

CMP: INR16.80

Stock data

BSE code	531127
BSE ID	ANARINDUS
Face value (INR)	10
No of shares (m)	10.0
Market cap (INRm)	168.6
3m avg. daily vol (No)	78.4
Free float (INRm)	42.2
Dividend yield FY13 (%)	0

S&P BSE Sensex	25,741.6
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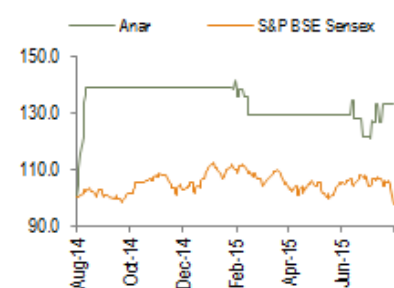
Stock performance (%)

52-week H/L	INR17.9/12.7		
	1M	3M	12M
Absolute (%)	9.4	2.8	32.8
Relative (%)	16.0	9.6	35.4

Shareholding pattern (%)

Promoters	FIIs	DIIs	Others
47.33 %	0.00%	0.01%	52.66%

Relative stock movement



Source: BSE

Company Overview

Based out of Ahmedabad, Anar Industries Ltd. (AIL) was incorporated in July 1992 as Jolly Fiscal Ltd. In September 1994, its name was changed to Enrich Finance Ltd. and in 1998 to Enrich Industries Ltd. AIL is involved in general trading and investment/finance operations in India. It primarily trades in shares and textiles. After its merger with Anar Softcom Pvt. Ltd., the company was looking to do more business in the field of Software/Hardware, Internet service provider. It also intends to carry out construction activities in the near future.

Q1FY16 Performance

- Revenues soared by 17 times YoY from INR2.1m in Q1FY15 to INR39.3m in Q1FY16.
- Raw material cost increased by 21 times to INR37.7m in Q1FY16. Employee cost increased by 10.6% YoY to INR0.1m in Q1FY16.
- Other expenses increased by 188.6% YoY from INR0.2m in Q1FY15 to INR0.7m in Q1FY16.
- As a result, operating profit of the company increased from INR0.1m in Q1FY15 to INR0.8m in Q1FY16. Depreciation was recorded at INR0.8m in Q1FY16.
- Interest Expense and non-operating Income was recorded at INR0.4m in Q1FY16. Tax expense was recorded as nil in Q1FY16.
- Consequently, net profit increased from INR0.1m in Q1FY15 to INR0.4m in Q1FY16.
- The company has informed BSE on 14 Aug 2015 that the Board of Directors of the Company at its meeting held on 14 Aug 2015, inter alia, has approved the proposed investment in the construction activities of the Company. The Board of Directors has also proposed the Special Resolution under section 180 of the Companies Act, 2013 to obtain funds / loan exceeding aggregate of its Paid-up Share Capital and free Reserve subject to approval of Members in the upcoming Annual General Meeting.

Table 1: Q1FY16 snapshot

(INRm)	Q1FY16	Q1FY15	YoY %	Q4FY15	QoQ%	FY15	FY14	YoY %
Revenue	39.3	2.1	1734.5	92.8	-57.7	159.4	1.1	14118.8
EBITDA	0.8	0.1	844.4	0.2	355.4	-3.6	-1.9	92.4
PAT (Adjusted)	0.4	0.1	346.9	-3.6	-110.0	-7.1	-1.8	283.6
PAT (Reported)	0.4	0.1	346.9	-3.6	-110.0	-7.1	-1.8	283.6
Ratio								
% of sales	Q1FY16	Q1FY15	YoY %	Q4FY15	QoQ%	FY15	FY14	YoY %
Raw Material Cost	95.9	79.4	16.5	102.6	-6.7	101.4	91.4	10.0
Staff Cost	0.3	5.3	-5.0	0.1	0.2	0.3	114.1	-113.8
Other Expenditure	1.8	11.5	-9.7	-2.9	4.7	0.5	59.7	-59.2
EBITDA	1.9	3.8	-1.8	0.2	1.8	-2.2	-165.2	163.0
Tax Rate	0.0	0.0	0.0	0.0	0.0	0.0	34.5	-34.5
NPM	0.9	3.8	-2.9	-3.9	4.8	-4.4	-164.2	159.8

Source: Company, Varhad Research

Sep 2015

Quarterly performance in charts and tables

Table 2: Detailed Q1FY16 Overview

	Q1FY16	Q1FY15	YoY %	Q4FY15	QoQ%	FY15	FY14	YoY %
Revenue	39.3	2.1	1734.5	92.8	-57.7	159.4	1.1	14118.8
Raw Material Cost	37.7	1.7	2115.2	95.2	-60.4	161.7	1.0	15673.8
Staff Cost	0.1	0.1	10.6	0.1	25.0	0.5	1.3	-62.9
Other Expenditure	0.7	0.2	188.6	-2.7	-126.6	0.8	0.7	19.6
Total Cost	38.5	2.1	1769.5	92.6	-58.4	163.0	3.0	5381.2
EBITDA	0.8	0.1	844.4	0.2	355.4	-3.6	-1.9	92.4
Depreciation	0.8	0.0	*	3.8	-77.7	3.8	0.9	327.9
EBIT	-0.1	0.1	-197.5	-3.6	-97.8	-7.3	-2.7	168.4
Interest Expenses	0.0	0.0	*	0.0	*	0.0	0.1	-100.0
Non-Operating Income	0.4	0.0	*	0.0	*	0.3	0.0	1541.2
PBT	0.4	0.1	346.9	-3.6	-110.0	-7.1	-2.8	151.4
Provision for Tax	0.0	0.0	*	0.0	*	0.0	-1.0	-100.0
PAT (Adjusted)	0.4	0.1	346.9	-3.6	-110.0	-7.1	-1.8	283.6
Extra Ordinary	0.0	0.0	*	0.0	*	0.0	0.0	*
PAT (Reported)	0.4	0.1	346.9	-3.6	-110.0	-7.1	-1.8	283.6

Note: * Not Applicable. Source: BSE, Varhad Research

Chart 1: Sales trend

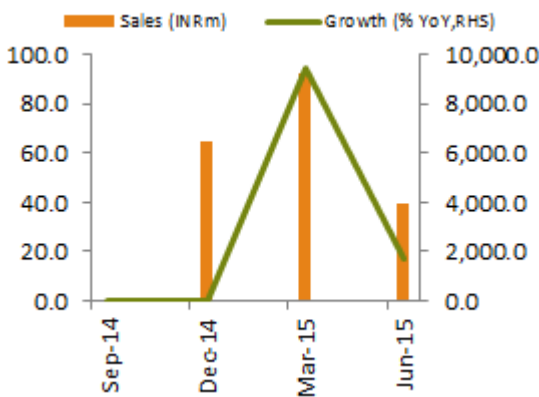


Chart 2: EBITDA trend (#)

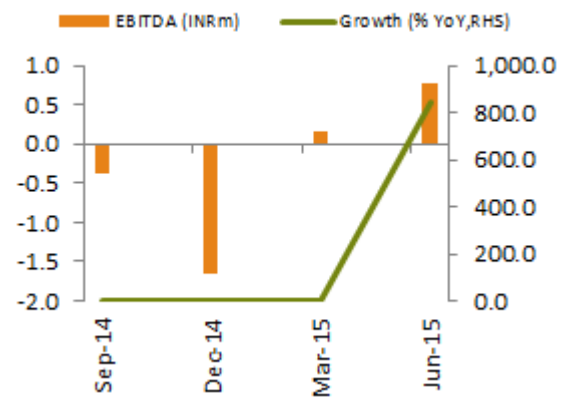


Chart 3: Margin trend

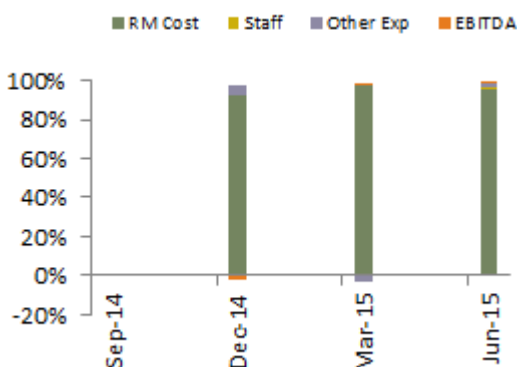
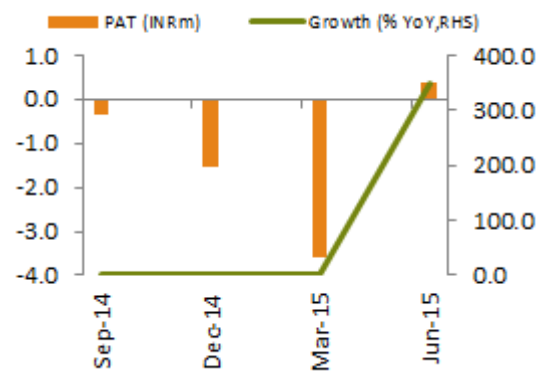


Chart 4: PAT trend (#)



Note: (#) EBITDA/ PAT growth could not be calculated in certain quarters due to losses, Source: Company, Varhad Research

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