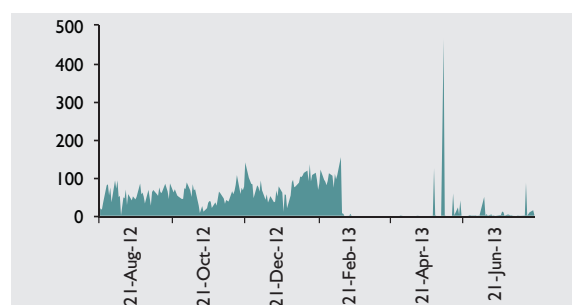


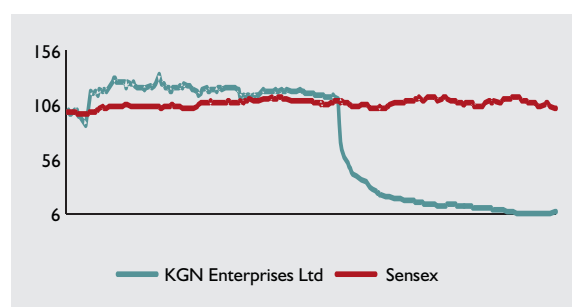
Equity Statistics

Current Market Price	Rs.	23.0
52 Week High/Low	Rs.	450.0 / 18.1
Market Capitalisation	Rs. Crores	47.1
Free Float	Rs. Crores	22.1
Dividend Yield	%	0.0
One Year Regression Beta	Times	0.1

BSE Volumes Trend - Average = 42.02 Thousand

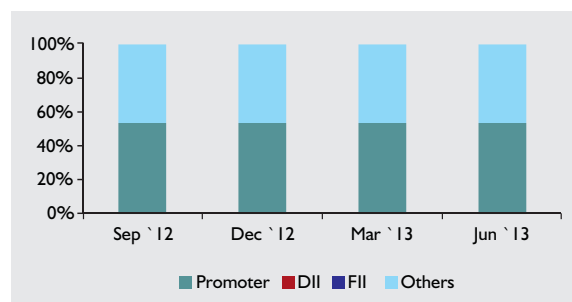


Relative Returns



Returns	1M	3M	6M	1 Yr
Absolute	6%	-52%	-94%	-93%
Rel. to Sensex	17%	-47%	-94%	-93%

Shareholding Pattern



Source: BSE, Capitaline, CARE Research

Result analysis

KGN Enterprises Ltd (KEL) Q1 FY14 net sales declined by 90% y-o-y to Rs.2.2 crore. The company reported EBITDA of Rs.0.3 crore (down by 59.7% y-o-y). The EBITDA margin increased for the quarter by 1,006 bps y-o-y to 13.4%. The rise in the EBITDA margin was as a result of the lower raw material cost and other expenditure which stood at 83.4% and 1.8% of the net sales in Q1 FY14 as compared with 90.4% and 5.1% Q1 FY13, respectively. The company reported an adjusted net profit of Rs.0.23 crore for the quarter as compared with Rs.0.17 crore in Q1 FY13.

KEL is trading at 59.6 times to the 12 months trailing EPS as on August 22, 2013.

Annual financial snapshot

Income statement	FY11	FY12	FY13
Net sales (Rs. crore)	9.6	8.6	60.3
Growth in net sales (%)	(94.5)	(10.1)	601.4
Per share data (Rs.)			
Adjusted BVPS	19.3	19.8	20.0
Diluted EPS*	0.6	0.6	0.4
Key financial ratios			
EBITDA margin (%)	15.3	6.6	4.8
Adjusted PAT margin (%)	16.3	6.3	1.2
RoCE (%)	2.0	0.3	1.0
RoE (%)	3.3	3.0	1.8
Net debt to equity	0.5	0.8	0.8
Interest coverage (times)	146.0	57.0	77.0

Source: BSE, Capitaline, CARE Research

Quarterly Financials	Q1FY14	Q1FY13	Q4FY13	Growth	Growth
Income statement (Rs. crore)				Y-o-Y (%)	Q-o-Q (%)
Total income	2.2	21.8	1.9	(90.0)	17.3
Net sales	2.2	21.8	1.9	(90.0)	17.3
EBITDA	0.3	0.7	0.6	(59.7)	(54.0)
Depreciation and amortisation	-	0.5	0.5	NM	NM
EBIT	0.3	0.2	0.1	38.1	141.7
Interest	-	-	0.0	NM	NM
PBT	0.3	0.2	0.1	38.1	163.6
Ordinary PAT	0.2	0.2	0.2	35.3	35.3
Adjusted PAT	0.2	0.2	0.2	35.3	35.3
Per share data (Rs.)					
Diluted EPS*	0.1	0.1	0.1	35.3	35.3
Profitability ratio (%)					
EBITDA margin	13.4	3.3	34.1		
Adjusted PAT margin	10.6	0.8	9.2		

Source: BSE, Capitaline and CARE Research

DISCLOSURES

Each member of the team involved in the preparation of this research report, hereby affirms that there exists no conflict of interest that can bias the research on the company.

DISCLAIMER

Please refer to our detailed disclaimer mentioned on the last page of the initial report on this company

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