

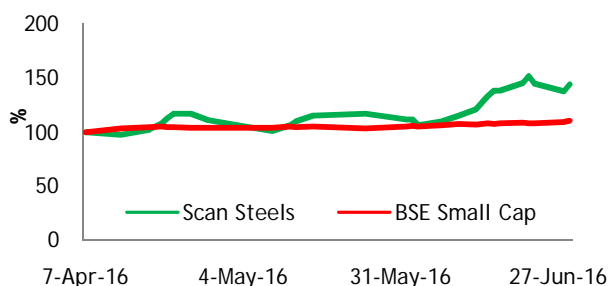


September 23, 2016

|                                  |             |
|----------------------------------|-------------|
| <b>CMP</b>                       | ₹ 20.20     |
| BSE Code                         | 511672      |
| BSE ID                           | SCANSTL     |
| 52wk High/Low (₹)                | 40.60/13.38 |
| Average Volume (3M) <sup>§</sup> | 12,268      |
| Market Cap (₹ Crore)             | 98.6        |

| Shareholding - Jun 2016 | No.         | %     |
|-------------------------|-------------|-------|
| Promoters               | 2,51,81,985 | 51.60 |
| FIIIs                   | 0           | 0.00  |
| DIIIs                   | 0           | 0.00  |
| Public & Others         | 2,36,23,645 | 48.40 |

**Stock Chart** As on June 30, 2016



| Common Size Analysis (%) | Q1 FY17 | Q1 FY16 | Q4 FY16 |
|--------------------------|---------|---------|---------|
| Cost of Material/TR      | 63.3    | 100.5   | 63.3    |
| Employee Cost/TR         | 2.6     | 3.7     | 2.8     |
| Other Expenses/TR        | 14.5    | 20.0    | 15.1    |
| Interest Cost/TR         | 3.2     | 8.2     | 5.0     |

| Valuation Ratios |          |
|------------------|----------|
| P/E (TTM) (x)    | 0.00     |
| P/BV (TTM) (x)   | 0.45     |
| EPS (Q1 FY17)    | ₹ (1.33) |

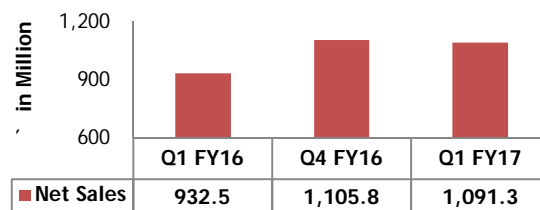
| Financial Ratios         | %     |
|--------------------------|-------|
| EBIDTA Margin            | 4.2   |
| PAT Margin               | (5.9) |
| Impact Cost <sup>^</sup> | -     |

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

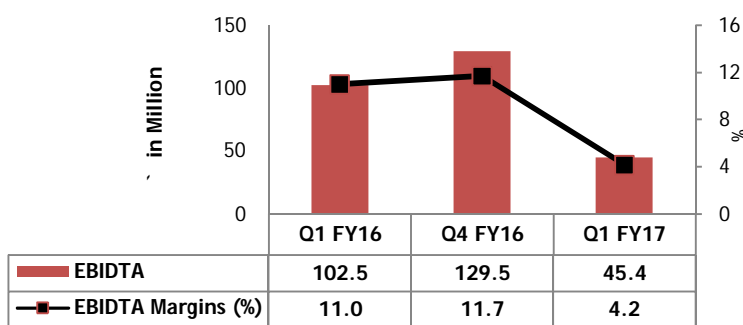
**Q1 FY17 Analyst's Review**

- Net Sales rose by 17% on a y-o-y basis to Rs. 1091.3 million in Q1 FY17 from Rs. 932.5 million in Q1 FY16. It decreased by 1.3% on a q-o-q basis from Rs. 1105.8 million in Q4 FY16.
- Material Cost forming 63.3% of Net Sales decreased by 26.2% y-o-y to Rs. 691.1 million in Q1 FY17 from Rs. 936.8 million in Q1 FY16. Employee Benefit Expenses decreased to Rs. 28.9 million in Q1 FY17 from Rs. 34.2 million in Q1 FY16. Other Expenses decreased to Rs. 158.5 million in Q1 FY17 from Rs. 186.7 million in Q1 FY16.
- Operating Profit stood lower at Rs. 45.4 million in Q1 FY17 as compared to Rs. 102.5 million in Q1 FY16. However, the Company reported a Net Loss at Rs. 64.7 million in Q1 FY17 as against a Net Profit of Rs. 80.1 million in Q1 FY16 which could be attributed to a 67.6% rise in the Depreciation Cost.

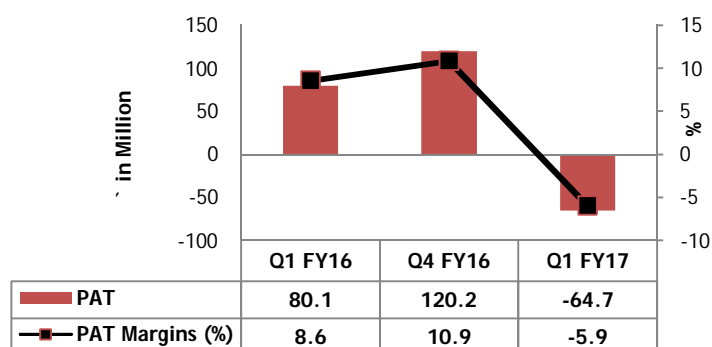
**Net Sales**



**EBIDTA & EBIDTA Margins**



**PAT & PAT Margins**





## Financial Snapshot

| Particulars   | Standalone Financials<br>( In Millions) |              |              |           |           |
|---|---|--------------|--------------|-----------|-----------|
|   | Q1 FY 2017                              | Q1 FY 2016   | Q4 FY 2016   | y-o-y (%) | q-o-q (%) |
| <b>Income Statement</b>                                 |   |              |              |           |           |
| <b>Net Sales / Income from Operations</b>               | 1,091.3                                 | 932.5        | 1,105.8      | 17.0      | -1.3      |
| <b>Expenses</b>   |   |              |              |           |           |
| Cost of material consumed                               | 691.1                                   | 936.8        | 700.4        | -26.2     | -1.3      |
| Change in Inventories                                   | 167.4                                   | (327.7)      | 78.9         | -151.1    | 112.2     |
| Employee Benefit Expenses                               | 28.9                                    | 34.2         | 30.5         | -15.5     | -5.2      |
| Administrative, Manufacturing, Selling & Other Expenses | 158.5                                   | 186.7        | 166.5        | -15.1     | -4.8      |
| <b>EBIDTA</b>   | <b>45.4</b>                             | <b>102.5</b> | <b>129.5</b> | -55.7     | -64.9     |
| Depreciation & Amortization                             | 49.6                                    | 29.6         | 35.3         | 67.6      | 40.5      |
| Finance Costs / Interest Expense                        | 34.4                                    | 76.1         | 55.1         | -54.8     | -37.6     |
| Other Income  | 4.2                                     | 3.6          | 3.8          | 16.7      | 10.5      |
| <b>Profit After Tax (PAT)</b>                           | <b>-64.7</b>                            | <b>80.1</b>  | <b>120.2</b> | -180.8    | -153.8    |
| <b>Key Ratios - Income Statement</b>                    |   |              |              |           |           |
| EBIDTA Margin (%)                                       | 4.2                                     | 11.0         | 11.7         | -         | -         |
| PAT Margins (%)   | -5.9                                    | 8.6          | 10.9         | -         | -         |
| <b>Adjusted EPS</b>                                     | <b>-1.33</b>                            | <b>1.81</b>  | <b>2.65</b>  | -         | -         |

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.