

14 October 2013
CMP: Rs.11.5

Industry: Industrial Machinery

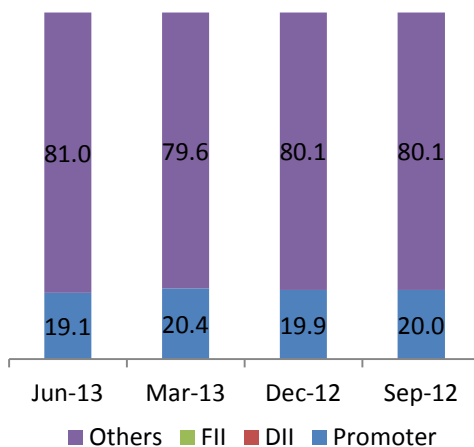
BSE group: B

Promoters

Harshad Patel

Key Data (as on 14 Oct' 13)

BSE	526861
ISIN	INE988D01012
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	105.7
Current P/E	10.0
Current P/BV	0.2
52 week low-high	10.50-25.90
30 days avg daily trading volume	1422
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.

Recent developments
Demand for steel to increase in recent future:

India Rating and Research anticipates that growth in Indian steel sector will gain momentum in 2014 on the back of growth in other economic segments. The World Steel Association (WSA) projects that local steel demand in India would increase by 5.9% and 7% in 2013 and 2014 respectively. Indian's steel production grew by 2.5% to 39.6 MT in the six month period Jan-Jun2013 as against 38.7 MT in the same period in 2012.

Financials

Particulars (Rs in mn)	Apr '13 to Jun '13	Apr '12 to Jun '12	% Change ¹	Jan'13 to Mar '13	% Change ²
Total income	314.7	340.2	(7.5%)	426.1	(26.1%)
Total operating expenditure	283.2	312.9	(9.5%)	323.2	(12.4%)
EBIDTA	31.5	27.3	15.4%	102.9	(69.4%)
EBIDTA margin	10.01%	8.02%	24.7%	24.15%	(58.6%)
PBT	(8.4)	(17.5)	-	58.2	-
PAT	(6.4)	(16.3)	-	60.1	-
PAT margin	negative	negative	-	14.10%	-
Cash accruals	15.5	5.2	198.1%	82.8	(81.3%)
EPS	(0.7)	(1.8)	-	6.7	-

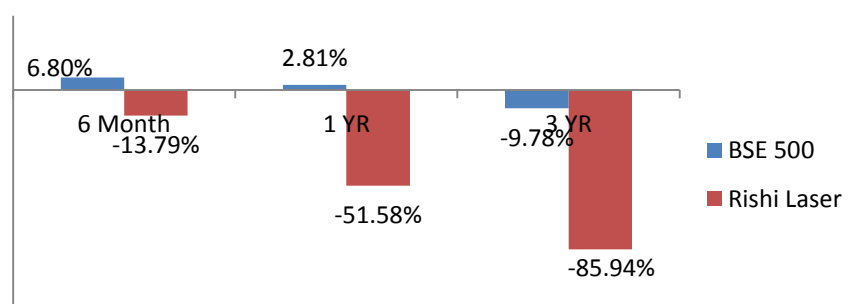
¹ compared to corresponding quarter in the previous year

² sequential comparisons

Source: Moneycontrol, Company

Financial Performance

For the quarter ended Jun 13, the total income of the company decreased by 7.5% y-o-y to Rs.314.7 mn from Rs.340.2 mn. Although total income declined, EBIDTA increased to Rs.31.5 mn from Rs.27.3 mn mainly due to decrease in material cost from Rs.217 mn to Rs.177 mn over the corresponding period. Company posted a net loss of Rs.6.4 mn v/s a loss of Rs.16.3 mn during 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
Total Liabilities	1080.1	1422.7	1430.3
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
Total Assets	1080.1	1422.7	1430.3

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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