

09 February 2014

**CMP:** Rs. 3.93

**Industry:** Exploration & Production

**BSE group:** B/Small Cap

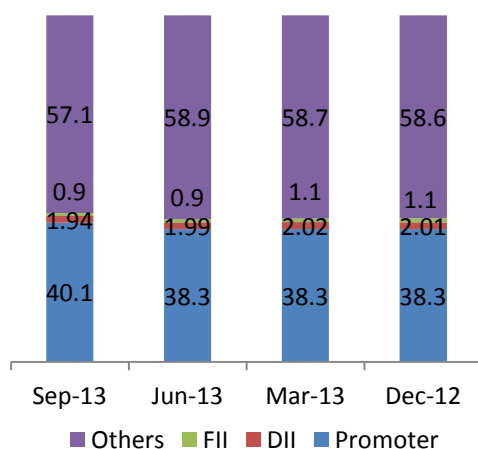
### Promoters

Nagarjuna Group / Raju family – 33.7%,  
Government of Andhra Pradesh – 4.6%

### Key Data (as on 11 Nov' 13)

BSE	534184
ISIN	INE453M01018
Face Value (Rs.)	1.0
Mkt Cap (Rs. mn)	1682.8
Current P/E	negative
Current P/BV	0.2
52 week low-high	2.65-5.10
30 days avg daily trading volume	
Equity capital (Rs mn)	428.2
Net worth (Rs mn)	7,753.3

### Shareholding Pattern (%)



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### Company business

In July 2011, Nagarjuna Fertilizers and Chemicals Ltd. (erstwhile NFCL) entered into a composite scheme of arrangement between iKisan Ltd (iKisan) and Kakinada Fertilizers Ltd (KFL) and Nagarjuna Oil Refinery Ltd (NORL) whereby erstwhile NFCL demerged its oil refining business in NORL. As on 31 March 13, NORL holds 46.78% of equity capital in Nagarjuna Oil Corporation Ltd. (NOCL). NOCL has planned a 6MMTPA refinery at Cuddalore, Tamil Nadu which will be increased to 12 MMTPA in the second phase. The Nagarjuna Group has partnered with the State Government of Tamil Nadu and Tata Petrodyne Ltd. to implement the refinery project.

**The cost of the project was initially estimated at Rs. 47.9 bn which increased to Rs 71.6 billion. The revised cost of the project at Rs. 71.6 bn has now increased to Rs. 119.9 bn.** The increase of Rs. 48.3 bn in the cost is partly on account of change in scope of project (type of crude oil to be refined) and partly due to delay in infusion of funds. The additional cost of the project is proposed to be tied up in the existing debt equity ratio of 1.5: 1. The additional equity is proposed to be raised from strategic investors (market reports say Shell India and ONGC) and debt from the existing lenders. **No further details have been provided on the project, its status, fund raising and implementation.**

In 2012-13, Singapore-based Trafigura picked up a 24% stake in NOCL for around Rs 6.5 bn. Another Rs 6.0 bn was infused by Trafigura into the construction of storage facilities and associated infrastructure. This will come up in a 100-acre site near the refinery's 2,500-acre site.

In Sept 13, NOCL announced a push back in the start-up date to April 2014 from earlier plans to open by late 2012. The implementation of the Project was impacted by cyclone 'Thane' in 2011. **The physical completion of the project as of 31 March 13 was 58%.**

### Financials

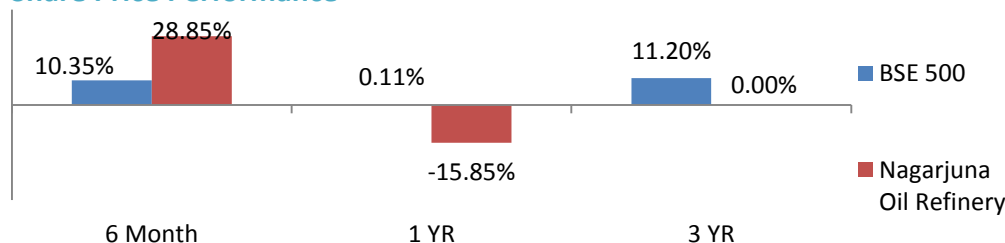
Particulars (Rs in mn)	Jul '13 to Sep '13	Jul '12 to Sep '12	% Change <sup>1</sup>	Apr'13 to Jun '13	% Change <sup>2</sup>
Total income	-	-	-	-	-
Total operating expenditure	0.0	0.0	-	0.0	-
EBIDTA	-	-	-	-	-
PBT	(6.5)	(5.6)	-	(2.9)	-
PAT	(6.5)	(5.6)	-	(2.9)	-
Cash accruals	(6.4)	(5.5)	-	(2.8)	-
EPS	(0.0)	(0.0)	-	(0.0)	-

<sup>1</sup> compared to corresponding quarter in the previous year

<sup>2</sup> sequential comparisons

Source: Moneycontrol, Company

### Share Price Performance



## Financials

P&L (Rs. mn)	FY11	FY12	FY13	Balance Sheet (Rs. mn)	FY11	FY12	FY13
Total income	0.0	0.0	0.0	Share Capital	0.5	428.2	428.2
EBIDTA	-	(6.9)	(15.3)	Share application money, warrants	0.0	0.0	0.0
EBIDTA margin	negative	negative	negative	Reserves & Surplus	(0.1)	7,340.8	7,325.1
Depreciation	0.0	0.5	0.5	<b>Net worth</b>	0.4	7,769.0	7,753.3
EBIT	-	(7.4)	(15.8)	Borrowings	0.0	6.5	21.3
Interest	0.1	0.0	0.0	Current Liabilities and provisions	0.0	0.2	0.5
PBT	(0.1)	(7.4)	(15.8)	Net deferred tax Liabilities	0.0	0.0	0.0
Tax	-	-	-	<b>Total liabilities</b>	0.4	7,775.7	7,775.1
PAT	(0.1)	(7.4)	(15.8)	Fixed assets	0.0	13.3	12.8
PAT Margin	negative	negative	negative	Non-current Investments	0.0	7,762.2	7,762.2
	-	-	-	Loans and Advances	0.0	0.0	0.0
Dividend Payout	-	-	-	Current Assets	0.4	0.2	0.1
				<b>Total assets</b>	0.4	7,775.7	7,775.1

Valuation ratios	FY11	FY12	FY13	Cash Flow (Rs.mn)	FY11	FY12	FY13
P/E	NA	(172.1)	(6,508.4)	PBT	(0.1)	(7.4)	(15.8)
P/BV	NA	0.4	0.2	CF from Operation	(0.1)	(6.8)	(14.9)
				CF from Investment	-	-	-
				CF from Financing	0.5	6.5	14.8
				Inc/(dec) Cash	0.4	(0.3)	(0.1)
				<b>Closing Balance</b>	0.4	0.2	0.1

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