

25 April 2013

**CMP:** Rs.13.6

**Industry:** Industrial Machinery

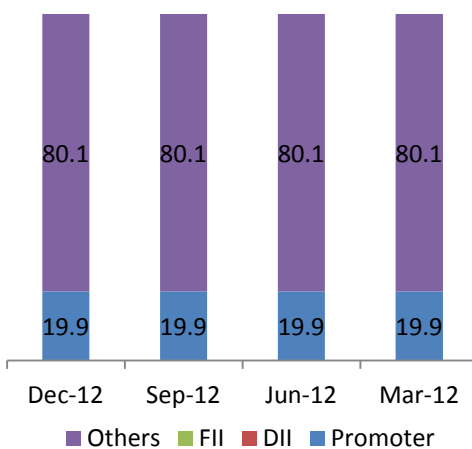
**BSE group:** B

**Promoters**

Harshad Patel

**Key Data** (as on 26 Feb' 13)

BSE	526861
ISIN	INE988D01012
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	134.9
Current P/E	negative
Current P/BV	0.3
52 week low-high	14.00-31.20
30 days avg daily trading volume	5736
Equity capital (Rs mn)	89.9
Net worth (Rs mn)	513.4

**Shareholding Pattern (%)**


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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.

**Caution:** The P/E multiple of the company was 50.2 as at 31 March 2012. The company made losses in the last two quarters and the multiple remained negative. The promoters have also been bringing down their holding in the company over the last 5 years.

**Recent updates**
**Demand for flat steel products to remain modest:**

World Steel Association has forecasted steel consumption in India to grow at 5% in 2013. The demand for flat steel from automobile, white goods, and capital goods sectors is likely to remain modest given the continued slow economic growth. Indian steel producer increased price of steel by Rs.500-Rs.1000 per ton in December 2012.

**Financials**

Particulars (Rs in mn)	Oct '12 to Dec '12	Oct '11 to Dec '11	% Change <sup>1</sup>	Jul'12 to Sep '12	% Change <sup>2</sup>
Total income	318.3	344	(7.5%)	344.9	(7.7%)
Total expenditure	296.3	307.8	(3.7%)	323.2	(8.3%)
EBIDTA	22.0	36.2	(39.2%)	21.7	1.4%
EBIDTA margin	6.9%	10.5%	(34.3%)	6.3%	9.9%
PBT	(21.2)	(11.4)	-	(24.8)	-
PAT	(19.7)	(6.5)	-	(23.5)	-
PAT margin	negative	negative	-	negative	-
Cash accruals	2.4	14.2	(83.1%)	(1.4)	-
EPS	--	--	-	--	-

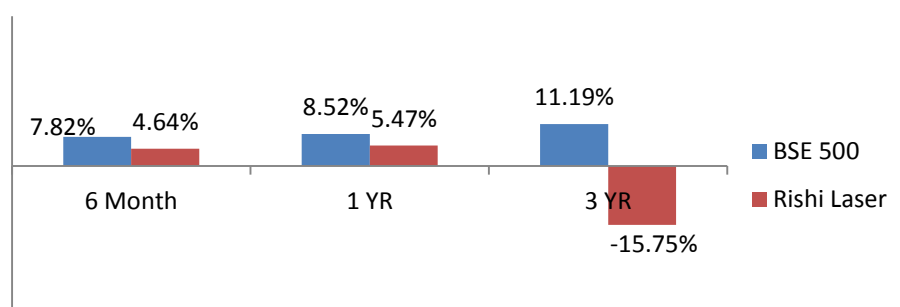
<sup>1</sup> compared to corresponding quarter in the previous year

<sup>2</sup> sequential comparisons

Source: Moneycontrol, Company

**Financial Performance**

For the quarter ended Dec 12, total income of the company declined by 7.5% y-o-y to Rs.318.3 mn from Rs.345 mn. EBIDTA declined by 39% to Rs.22 mn from Rs.36 mn over the corresponding period. The company posted a net loss of Rs.19.7 mn in the quarter as against a loss of Rs.6.5 mn in the same period previous year.

**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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