

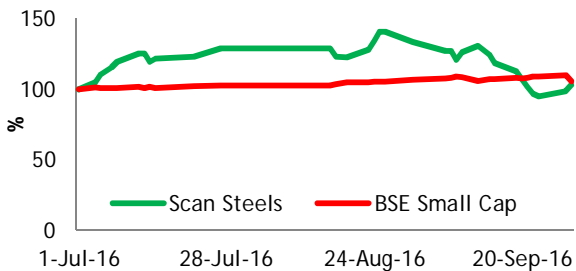


December 13, 2016

CMP	₹ 14.25
BSE Code	511672
BSE ID	SCANSTL
52wk High/Low (₹)	37.70/13.38
Average Volume (3M) [§]	10,755
Market Cap (₹ Crore)	72.0

Shareholding - Sep 2016	No.	%
Promoters	2,51,81,985	51.60
FII's	0	0.00
DII's	0	0.00
Public & Others	2,36,23,645	48.40

Stock Chart As on September 30, 2016



Common Size Analysis (%)	Q2 FY17	Q2 FY16	Q1 FY17
Cost of Material/TR	76.6	92.6	63.3
Employee Cost/TR	3.7	3.9	2.6
Other Expenses/TR	22.0	17.7	14.5
Interest Cost/TR	3.5	10.8	3.2

Valuation Ratios	
P/E (TTM) (x)	0.00
P/BV (TTM) (x)	0.29
EPS (Q2 FY17)	₹ (1.78)

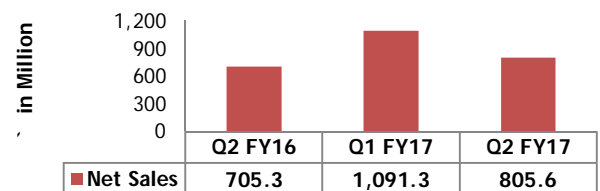
Financial Ratios	%
EBIDTA Margin	(4.4)
PAT Margin	(10.8)
Impact Cost [^]	-

Financials and Ratios are on Standalone basis
TR stands for Total Revenue
TTM stands for trailing twelve months
[^]Source: BSE, for December, 2016
§ - Average Volumes (Total Shares traded) for 3 Months

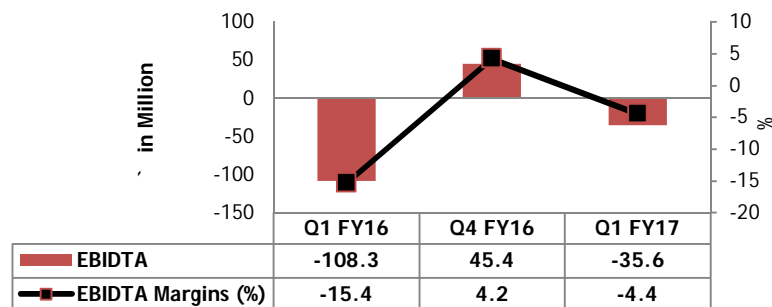
Q2 FY17 Analyst's Review

- Net Sales rose by 14.2% on a y-o-y basis to Rs. 805.6 million in Q2 FY17 from Rs. 705.3 million in Q2 FY16. It decreased by 26.2% on a q-o-q basis from Rs. 1,091.3 million in Q1 FY17.
- Material Cost forming 76.6% of Net Sales decreased by 5.5% y-o-y to Rs. 617.1 million in Q2 FY17 from Rs. 652.9 million in Q2 FY16. Employee Benefit Expenses increased to Rs. 30 million in Q2 FY17 from Rs. 27.4 million in Q2 FY16. Other Expenses increased to Rs. 177.4 million in Q2 FY17 from Rs. 125.1 million in Q2 FY16.
- Interest Cost declined to Rs. 27.9 million in Q2 FY17 from Rs. 76.4 million in Q2 FY16. The Company reported an Operating Loss of Rs. 35.6 million in Q2 FY17 as compared to a loss of Rs. 108.3 million in Q2 FY16. Resultantly, Net Loss stood at Rs. 87.1 million in Q2 FY17 as against a loss of Rs. 214.7 million in Q2 FY16.
- The Board of Directors at their meeting held on 20th October, 2016 considered and approved allotment of 17,33,333 Equity Shares of Rs. 10 each on conversion of Warrants issued on 14th October, 2015 at a conversion price of Rs. 50 each (including a premium of Rs. 40 each) to M/s. West & Best Trading Pvt Ltd (8,00,000 Equity Shares), M/s Synergy Tradevista Pvt. Ltd. (8,40,000) Equity Shares and to Alken Management and Financial Services Pvt. Ltd. (93,333 Equity Shares) investors not forming part of the Promoter Group.

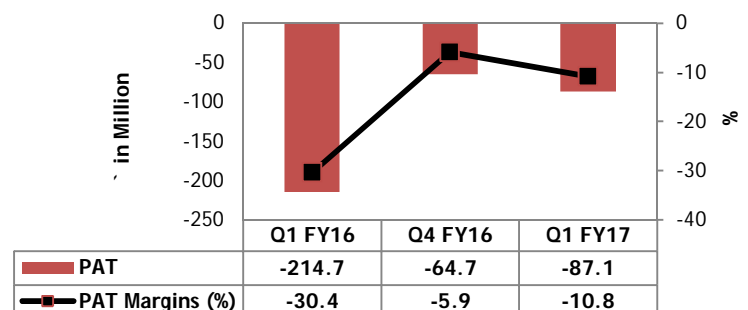
Net Sales



EBIDTA & EBIDTA Margins



PAT & PAT Margins





Financial Snapshot

Particulars	Standalone Financials (` In Millions)				
	Q2 FY 2017	Q2 FY 2016	Q1 FY 2017	y-o-y (%)	q-o-q (%)
Income Statement					
Net Sales / Income from Operations	805.6	705.3	1,091.3	14.2	-26.2
Expenses					
Cost of material consumed	617.1	652.9	691.1	-5.5	-10.7
Change in Inventories	16.7	8.2	167.4	103.7	-90.0
Employee Benefit Expenses	30.0	27.4	28.9	9.5	3.8
Administrative, Manufacturing, Selling & Other Expenses	177.4	125.1	158.5	41.8	11.9
EBIDTA	-35.6	-108.3	45.4	-67.1	-178.4
Depreciation & Amortization	30.0	29.9	49.6	0.3	-39.5
Finance Costs / Interest Expense	27.9	76.4	34.4	-63.5	-18.9
Other Income	4.4	3.0	4.2	46.7	4.8
Profit After Tax (PAT)	-87.1	-214.7	-64.7	-59.4	34.6
Key Ratios - Income Statement					
EBIDTA Margin (%)	-4.4	-15.4	4.2	-	-
PAT Margins (%)	-10.8	-30.4	-5.9	-	-
Adjusted EPS	-1.78	-4.84	-1.33	-	-

Source: Capitaline Database; Company Financials

About Us

LOTUS KNOWLWEALTH (LKW) is a **Knowledge** based company that commenced business in 1990. LKW is engaged primarily in **CAPITAL MARKET RESEARCH, INVESTMENT ADVISORY and STRATEGY services.**

GURUKSHETRA is the Research and Training arm of Lotus Knowlwealth.

LKW Investment Advisers is the **SEBI** registered Investment Advisory arm of LKW.

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Disclosure

This report has been prepared for the BSE Investor Protection initiative and all the data for this report has been sourced primarily from publicly available documents and information. LKW asserts that it makes no Investment Recommendation through the medium of this Report.

Furthermore, each member of the team involved in the preparation of this report, hereby affirms that there exists no conflict of interest.