

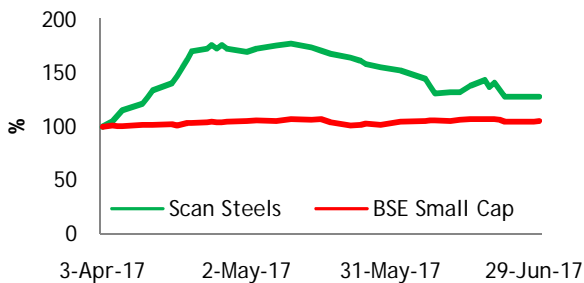


October 12, 2017

CMP	₹ 13.4
BSE Code	511672
BSE ID	SCANSTL
52wk High/Low (₹)	28.70/8.16
Average Volume (3M) [§]	427
Market Cap (₹ Crore)	70.2

Shareholding - Jun 2017	No.	%
Promoters	2,51,81,985	48.10
FII's	0	0.00
DII's	0	0.00
Public & Others	2,71,70,310	51.90

Stock Chart As on June 30, 2017



Common Size Analysis (%)	Q1 FY18	Q1 FY17	Q4 FY17
Cost of Material/TR	60.3	57.7	61.9
Employee Cost/TR	3.0	2.4	3.0
Other Expenses/TR	29.8	22.1	27.2
Interest Cost/TR	4.0	2.9	4.0

Valuation Ratios	
P/E (TTM) (x)	0.00
P/BV (TTM) (x)	0.26
EPS (Q1 FY18)	₹ (0.56)

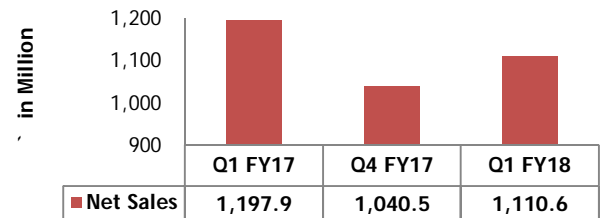
Financial Ratios	%
EBIDTA Margin	6.2
PAT Margin	(1.3)
Impact Cost [^]	-

Financials and Ratios are on Standalone basis
TR stands for Total Revenue
TTM stands for trailing twelve months
[^]Source: BSE, for October, 2017
§ - Average Volumes (Total Shares traded) for 3 Months

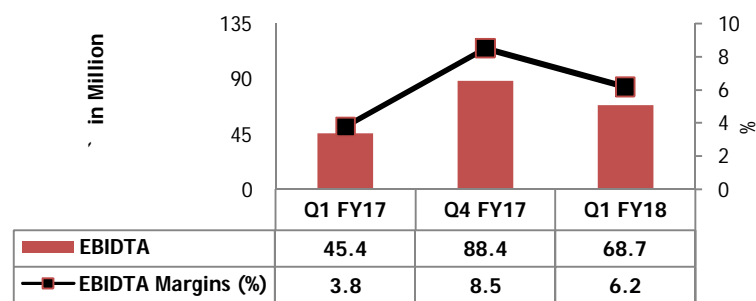
Q1 FY18 Analyst's Review

- Net Sales marked a decline of 7.3% on a y-o-y basis to Rs. 1,110.6 million in Q1 FY18 from Rs. 1,197.9 million in Q1 FY17. However, on a q-o-q basis it grew from Rs. 1,040.5 million in Q4 FY17.
- Raw Material Cost stood lower at Rs. 669.8 million in Q1 FY18 from Rs. 691.1 million in Q1 FY17. Employee Benefit Expenses increased to Rs. 32.9 million in Q1 FY18 from Rs. 28.9 million in Q1 FY17. Other Expenses increased by 25.1% y-o-y to Rs. 331.4 million in Q1 FY18 from Rs. 265 million in Q1 FY17.
- Despite the drop in Net Sales, Operating Profit increased to Rs. 68.7 million in Q1 FY18 from Rs. 45.4 million in Q1 FY17. The y-o-y growth could be attributed to a decrease in the Change in Inventories.
- The loss at the bottomline could be attributed to higher Tax Expenses; Net Loss amounted to Rs. 14.6 million in Q1 FY18 as compared to a Net Loss of Rs. 64.7 million in Q1 FY17.
- On 4th April, 2017 the Company issued and allotted 8,00,000 Equity Shares of Rs. 10 each upon conversion of warrants. Consequently, the Issued, Subscribed and Paid-up Equity Share Capital of the Company stands increased to Rs. 52,35,22,950 divided into 5,23,52,295 Equity Shares of Rs. 10 each.

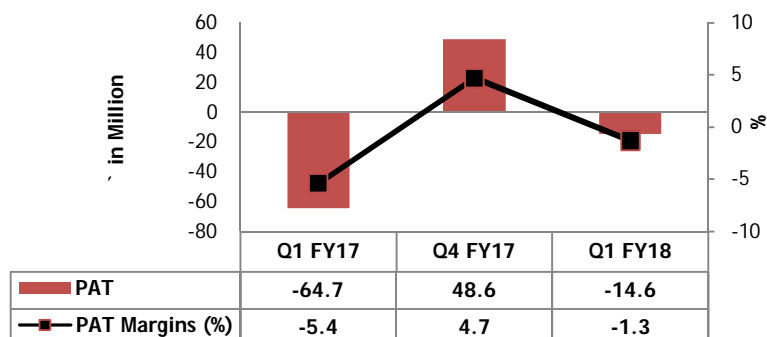
Net Sales



EBIDTA & EBIDTA Margins



PAT & PAT Margins





Financial Snapshot

Particulars	Standalone Financials (` In Millions)				
	Q1 FY 2018	Q1 FY 2017	Q4 FY 2017	y-o-y (%)	q-o-q (%)
Income Statement					
Net Sales / Income from Operations	1110.6	1197.9	1040.5	-7.3	6.7
Expenses					
Cost of material consumed	669.8	691.1	643.8	-3.1	4.0
Change in Inventories	7.7	167.4	(6.4)	-95.4	-221.7
Employee Benefit Expenses	32.9	28.9	31.4	14.0	4.8
Administrative, Manufacturing, Selling & Other Expenses	331.4	265.0	283.3	25.1	17.0
EBIDTA	68.7	45.4	88.4	51.1	-22.3
Depreciation & Amortization	49.2	49.6	67.7	-0.8	-27.4
Finance Costs / Interest Expense	44.1	34.4	41.7	28.2	5.8
Other Income	10.1	4.2	9.7	141.1	4.5
Profit After Tax (PAT)	-14.6	-64.7	48.6	-77.5	-130.0
Key Ratios - Income Statement					
EBIDTA Margin (%)	6.2	3.8	8.5	-	-
PAT Margins (%)	-1.3	-5.4	4.7	-	-
Adjusted EPS	-0.56	-1.33	0.98	-	-

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.