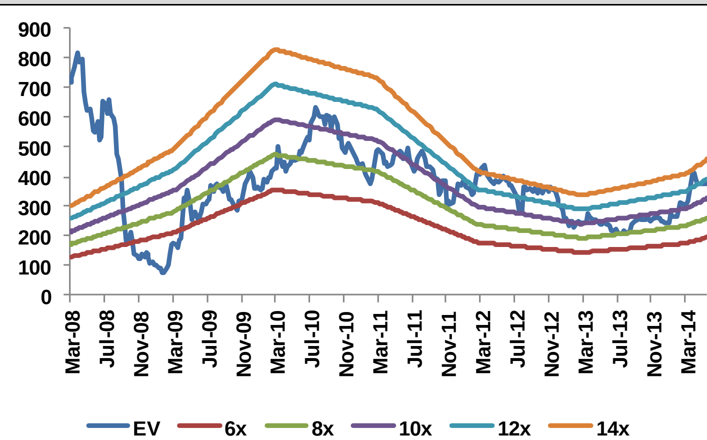
Source: ACE, Ventura Research

1 Year forward P/BV chart



Source: ACE, Ventura Research

1 Year forward EV/EBITDA chart



Source: ACE, Ventura Research

Financials and Projections

Y/E March, Fig in Rs. Cr	FY 2013	FY 2014	FY 2015e	FY 2016e
Profit & Loss Statement				
Net Sales	**667.8**	**614.9**	608.9	933.4
% Chg.	*(21.9)*	*(7.9)*	*(1.0)*	*53.3*
Total Expenditure	638.1	590.8	581.5	886.7
% Chg.	*(20.5)*	*(7.4)*	*(1.6)*	*52.5*
EBITDA	**29.7**	**24.2**	27.4	46.7
EBITDA Margin %	*4.5*	*3.9*	*4.5*	*5.0*
Depreciation	13.6	15.3	17.3	18.5
EBIT	**16.1**	**8.9**	10.1	28.1
EBIT Margin %	*2.4*	*1.4*	*1.7*	*3.0*
Other Income	5.4	6.7	6.1	9.3
Interest	10.5	10.4	10.9	10.1
PBT	**11.0**	**5.1**	5.3	27.3
PBT Margin %	*1.7*	*0.8*	*0.9*	*2.9*
Tax Provisions	3.8	1.1	1.2	6.3
Reported PAT	7.2	4.0	4.1	21.0
PAT Margin (%)	*1.1*	*0.7*	*0.7*	*2.3*
RM cost / Sales (%)	*71.1*	*75.7*	*75.0*	*74.5*
Employee cost / Sales (%)	*6.6*	*6.8*	*6.0*	*6.0*
SGA Exp / Sales (%)	*9.2*	*9.1*	*7.5*	*7.5*
Balance Sheet				
Share Capital	19.8	19.8	19.8	19.8
Reserves & Surplus	283.6	288.2	291.1	309.9
Long Term Borrowings	23.2	39.5	39.5	39.5
Deferred Tax Liabilities	4.5	4.5	4.5	4.5
Other Non Current Liabilities	3.7	4.4	4.4	4.4
Current Liabilities	286.5	265.5	233.5	288.1
Total Liabilities	**621.3**	**621.9**	592.8	666.2
Gross Block	297.3	333.4	358.4	383.4
Less: Acc Depreciation	46.2	65.2	82.5	101.1
Net Block	251.1	268.2	275.9	282.3
Capital Work in Progress	9.5	2.1	2.1	2.1
Other Non-Current Assets	74.8	71.2	67.7	62.8
Currents Investments	13.4	8.8	8.8	8.8
Other Current Assets	272.4	271.5	238.3	310.1
Misc Exp not written off	0.0	0.0	0.0	0.0
Total Assets	**621.3**	**621.9**	592.8	666.2

Y/E March, Fig in Rs. Cr	FY 2013	FY 2014	FY 2015e	FY 2016e
Per Share Data (Rs)				
EPS (adj)	0.7	0.4	0.4	2.1
Cash EPS	2.1	2.0	2.2	4.0
DPS	0.2	0.1	0.1	0.2
BVPS	30.7	31.1	31.4	33.3
Capital, Liquidity, Returns Ratio				
Debt / Equity (x)	0.5	0.5	0.4	0.4
Current Ratio (x)	1.0	1.1	1.1	1.1
ROE (%)	2.4	1.3	1.3	6.4
ROCE (%)	3.6	2.0	2.3	6.2
Dividend Yield (%)	0.7	0.4	0.4	0.7
Valuation Ratio (x)				
P/E	39.1	70.0	69.5	13.4
P/BV	0.9	0.9	0.9	0.9
EV/Sales	0.6	0.7	0.6	0.4
EV/EBIDTA	14.0	17.0	14.3	8.1
Efficiency Ratio (x)				
Inventory (days)	108.4	131.7	100.0	80.0
Debtors (days)	45.5	40.5	40.0	40.0
Creditors (days)	75.3	93.6	75.0	75.0
Cash Flow statement				
Profit before Tax	**11.0**	**5.1**	5.3	27.3
Adjustment	21.7	24.2	21.0	19.3
Changes in WC	14.5	8.9	24.3	3.0
Direct Taxes Paid and Others	(4.9)	(1.4)	(1.2)	(6.3)
Operating Cash Flow	**42.3**	**36.9**	49.4	43.4
Capital Expenditure	(42.3)	(24.9)	(25.0)	(25.0)
Change in Investment	(5.9)	1.7	0.0	0.0
Other Investing Activities	3.2	3.2	5.1	8.2
Cash Flow from Investing	(45.0)	(19.9)	(19.9)	(16.8)
Interest	(10.5)	(10.4)	(10.9)	(10.1)
Increase/(Decrease) in Loans	11.1	(6.6)	0.0	0.0
Dividend and DDT	(2.3)	(2.3)	(1.2)	(1.2)
Cash Flow from Financing	**(1.6)**	**(19.3)**	(22.1)	(21.3)
Net Change in Cash	**(4.3)**	**(2.4)**	7.4	5.3
Opening Cash Balance	**21.3**	**17.1**	14.7	22.1
Closing Cash Balance	**17.1**	**14.7**	22.1	27.4

Ventura Securities Limited

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