

07 February 2013

**CMP:** Rs.18.25

**Industry:** Industrial Machinery

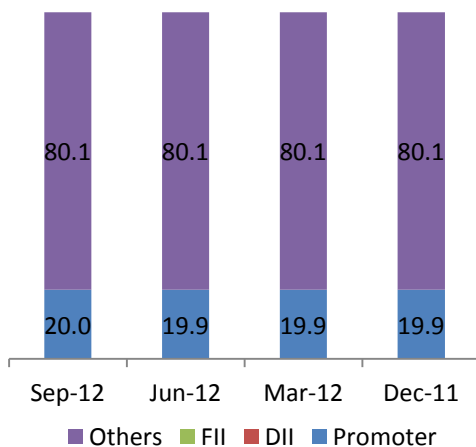
**BSE group:** B

**Promoters**

Harshad Patel

**Key Data** (as on 28 Jan' 13)

BSE	526861
ISIN	INE988D01012
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	160.1
Current P/E	negative
Current P/BV	0.31
52 week low-high	17.50-35.50
30 days avg daily trading volume	5749
Equity capital (Rs mn)	89.9
Net worth (Rs mn)	513.4

**Shareholding Pattern (%)**


FIIs and DIIs don't hold any shares in the company

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**Company business**

Rishi Laser Ltd ('Rishi Laser') was incorporated in 1992. It offers integrated and customized solutions in sheet metal components and fabricated assemblies. Its operations include processing of steel sheets by cutting, punching, bending, welding and surface treatment. The company serves railway, earth moving machinery, automotive, power plant equipment and general engineering industries. It has currently 13 manufacturing facilities in 5 different states in western India.

**Recent updates**

The company has started manufacturing and marketing wear plates at its Sivali plant in Gujarat. The company has recently commissioned a railway coach washing plant, which is to be supplied to the Konkan Railway Corporation. The plant was designed and supplied on a turnkey basis with erection and commissioning on the site.

**Reduced demand in industrial machinery sector:** Industrial production in India has remained weak in recent months; barely 0.1% annual growth in July. Poor performances by manufacturing, mining and capital good sectors reflect weak domestic demand. Exports were hurt largely due to the European debt crisis.

**Financials**

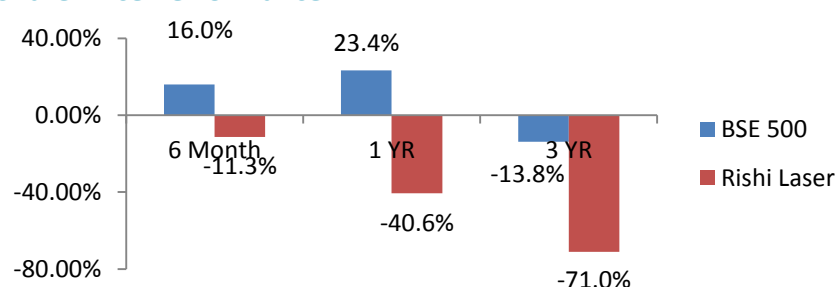
Particulars (Rs in mn)	Jul '12 to Sep '12	Jul '11 to Sep '11	% Change <sup>1</sup>	Apr'12 to Jun '12	% Change <sup>2</sup>
Total income	344.9	376.3	(8.3%)	340.2	1.4%
Total expenditure	323.2	331	(2.4%)	313	3.3%
EBIDTA	21.7	45.3	(52.1%)	27.2	(20.2%)
EBIDTA margin	6.3%	12.0%	(47.7%)	8.00%	(21.3%)
PBT	(24.8)	1.6	-	(17.5)	-
PAT	(23.5)	1.5	-	(16.3)	-
PAT margin	negative	0.4%	-	negative	-
Cash accruals	(1.4)	22.0	-	5.2	-
EPS	--	0.2	-	--	-

<sup>1</sup> compared to corresponding quarter in the previous year <sup>2</sup> sequential comparisons

Source: Moneycontrol, Company

**Financial performance**

Top line of the company declined 8.3% on y-o-y basis and stood at Rs.344.9 mn for the quarter ending 30 Sept'12. EBIDTA decreased to Rs.21.7 mn from Rs.45.3 mn in the corresponding quarter in the previous year mainly due to declined revenue and increased material cost. The company posted net loss of Rs. 16.3 mn and Rs.23.5 mn for the quarter ending Jun 12 and Sep 12 respectively (Net profit of Rs1.5 mn for the quarter ended 30 September 2011).

**Share Price Performance**


## Financials

P&L (Rs. mn)	FY10	FY11	FY12
Total income	1152.4	1461.3	1553.9
EBIDTA	171.7	220.7	187.8
EBIDTA margin	14.9%	15.1%	12.1%
Depreciation	61	79.3	82.6
EBIT	110.7	141.4	105.2
Interest	91	80.1	98.8
PBT	19.7	61.3	6.4
Tax	6.1	8.4	1.5
PAT	13.6	52.9	4.6
PAT margin	1.2%	3.6%	0.3%

Valuation ratios	FY10	FY11	FY12
P/E	33.3	8.0	50.2
P/BV	1.0	0.8	0.4

Balance Sheet (Rs. mn)	FY10	FY11	FY12
Share Capital	85.5	86.4	89.9
Reserves & Surplus	374.4	415.5	423.5
Net worth	459.9	501.9	513.4
Borrowings	577.6	435.7	489.9
Deferred tax liability	42.6	44.3	44.0
Current Liabilities (excluding borrowing)	-	440.8	383.0
<b>Total Liabilities</b>	<b>1080.1</b>	<b>1422.7</b>	<b>1430.3</b>
Net fixed assets	719.0	668.1	655.6
Loans and Advances	91.8	108.4	112.8
Current Assets	269.3	646.2	661.9
<b>Total Assets</b>	<b>1080.1</b>	<b>1422.7</b>	<b>1430.3</b>

Cash Flow (Rs.mn)	FY10	FY11	FY12
PBT	19.7	61.3	6.4
CF from Operation	212.1	181.1	102.9
CF from Investment	82.6	(28.7)	(58.4)
CF from Financing	(293.3)	(130.8)	(50.5)
Inc./ (dec) Cash	1.4	21.6	(6.0)
Closing Balance	16.2	37.8	31.7

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