

CMP: INR25.20

## Stock data

BSE code	521113
BSE ID	SUDTIND-B
Face value (INR)	10
No of shares (m)	16.7
Market cap (INRm)	420.2
3m avg. daily vol (No)	1,670.3
Free float (INRm)	105.7
Dividend yield FY14 (%)	2.0

S&P BSE Sensex	26,126.8
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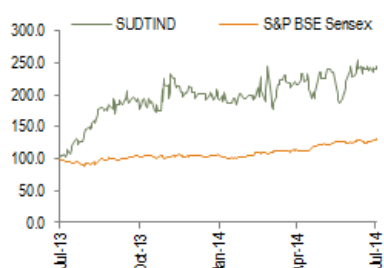
## Stock performance (%)

52-week H/L	INR28.5/9.7		
	1M	3M	12M
Absolute (%)	0.0	14.3	145.9
Relative (%)	-3.2	-0.9	115.8

## Shareholding pattern (%)

Promoters	FIIs	DIIs	Others
74.85%	0.00%	0.01%	25.14%

## Relative stock movement



Source: BSE

July 2014

## Company Overview

Suditi Industries Limited (SIL) was incorporated on 12th September 1991. It went public in January 1994. It manufactures 100% cotton knitted fabric and Polar Fleece fabric and knitted hosiery fabrics and readymade garments. The firm is promoted by the Agarwal family, better known as the R.P.K Group and is based out of Mumbai. While the company exports garments to the US and the EU, it chose to focus more on the local markets due to economic crises in the EU. However, it plans to export 35% of its production abroad. As part of its expansion plan, a printing plant is being set up at Navi Mumbai.

## Q1FY15 performance

- Revenues increased by 53.2% YoY from INR124.3m in Q1FY14 to INR190.3m in Q1FY15.
- Raw material cost increased by 26.1% YoY from INR39.6m in Q1FY14 to INR50.0m in Q1FY15.
- Staff cost decreased by 9.9% YoY from INR14.7m in Q1FY14 to INR13.2m in Q1FY15.
- Other expenses increased by 81.8% YoY from INR62.3m in Q1FY14 to INR113.3m in Q1FY15.
- As a result, EBIDTA increased by 80.7% YoY from INR7.7m in Q1FY14 to INR13.9m in Q1FY15.
- Depreciation increased by 57.4% YoY from INR2.9m in Q1FY14 to INR4.5m in Q1FY15.
- Interest expenses increased by 30.1% YoY from INR4.6m in Q1FY14 to INR6.0m in Q1FY15.
- Non-operating income declined from INR0.6m in Q1FY14 to INR0.5m in Q1FY15.
- Provision for taxes increased from INR0.2m in Q1FY14 to INR0.6m in Q1FY15.
- As a result, PAT increased by 406.2% YoY from INR0.7m in Q1FY14 to INR3.3m in Q1FY15.
- The company has informed BSE that, its annual general meeting will be held on September 12, 2014.

Table 1: Q1FY15 snapshot

(INRm)	Q1FY15	Q1FY14	YoY %	Q4FY14	QoQ%	FY14	FY13	YoY %
Revenue	190.3	124.3	53.2	180.6	5.4	620.7	538.1	15.4
EBITDA	13.9	7.7	80.7	10.4	33.0	40.5	27.3	48.5
PAT (Adjusted)	3.3	0.7	406.2	1.5	116.2	7.7	5.8	32.9
PAT (Reported)	3.3	0.7	406.2	1.5	116.2	7.7	5.8	32.9

## Ratio

% of sales	Q1FY15	Q1FY14	YoY %	Q4FY14	QoQ%	FY14	FY13	YoY %
Raw Material	26.3	31.9	-5.6	37.5	-11.2	32.8	31.6	1.3
Staff Cost	6.9	11.8	-4.9	8.3	-1.4	9.3	11.0	-1.6
Other Expenditure	59.5	50.1	9.4	48.4	11.1	51.3	52.4	-1.1
EBITDA	7.3	6.2	1.1	5.8	1.5	6.5	5.1	1.5
Tax Rate	14.7	19.5	-4.8	20.2	-5.5	19.3	18.9	0.5
NPM	1.8	0.5	1.2	0.9	0.9	1.2	1.1	0.2

Source: Company, Varhad Research

## Quarterly performance in charts and tables

Table 2: Detailed Q1FY15 Overview

	Q1FY15	Q1FY14	YoY %	Q4FY14	QoQ%	FY14	FY13	YoY %
<b>Revenue</b>	190.3	124.3	53.2	180.6	5.4	620.7	538.1	15.4
Raw Material Cost	50.0	39.6	26.1	67.6	-26.1	203.8	169.8	20.0
Staff Cost	13.2	14.7	-9.9	15.0	-12.1	58.0	59.0	-1.7
Other Expenditure	113.3	62.3	81.8	87.5	29.5	318.4	282.0	12.9
Total Cost	176.4	116.6	51.3	170.2	3.7	580.2	510.8	13.6
<b>EBITDA</b>	13.9	7.7	80.7	10.4	33.0	40.5	27.3	48.5
Depreciation	4.5	2.9	57.4	3.2	40.5	12.0	9.9	21.1
<b>EBIT</b>	9.4	4.8	94.5	7.3	29.8	28.6	17.4	64.1
Interest Expenses	6.0	4.6	30.1	5.8	3.1	21.3	12.4	72.3
Non-Operating Income	0.5	0.6	-16.7	0.5	0.0	2.4	2.1	9.9
<b>PBT</b>	3.9	0.8	377.6	1.9	102.4	9.6	7.2	33.7
Provision for Tax	0.6	0.2	259.4	0.4	47.4	1.9	1.4	37.1
<b>PAT (Adjusted)</b>	3.3	0.7	406.2	1.5	116.2	7.7	5.8	32.9
Extra Ordinary	0.0	0.0	n.a.	0.0	n.a.	0.0	0.0	n.a.
<b>PAT (Reported)</b>	3.3	0.7	406.2	1.5	116.2	7.7	5.8	32.9

Note: (n.a.) Not Applicable, Source: BSE, Varhad Research

Chart 1: Sales trend

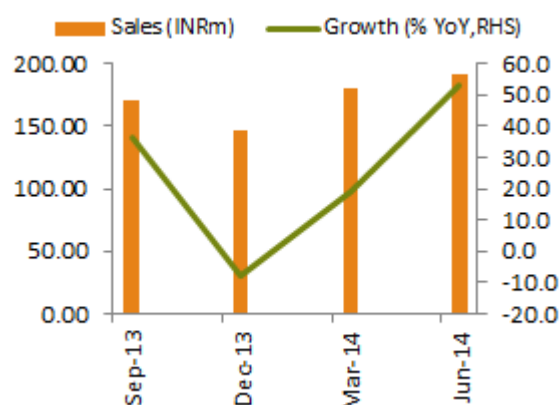


Chart 2: EBITDA trend

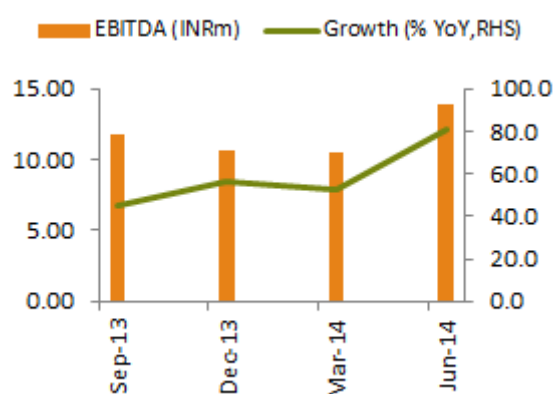


Chart 3: Margin trend

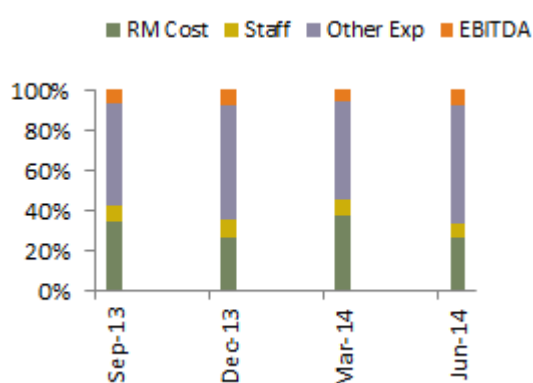
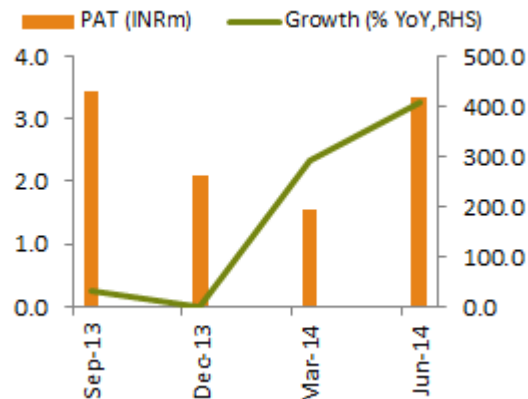


Chart 4: PAT trend



Source: Company, Varhad Research

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