

10 February 2014
CMP: Rs.12.05

Industry: Industrial Machinery

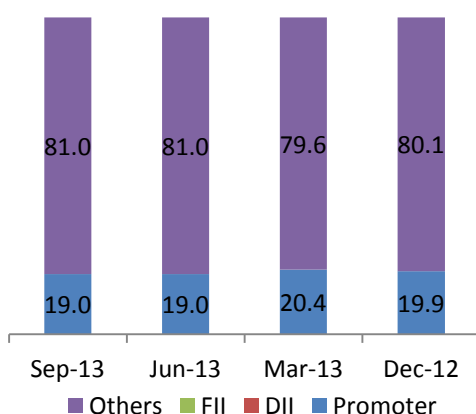
BSE group: B

Promoters

Harshad Patel

Key Data (as on 11 Nov' 13)

BSE	526861
ISIN	INE988D01012
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	110.8
Current P/E	14.9
Current P/BV	0.2
52 week low-high	10.50-20.45
30 days avg daily trading volume	3159
Equity capital (Rs mn)	89.9
Net worth (Rs mn)	513.9

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

Steel demand slowdown, Overcapacity looms large on steel profitability: As the end user demand for steel in India continues to fall, CRISIL estimates domestic steel demand to grow at subdued rate of 2-4% in 2013. Slowing economic growth has also impact on consumption driven sectors such as automobiles and consumer durables. As per CRISIL, the domestic steel demand to grow at a CAGR of 6-7% between 2013-14 and 2017-18 compared with ~9% CAGR over the last decade.

Financials

Particulars (Rs in mn)	Jul '13 to Sep '13	Jul '12 to Sep '12	% Change ¹	Apr'13 to Jun '13	% Change ²
Total income	248.6	346.2	(28.2%)	316.7	(21.5%)
Total operating expenditure	236.7	323.2	(26.8%)	283.2	(16.4%)
EBIDTA	11.9	23.0	(48.2%)	33.5	(64.5%)
EBIDTA margin	4.79%	6.64%	(27.9%)	10.58%	(54.7%)
PBT	(26.6)	(23.5)	-	(6.4)	-
PAT	(26.6)	(23.5)	-	(6.4)	-
PAT margin	negative	negative	-	negative	-
Cash accruals	(4.9)	(1.4)	-	15.5	-
EPS	(2.9)	(2.6)	-	(0.7)	-

¹ compared to corresponding quarter in the previous year

² sequential comparisons

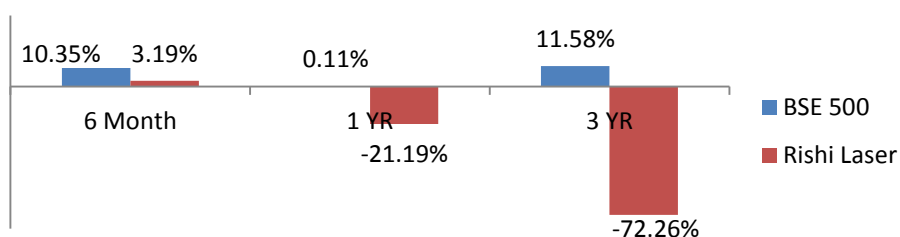
Source: Moneycontrol, Company

Financial Performance
Quarter ended Sept13

For the quarter ended September 2013, the total income of the company decreased by 28.2% y-o-y to Rs. 248.6 mn. The company's losses after tax increased from Rs. 23.5 mn to Rs.26.6 mn.

Year ended Mar13

Total income for FY13 declined by 6.8% to Rs.1578.2 mn from Rs.1694.7 mn in FY12. This was mainly due to decrease in demand of steel owing to the slowdown of automotive and infrastructure industry. EBIDTA declined by 7.4% to Rs.174.1 mn from Rs.188.0 mn during the year. PAT decreased significantly from Rs.4.6 mn to Rs.0.7 mn in FY13.

Share Price Performance


Financials

P&L (Rs. mn)	FY11	FY12	FY13
Total income	1,559.1	1,694.7	1,578.2
EBIDTA	220.7	188.0	174.1
EBIDTA margin	14%	11%	11%
Depreciation	79.3	82.6	88.4
EBIT	141.4	105.4	85.7
Interest	80.1	99.0	90.9
PBT	61.3	6.4	(5.2)
Tax	8.4	1.8	(5.9)
PAT	52.9	4.6	0.7
PAT Margin	3%	0%	0%
	-	-	-
Dividend Payout	23.8	-	-

Valuation ratios	FY11	FY12	FY13
P/E	75.3	(43.3)	2.4
P/BV	0.8	0.4	0.2

Balance Sheet (Rs. mn)	FY11	FY12	FY13
Share Capital	86.4	89.9	89.9
Share application money, warrants	0.0	0.0	0.0
Reserves & Surplus	415.5	423.4	424.0
Net worth	501.9	513.3	513.9
Borrowings	522.2	598.2	480.8
Current Liabilities and provisions	373.8	295.8	336.5
Net deferred tax Liabilities	39.1	39.9	37.4
Total liabilities	1,437.0	1,447.2	1,368.6
Fixed assets	667.2	646.0	603.6
Non-current Investments	89.8	88.8	89.4
Loans and Advances	37.5	49.8	53.6
Current Assets	641.7	650.5	588.6
Total assets	1,437.0	1,447.2	1,368.6

Cash Flow (Rs.mn)	FY11	FY12	FY13
PBT	61.3	6.4	(5.2)
CF from Operation	262.5	101.0	197.0
CF from Investment	(28.7)	(58.4)	(6.6)
CF from Financing	(212.2)	(48.7)	(204.9)
Inc/(dec) Cash	21.6	(6.1)	(14.5)
Closing Balance	37.8	31.7	17.2

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