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ADI FINECHEM

A LEAP FORWARD



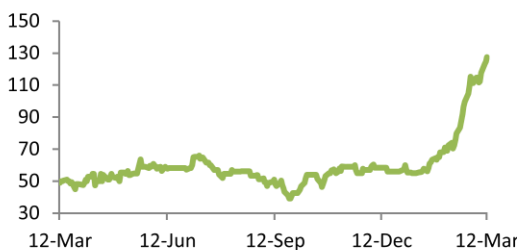
Adi FineChem Ltd

Recommendation	BUY
CMP (12 March 14)	Rs. 128
Target Price	Rs 200
Sector	Specialty Chemicals

Stock Details

BSE Code	530117
NSE Code	-
Bloomberg Code	ADFI IN
Market Cap (Rs cr)	160
Free Float (%)	37.1
52- wk HI/Lo (Rs)	129/39
Avg. volume BSE (Quarterly)	34,657
Face Value (Rs)	10
Dividend (FY 13)	10%
Shares o/s (Cr)	1.3

Relative Performance	1Mth	3Mth	1Yr
AFL	76.2%	118.1%	16.9%
Sensex	7.3%	3.2%	11.7%



Shareholding Pattern	31 st Dec 13
Promoters Holding	62.9
Institutional (Incl. FII)	0.7
Corporate Bodies	10.6
Public & others	25.8

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Year	Sales (Rs cr)	Growth (%)	EBITDA (Rs cr)	Margin (%)	PAT (Rs cr)	Margin (%)	Adj EPS (Rs)	P/E (x)	RoE
FY13A	123.1	26.7%	17.3	14.0%	8.4	6.8%	6.7	19.1	27.2%
FY14E	145.9	18.5%	29.6	20.3%	16.4	11.3%	13.1	9.7	35.8%
FY15E	198.2	35.9%	39.2	19.8%	22.3	11.3%	17.8	7.2	34.4%
FY16E	267.5	35.0%	53.0	19.8%	31.4	11.7%	25.0	5.1	34.3%

A Leap Forward!!!

Investment Rationale

- Specialized Products:** More than 55% of Adi Finechem's business consists of specialized products like Dimer Acid and Tocopherol where it is either sole or one of the lowest cost producer in India, providing edge to the company. In remaining products also, prices move in tandem with raw material prices giving AFL stable margins.
- Capacity Expansion:** Considering the increased demand for its products AFL is in expansion mode and has more than doubled the capacity (in terms of input capacity per annum) to 18,000 MT in 2012 from 8,000 MT in FY10. Recently the company has further increased the capacity to 25,000 MT (from Sept'13). It has lined up additional Rs 22 cr capex for taking capacity to 45,000 MT which is expected to be operational by Oct'14. The revenue potential after the expanded capacity is Rs 280 cr p.a. (FY13 revenues Rs 123 cr).
- Strategic Shift in Management:** AFL had undergone a strategic management change in 2010 whereby one of the two original promoters changed hands and a new team joined in. The company under the new management has shown tremendous improvement in performance
- Healthy Financials:** ROCE improved to 28.6% in FY13 from mere 2.6% in FY10, which has been possible due to better asset turnover and improved profitability. Adi Finechem has managed to keep its debtors days under 50 and worked very hard to bring down the inventory days from 143 days in FY09 to 41 days in FY13, improving much needed working capital cycle. The company has comfortable debt position with Debt:Equity ratio of 0.6x. This gives enough scope to the company for funding future needs without burdening the balance sheet. The point is further reiterated from the fact that the company is presently using internal accruals for funding the recent expansion.

Valuation & Recommendation

Under the guidance and focused approach from new management, Adi Finechem has turned around its business strategy and signs of success are visible in numbers too.

AFL trades at 9.7x/7.2x/5.1x on FY14E/FY15E/FY16E earnings which is below the industry average. We expect stock to re-rate given its high return ratios, increasing capacity, focused management and improving profitability profile. The company's expanded facility is expected to be operational from Oct'14 therefore it would get 4-5 months sales in FY15 however the full benefit of the expansion would be visible from FY16 onwards. We believe that reflection of numbers Q4FY15 would lead re-rating of the stock. **We recommend a BUY on the stock with target price of Rs 200 (8x on FY16E), a potential of 57% in 1-1.5 years.**



Adi FineChem Ltd

Company Profile

Adi Finechem Limited (AFL) is a twenty years commercially old company specializing in manufacturing of Oleo Chemical and Nutraceuticals

AFL's key products are Mixed Tocopherols, Sterols, Dimer Acid, Linoleic Acid, Distilled fatty acids, Palmitic and Monobasic Acid

AFL is the only company to manufacture Dimer Acid (Oleo Chemical, 16% of FY13 revenues) and Tocopherol (Nutraceutical, 27% of FY13 revenues) in India

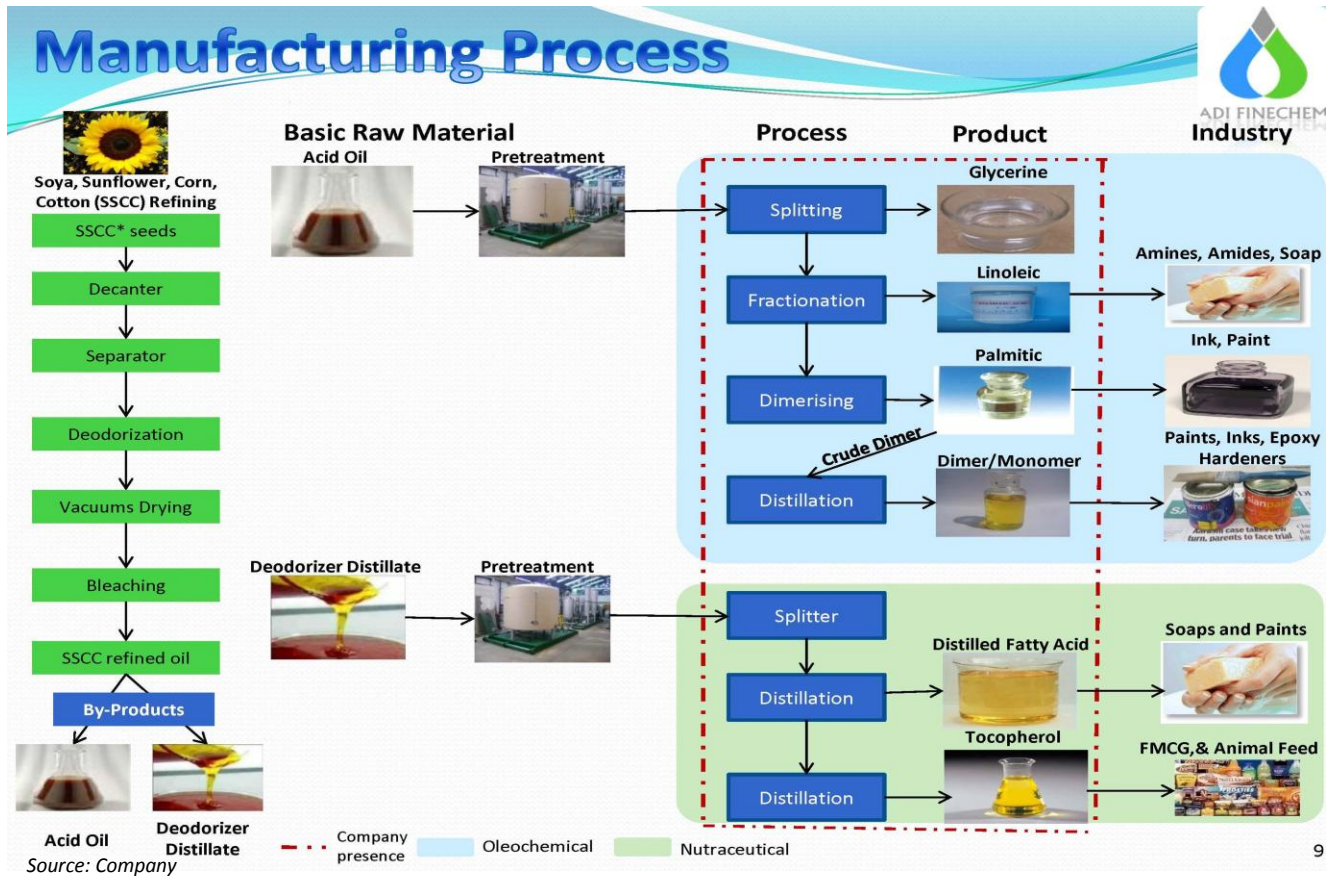
Oleo Chemicals are chemicals derived from Plant and Animal Fats.

Dimer Acid is an import substitute for sale to consumers in Surface Coating and Printing Ink industry. In India, the estimated market size is 8,000 mt and currently AFL is supplying around 20% of that. Key clients include Asian Paints, Micro Inks, Arkema etc.

Linoleic Acid is used in making quick-drying oils, which are useful in oil paints and varnishes.

Mixed Tocopherol concentrate and Sterols concentrate are nutraceutical products. Tocopherol is used as raw material to make natural vitamin E. The global market for Natural Vitamin E is estimated at US\$611.9 million in 2013 and set to cross the US\$1 billion mark by 2019. AFL exports 100% of its nutraceutical products and key clients are BASF, TAMA, ADM, Riken

AFL has a state -of-the-art Manufacturing unit which was set up in 1995. The company has acquired critical equipment's from Germany and Switzerland. The existing plant capacity is 25,000MT. A new player to set up similar kind of greenfield facility would require 2.5 years and approx. Rs 100 cr capex (excluding cost of land)





Adi FineChem Ltd

Specialized products

More than 50% of Adi Finechem’s business consists of specialized products like Dimer Acid and Tocopherol which cushions the company from commodity cycle and constant volatility hence stability in margins. However, other products are also priced in tandem with raw material prices hence providing stable margins for the company.

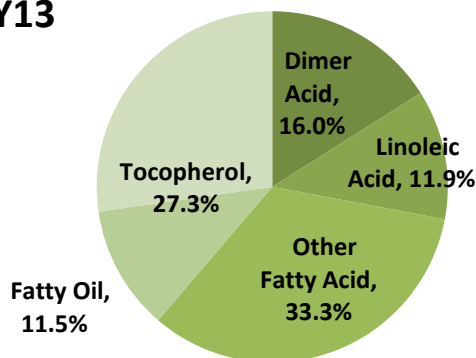
Dimer Acid is an import substitute for sale to consumers in Surface Coating and Printing Ink industry. The company is sole producer of the product in India. Key clients for Oleochemicals include Asian Paints, Micro Inks, Arkema etc. AFL provides products based on import parity with added advantage of just-in-time delivery and better quality. As result AFL has been preferred supplier for most of its clients and AFL believes it would gradually substitute large part of its client requirement, which are met through import at present.

Linoleic Acid is designed especially to produce fast drying protective coating having lighter color and has applications in making quick-drying oils, cosmetics, inks. Amines, Lubricants, Paints etc. AFL is the one of the lowest cost manufacturers of the product in the country.

Mixed Tocopherol and Sterols are nutraceutical products. Tocopherol is used as raw material to manufacture natural Vitamin E. The global market for Natural Vitamin E is estimated at US\$611.9 million in 2013 and set to cross the US\$1 billion mark by 2019. Natural Vitamin E is almost 3-4 times more expensive than synthetic Vitamin E. Developed markets like US and Europe are the key consumers due to the high value of the product. Only method of manufacturing Natural Vitamin E is through route of raw material currently used by AFL. There are few manufacturers worldwide and AFL is only manufacturer in India. The company has started selling one more product called Concentrated Sterols under nutraceuticals segment in FY14 (Sept’13) which is basically a by-product of Tocopherol. Earlier the company was not able to capture the product. Management has now added more equipment/process through which they are able to capture this product which directly got added to EBITDA without much cost of sales. Key clients for Nutraceuticals are BASF, TAMA, ADM, Riken. The company has decade old relationship with these clients and has not lost any of these clients. In some of the case like BASF the company has been supplying to its earlier owners who got acquired by BASF and relation continued after acquisition also.

Sales Breakup

FY13



Adi FineChem Ltd

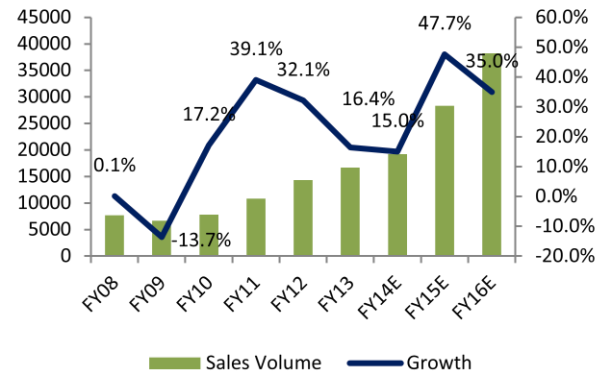
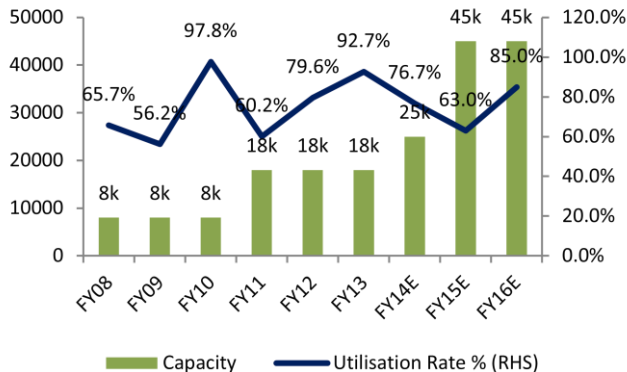
Capacity Expansion

Key USP of the company is its ability to use Acid Oil (for Dimer and Linoleic Acid) and Deodorizer Distillate (for Tocopherol) – which are by products of vegetable oil processing units. This makes AFL more competitive as other companies directly use vegetable oil which is 30%-40% more expensive. Another benefit of using by-products of vegetable oil is that it is natural which commands premium over that derived from Synthetic route. Apart from this handling varied quality of raw materials is another developed skill of the company. As acid oil and deodorizer distillate are by-products of vegetable oil and its output is very less in the overall manufacturing process, (Acid oil ~1.25% and Deodorizer Distillate ~ 0.25%), hence AFL has to source the material from many suppliers (highest is 30% from one supplier) to meet its requirements. Therefore the quality of raw materials differs drastically which can affect the end products of AFL. In order to maintain the consistency in its product quality, over the years AFL has evolved the process in such a manner that it can manage different qualities of raw material without having much impact on its end products.

The crude soyabean oil processing is increasing in the country enabling the company to procure more by-products as raw material. The Indian economy is witnessing an upsurge in activities of industries like Paint and Surface Coating, Printing Ink and soap making requiring AFL’s finished products as their raw materials.

The crude soyabean oil processing is increasing in the country enabling the company to procure more by-products as raw material. Post strengthening its raw material sourcing, manufacturing process, supply chain, coupled with strong demand AFL is in aggressive expansion mode through brownfield expansions. It has already doubled the capacity (in terms of input capacity) to 18,000 MT in 2011 from 8,000 MT in 2010. With expanded capacity operating at 90% utilization in FY13, it further increased the capacity by 39% to 25,000 ton in September 2013, which is running at 90% utilization at present. AFL is further increasing its capacity by 80% to 45,000 ton at cost of Rs 22 cr by October 2014. 150% capacity expansion from 18,000 ton to 45,000 ton over FY13-FY15 would lead to healthy 41.2% volume CAGR over FY14E-FY16E against 28.8% CAGR over FY10-FY13.

The revenue potential post the expansion is Rs 280 cr p.a. (FY13 revenues Rs 123 cr).

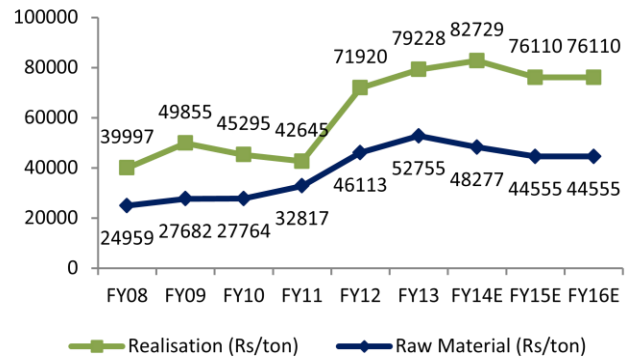
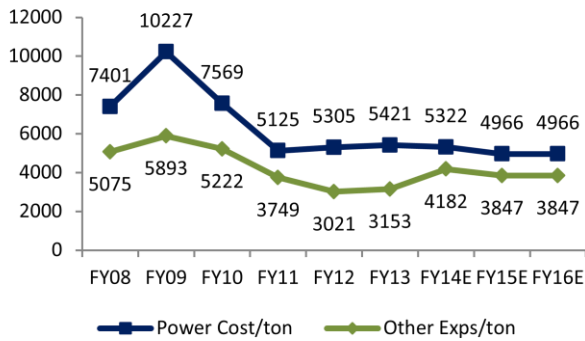


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Efficiency driven growth

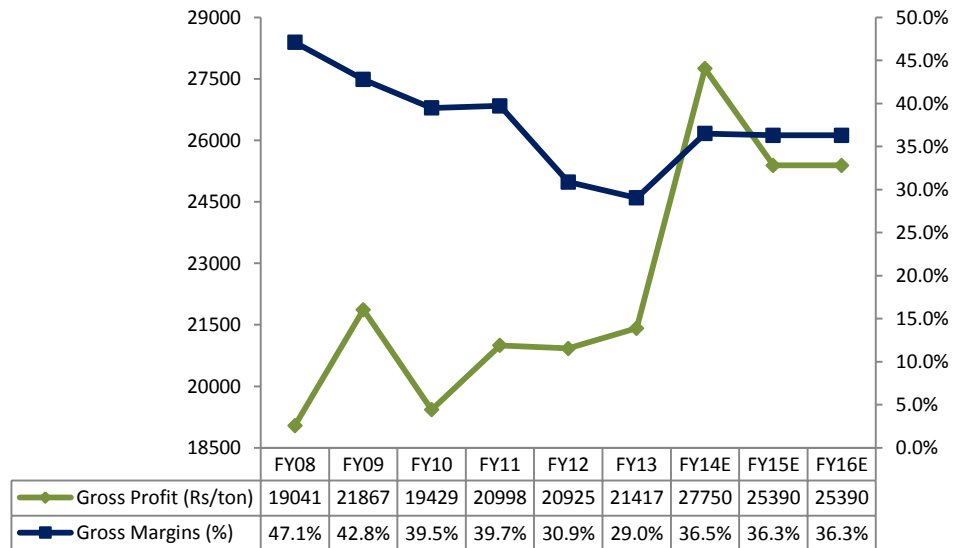
We can divide future growth of Adi Finechem in two phases – Phase I: Capacity expansion which would drive the topline of the company. The second Phase would witness efficiency driven growth whereby we expect company to better bottom-line growth. Management has identified certain areas which would drive the profitability in future.

Post management changed in 2010 the company made many changes in the processes which brought down the overall cost and increased efficiency. Economies of scale and optimization of resources have helped in maintaining the cost at reduced levels despite increase in per unit levels.

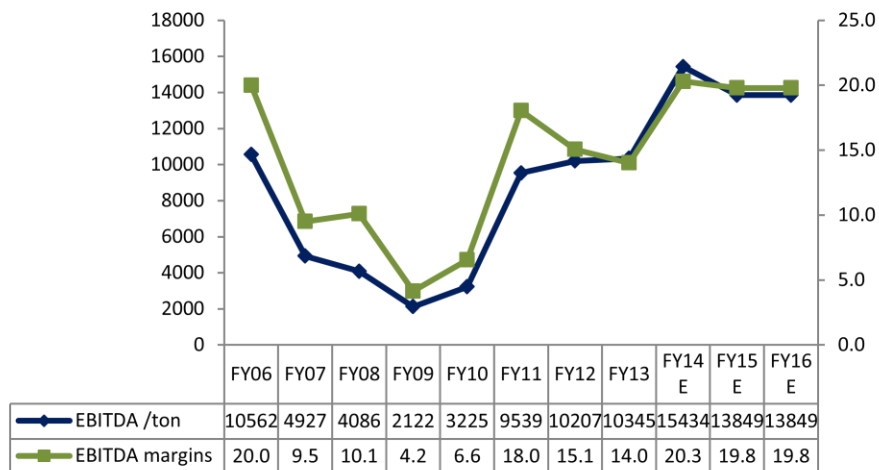


Source: Company, Nirmal Bang Research

Despite volatility in raw material prices profitability is maintained



Adi FineChem Ltd



Note: EBITDA/ton is a better measure to understand the profit profile of the company. Apparently it looks that EBITDA margins have declined from 18% in FY11 to 14% in FY13 however on analyzing EBITDA/ton it is clear that profitability has rather improved from Rs 9539 / to Rs 10345/ton, during the same period

Strategic Shift in Management

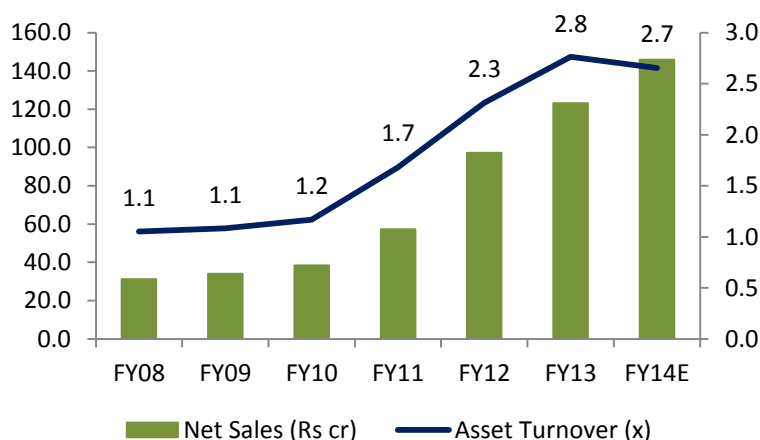
AFL has undergone a strategic management changed in 2010 whereby one of the promoters changed hands and a new team joined in. The company has shown tremendous improvement in performance since then. Originally Mr. Rajan Harivallabhdas started AFL as key promoter which was assisted by his cousin brother Mr.Nahoosh Jariwala. Mr.Rajan was looking at manufacturing, process optimization and other core activities of the company while role of Mr.Nahoosh was limited to marketing. Mr.Rajan decided to move out of the company in 2010, while Mr.Utarkarsh continues to remain confident on prospects of the company. Stake of Mr.Rajan was bought by Mr.Utkarsh Shah, Mr.Bimal Parikh and Mr.Hemant Shah who were collage friends of Mr.Nahoosh. Post change of ownership, Mr.Nahoosh was given free hand, which lead to turn around of the company. Mr.Nahoosh made various process changes, reduced power cost, improved efficiencies, reduced working capital cycle and as a result it turned AFL into black in FY11 from red in FY10. Mr.Nahoosh installed balancing equipment and increased capacity from 8,000tn in FY10 to 18,000tn in FY11 with minimum capex. As a result operating profit improved from Rs 1.4 cr in FY09 to Rs 17.1 cr in FY13 while net profit improved from negative Rs 1.4 cr to positive Rs 8.4 cr over same period.

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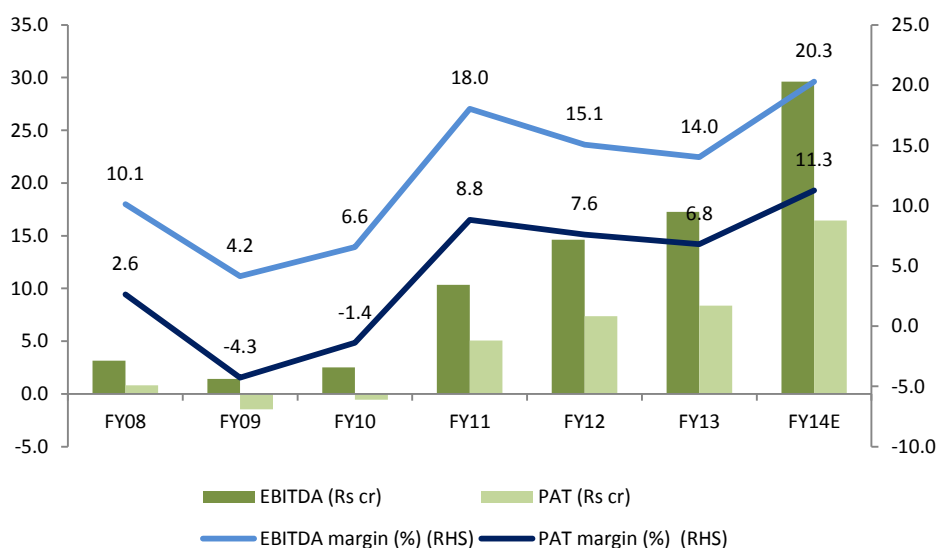
Profile of Board of Directors

Utkarsh Shah	Chairman	Engaged in Realty Business (Promoter)
Nahoosh Jariwala	MD	Original Promoter
Bimal Parikh	Wholetime Director	Promoter
Hemant Shah	Director	Promoter
Jayesh K. Shah	Director	Director & CFO of Arvind Ltd
Kalpesh Patel	Director	Executive Director, Nirma Group
Bhavin Shah	Director	Promoter of Equirus Capital
Ganapatraj Chawdhary	Director	MD of Riddhi Siddhi Gluco Biols Ltd
Nitin Patel	Director	Chairman – Shree Bhagwati Flour Mills Pvt Ltd

Asset Turnover



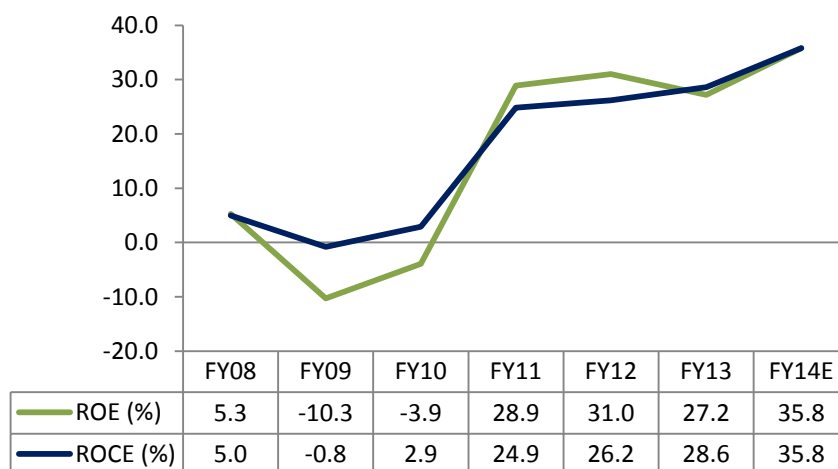
Margin Profile



Adi FineChem Ltd

Healthy Financials

Strong Return ratios: Despite incurring capex (to increase its capacity 3x in last four years (from 8,000 MT in FY11 to 25,000 MT in FY14)) return ratios of the company have improved substantially. ROCE improved to 28.6% in FY13 from mere 2.6% in FY10, which has been possible due to better asset turnover and improved profitability. Although more capex is lined up for next two years, we believe the company would be able to improve return ratios further



Source: Nirmal Bang Retail Research

Working Capital Cycle: Availability and access to raw material is a key challenge in the Oleo Chemical industry. Hence AFL has to source raw materials on advance payment basis providing no leverage on payables days. Therefore the company has to efficiently manage its receivables and inventory days also to be able to balance its NWC. Adi Fine chem's has managed to keep its debtors days under 50 and worked very hard to bring down the inventory days from 143 days in FY09 to 41 days in FY13, realizing much needed working capital

Debt:Equity Ratio: Due to efficient management of working capital and systematic use of capital for expansion the company has comfortable debt position with Debt:Equity ratio of 0.6x. This gives enough scope to the company for funding future needs without burdening the balance sheet.

Bonus Shares: Till FY10, due to inadequate profitability AFL was not able to distribute dividends to shareholders. It has started giving marginal dividends (of 8-10%) since last three years. However, the company has well awarded the shareholders with two bonus issues. First was in FY12 in the ratio of 1:5 (one bonus share for every five shares held) and second in FY13 in the ratio of 1:10 (one bonus share for every 10 shares held)

Adi FineChem Ltd

RISKS

- **Sourcing of Raw Material:** Key risk for the company is availability of raw materials. Firstly the output of by products is very less (Acid oil ~1.25% and Deodorizer Distillate ~ 0.25%). Hence AFL has to source the material from many suppliers (highest is 30% from one supplier), which in turn affects the quality of end products. In addition, the company has to make advance payment to ensure the constant supply of raw materials.
- **Quality of raw materials:** As the company is sourcing from various manufacturers, the quality of raw material differs drastically. Although over the years AFL has managed to put up process which manages such volatility in quality of inputs.
- **Competition from imported products:** AFL's few products like Dimer Acid are import substitutable. Hence any increase in imports can impact its prospects.

Good quarterly result

AFL reported good Q3FY14 results reiterating our positive stance. Sales have grown by 34% yoy to Rs 39.6 cr on higher capacity available. EBITDA margins have moved to record high of 24.5% due to favorable product mix and efficiency improvement on account of some balancing equipment installation. We expect company to maintain its 9MFY14 margins of 20% for the full year and for next year too, a substantial improvement from previous years (14% in FY13)

Consolidated (Rs cr)	Q3FY14	Q2FY14	qoq	Q3FY13	yoy
Net sales	39.6	28.0	41.3	29.5	34.2
Cost of Materials	23.6	18.8	25.9	21.0	12.6
Staff cost	1.3	1.1	25.0	0.7	83.1
Power & Fuel	2.5	2.1	17.0	2.6	-3.7
Other Exps	2.4	1.1	113.9	1.1	114.8
Total Expenses	29.9	23.1	29.3	25.4	17.5
EBITDA	9.7	4.9	98.0	4.1	138.5
<i>margins</i>	<i>24.5%</i>	<i>17.5%</i>		<i>13.8%</i>	
Depreciation	0.7	0.6	20.1	0.6	25.1
EBIT	9.0	4.3	108.4	3.5	156.4
Interest	0.7	0.6	11.2	0.7	6.3
Other income	0.0	0.1	-85.6	-0.3	-105.5
PBT	8.3	3.8	117.7	2.5	230.6
Tax	2.8	1.1	157.8	0.8	242.9
<i>Tax rate</i>	<i>34.0%</i>	<i>28.7%</i>		<i>32.8%</i>	
EO	0.0	1.5		0.0	
PAT	5.5	1.2	345.1	1.7	224.6
Equity Capital	12.5	12.5		12.5	
FV	10.0	10.0		10.0	
EPS	4.4	1.0	345.1	1.3	224.6

Adi FineChem Ltd

Peer Comparison

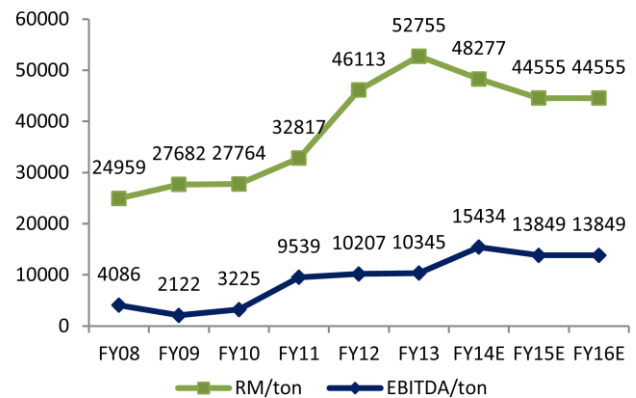
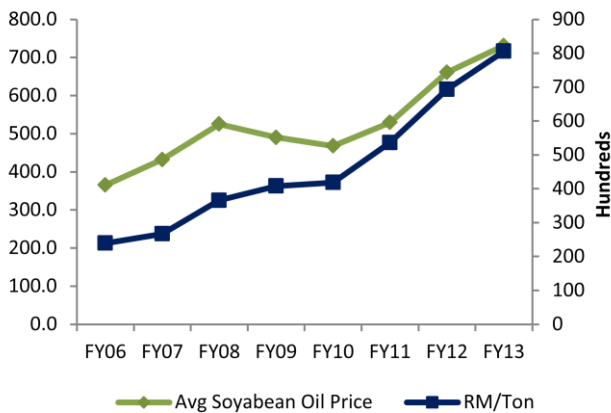
Comparison	Mkt		Net sales			EBITDA			CAGR (%)			P/B			P/E			EV/EBITDA			RoE		
	Cap	CMP	(Rscr)			(%)			FY13-15E			(x)			(x)			(%)					
	(Rs cr)	(Rs)	FY0	FY4E	FY6E	FY0	FY4E	FY6E	Sales	EBITDA	PAT	FY0	FY4E	FY6E	FY0	FY4E	FY6E	FY0	FY4E	FY6E	FY0	FY4E	FY6E
Atul Ltd	1,244	419	2,005	2,293	2,492	12.0	13.1	13.4	11.5	16.4	16.7	1.6	1.4	1.3	10.4	8.2	7.6	5.1	5.4	4.9	15.9	17.2	16.0
Omkar Specialty	264	134	212	236	309	19.0	18.6	19.1	20.9	21.3	3.6	1.8	1.9	1.7	12.8	16.6	12.3	8.8	9.6	7.1	17.7	11.9	14.4
Vinati Organics	1,270	257	542	696	826	21.1	23.4	23.1	23.5	28.5	24.7	2.1	4.0	3.1	18.5	14.3	11.9	6.1	8.6	7.3	32.1	30.4	28.1
Adi Finechem	160	128	123	146	198	14.3	20.3	19.8	26.9	49.1	63.1	4.1	2.8	2.0	18.5	9.7	7.2	10.4	6.2	4.7	27.2	35.8	34.4

*Estimates are from Bloomberg except for Adi Finechem

Valuation and Recommendation

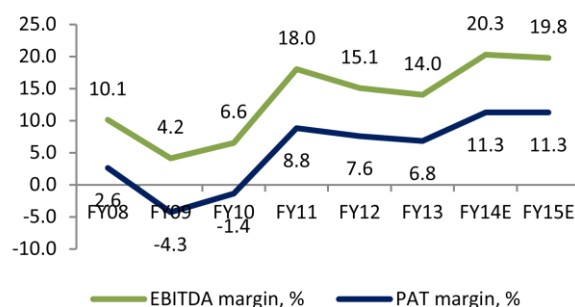
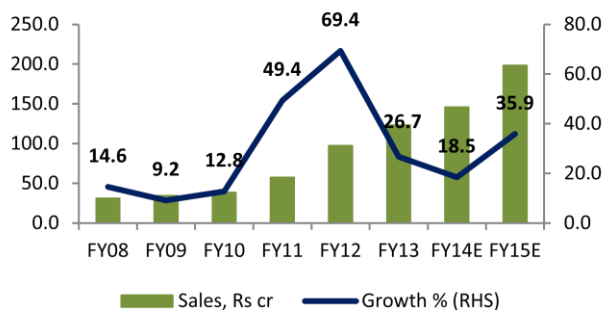
Adi Finechem has turned around its business strategy and signs of success are visible in numbers too. We believe the company is finally moving in the right direction of achieving its true potential. With apparently no competition from organized market, the company has inherent edge and can maintain its leadership position in the industry.

During FY10-13 AFL's revenues have grown at an impressive CAGR of 47.5% v/s 12.8% during FY06-09 while PAT has grown 30.6% during FY11-13. It was negative in FY10. Prices of vegetable oil are very volatile and being by-products of vegetable oil, raw material prices for AFL have been very volatile in past.



However going forward, we believe the company would continue its momentum. We expect sales to grow at CAGR of 30.3% from FY13 to FY16E with higher PAT growth of 57.6% over the same period, on back of higher economies of scale on expanded facility. Despite incurring the scheduled capex from internal accruals, we expect the company to maintain its high return ratios. With healthy cash generation AFL is likely to maintain its Net Working Cycle (expected to remain around 70 days) and Debt:Equity ratio (likely to remain at around 0.5x) despite incurring capex from its internal accruals.

Adi FineChem Ltd



Source: Company data, Nirmal Bang Research

Key Assumptions

	FY10	FY11	FY12	FY13	FY14E	FY15E	FY16E
Total Sales Volume (ton)	7800	10847.975	14334.025	16684.7	19187	28333	38250
Growth (%)		39.1%	32.1%	16.4%	15.0%	47.7%	35.0%
Realizations (Rs/ton)	52193	56575	72768	80319	82729	76110	76110
Growth (%)		8.4%	28.6%	10.4%	3.0%	-8.0%	0.0%
Gross Revenue (Rs cr)	40.7	61.4	104.3	134.0	158.7	215.6	291.1
EBITDA/ton	3225	9539	10207	10345	15434	13849	13849
Growth (%)		195.8%	7.0%	1.4%	49.2%	-10.3%	0.0%

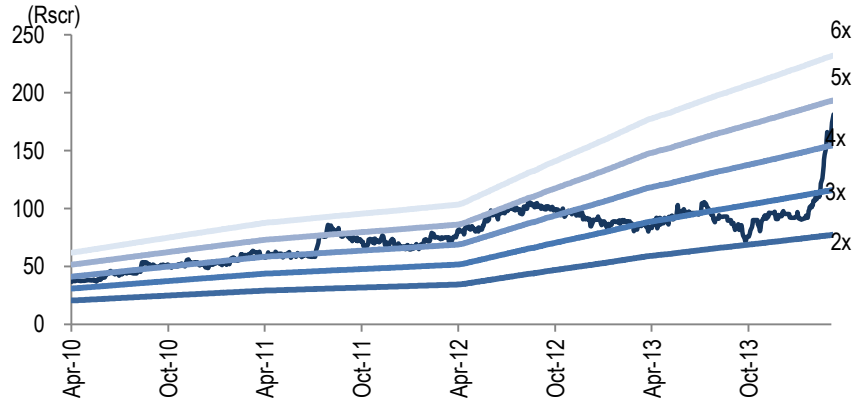
Adi Finechem is not yet listed on NSE However the company has initiated the process of it and expects it to happen soon.

AFL trades at 9.7x/7.2x/5.1x on FY14E/FY15E/FY16E earnings which is below the industry average. We expect stock to re-rate given its high return ratios, increasing capacity, focused management and improving profitability profile. The company's expanded facility is expected to be operational from Oct'14 therefore it would get 4-5 months sales in FY15 however the full benefit of the expansion would be visible from FY16 onwards. We believe that reflection of numbers Q4FY15 would lead re-rating of the stock. **We recommend a BUY on the stock with target price of Rs 200 (8x on FY16E), a potential of 57% in 1-1.5 years.**

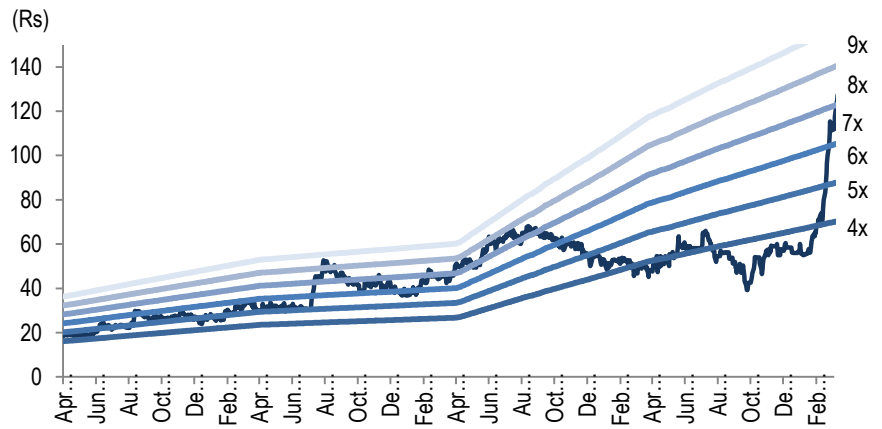


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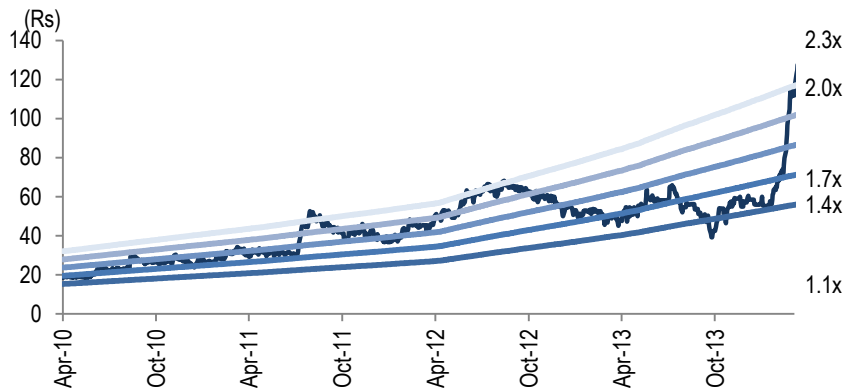
One Year Forward EV/EBITDA Chart



One Year Forward PE Chart



One Year Forward P/BV Chart



Adi FineChem Ltd

Financials – Consolidated

P&L (Rs. Cr)	FY13A	FY14E	FY15E	FY16E	Balance Sheet (Rs Cr)	FY13A	FY14E	FY15E	FY16E
Net Sales	123.1	145.9	198.2	267.5	Share Capital	11.4	12.5	12.5	12.5
% change	26.7%	18.5%	35.9%	35.0%	Reserves & Surplus	19.5	33.4	52.4	79.1
EBITDA	17.3	29.6	39.2	53.0	Net Worth	30.9	46.0	65.0	91.6
EBITDA margin	14.0%	20.3%	19.8%	19.8%	Net Deferred Tax Liab	3.6	3.6	3.6	3.6
Depn & Amort	2.3	2.8	3.7	4.5	Total Loans	18.0	25.4	21.9	16.0
Operating income	15.0	26.8	35.5	48.5	Trade Payables	1.9	2.8	3.9	5.2
Interest	2.5	2.8	2.4	1.8	Provisions	1.9	2.2	3.0	4.0
Other Income	0.4	0.7	0.5	0.5	Other CL	3.4	1.5	1.8	2.2
PBT	12.9	24.7	33.6	47.2	Total Liabilities	59.7	81.5	99.1	122.6
Tax	4.2	8.3	11.3	15.8	Net Fixed Assets	27.1	35.6	52.4	57.8
MI & EO	0.3	0.0	0.0	0.0	Capital WIP	1.3	11.5	2.0	2.0
PAT	8.4	16.4	22.3	31.4	Investments	0.0	0.0	0.0	0.0
PAT margin (%)	6.8%	11.3%	11.3%	11.7%	Cash & Bank	0.1	1.6	0.6	3.5
Sh o/s - Diluted	1.3	1.3	1.3	1.3	Inventories	9.9	10.8	14.7	19.9
Adj EPS	6.7	13.1	17.8	25.0	Debtors	15.4	18.2	24.8	33.4
Cash EPS	8.5	15.3	20.8	28.6	Loans & Advances	5.9	3.7	4.6	5.9
Qtrly-Stdalone	Mar.13	June.13	Sept.13	Dec.13	Misc Exp	0.0	0.0	0.0	0.0
Revenue	29.5	31.0	36.9	39.6	Total Assets	59.7	81.5	99.1	122.6
EBITDA	3.7	5.2	7.0	9.7	Cash Flow (Rs. Cr)	FY13A	FY14E	FY15E	FY16E
Dep & Amorz	0.6	0.6	0.7	0.7	Op CF before tax	17.0	29.6	39.2	53.0
Op Income	3.1	4.6	6.3	9.0	Change in WC	-3.1	-2.2	-9.2	-12.4
Interest	0.5	0.6	0.7	0.7	Tax	-4.0	-8.3	-11.3	-15.8
Other Inc.	-0.3	0.5	0.0	0.0	CF from Operation	9.8	19.2	18.8	24.8
PBT	2.4	4.5	5.7	8.3	Capex	-3.2	-21.5	-11.0	-10.0
Tax	1.1	1.6	1.8	2.8	Oth Inc & Investment	0.4	0.7	0.5	0.5
EO	-1.3	0.0	0.0	0.0	CF from Investing	-2.8	-20.8	-10.5	-9.5
PAT	2.6	2.8	3.9	5.5	Financing				
EPS (Rs.)	2.1	2.3	3.1	4.4	Dividend Paid	-1.3	-2.5	-3.3	-4.7
Performance Rati	FY13A	FY14E	FY15E	FY16E	Share Capital	0.0	0.0	0.0	0.0
EBITDA margin (%)	14.0%	20.3%	19.8%	19.8%	Loans	-3.1	7.3	-3.5	-5.9
EBIT margin (%)	12.2%	18.4%	17.9%	18.1%	Interest	-2.5	-2.8	-2.4	-1.8
PAT margin (%)	6.8%	11.3%	11.3%	11.7%	Others	-0.2	1.1	0.0	0.0
ROE (%)	27.2%	35.8%	34.4%	34.3%	CF from Financing	-7.1	3.2	-9.3	-12.4
ROCE (%)	28.6%	35.8%	39.3%	43.6%	Net Chg. in Cash	-0.1	1.6	-1.0	2.9
PAT growth (%)	17.1%	90.4%	35.8%	40.5%	Cash at beginning	0.1	0.1	1.6	0.6
Debt/Equity (x)	0.6	0.6	0.3	0.2	Cash at end	0.1	1.6	0.6	3.5
Valuation Ratio	FY13A	FY14E	FY15E	FY16E	Per Share Data	FY13A	FY14E	FY15E	FY16E
Price Earnings (x)	19.1	9.7	7.2	5.1	Adj EPS	6.7	13.1	17.8	25.0
Price/BV (x)	4.1	2.8	2.0	1.4	BV per share	24.6	36.7	51.8	73.1
EV / Sales	1.4	1.3	0.9	0.6	Cash per share	0.0	1.3	0.5	2.8
EV / EBITDA	10.3	6.2	4.6	3.3	Dividend per share	1.1	2.0	2.7	3.8

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