

Income Statement

<i>Rs. Mn.</i>	<i>Mar-02</i>	<i>Mar-03P</i>	<i>Mar-04P</i>
<i>No. of months:</i>	<i>12</i>	<i>12</i>	<i>12</i>
Net Revenues	1,652	1,910	2233
EBIT	173	230	272
PBT	166	234	272
Adj. PAT after minority Interest	111	158	195
Fully Diluted EPS (Rs.)	10.30	15.57	17.46

Ratios

<i>No. of months:</i>	<i>Mar-02</i>	<i>Mar-03P</i>	<i>Mar-04P</i>
	<i>12</i>	<i>12</i>	<i>12</i>
Revenue Growth %	16.7	15.6	16.9
EPS Growth %	37.1	40.0	12.1
RoE %	32.8	38.4	35.9
D/E x	0.1	0.1	0.1
Receivables (days)	2	2	2
Inventory (days)	14	21	21
Payables (days)	26	25	25

Balance Sheets

<i>Rs. Mn.</i>	<i>Mar-02</i>	<i>Mar-03P</i>	<i>Mar-04P</i>
<i>No. of months:</i>	<i>12</i>	<i>12</i>	<i>12</i>
Assets			
Net Block	334	421	546
Investments	11	11	11
Net Current Assets	75	112	128
Liabilities			
Equity Capital	108	100	100
Reserves	241	343	482
Debt	19	50	37
Non-Current Liab.	52	52	66

Quarterly

<i>Rs. Mn.</i>	<i>Mar-02</i>	<i>Mar-03P</i>	<i>Var</i>
<i>No. of months:</i>	<i>3</i>	<i>3</i>	<i>%</i>
Net Revenues	434	496	14.4
EBITDA	63	74	16.6
Depreciation	6	15	150.7
EBIT	57	60	5.5
Interest	0	3	
Other Income	2	2	
PBT	59	58	-1.5
Tax	24	25	0.8
PAT	34	35	2.6
Equity Capital	108	100	-7.5
EPS –annualised (Rs.)	12.71	14.10	10.9

Quarterly Ratios

<i>%</i>	<i>Mar-02</i>	<i>Mar-03P</i>	<i>Bps</i>
<i>No. of months:</i>	<i>3</i>	<i>3</i>	<i>Chg.</i>
EBITDA / Sales	14.6	14.9	+28
EBIT / Sales	13.2	12.2	-102
Other income/PBT	2.6	3.3	
Tax/PBT	41.6	41.1	
Material cost/sales	71.3	73.4	+210
Staff cost/sales	3.3	2.6	-70
Other costs/sales	10.7	9.1	-170

Multiple Valuation

	<i>Mar-02</i>	<i>Mar-03P</i>	<i>Mar-04P</i>
<i>No. of months:</i>	<i>12</i>	<i>12</i>	<i>12</i>
EV/EBITDA x	2.3	1.6	1.4
EV/EBIT x	2.6	2.0	1.7
Mkt. Cap/Sales x	0.29	0.25	0.21
P/E x	4.7	3.1	2.7
Price/Book x	1.5	1.1	0.8

Free Cash Flow

<i>Rs. Mn.</i>	<i>Mar-02</i>	<i>Mar03P</i>	<i>Mar04P</i>
<i>No. of months</i>	<i>12</i>	<i>12</i>	<i>12</i>
NOPLAT	113	152	174
Change in Net Working Capital	(23)	48	20
Operating Cash Flows	136	104	155
Capex & others	7	87	111
Free Cash Flow	128	17	44
Non-opr. Cash flow	(5)	5	3
Cash Flow to Investors	124	22	46

Financing Cash Flow

<i>Rs. Mn</i>	<i>Mar-02</i>	<i>Mar03P</i>	<i>Mar04P</i>
<i>No. of months:</i>	<i>12</i>	<i>12</i>	<i>12</i>
Post-tax Interest	2	2	3
Repayment/ (issue) of Debt	70	(31)	13
Equity Share	17	20	31
Dividend			
Buyback/Redn/ (issue) of equity shares	0	31	0
Increase in non-opr assets	34	0	0
Financing Cash Flow	124	22	46

DCF Valuation

	<i>Rs. Mn.</i>	<i>%</i>
<i>Key Assumptions</i>		
Terminal Growth Rate		2.5
WACC		20.0
Cost of Equity		20.0
<i>DCF Valuation</i>		
NPV FY2003E-2007E	490	
NPV Terminal Cash Flows	1161	
PV of non-operating assets	140	
Contingent Liabilities @ 100%	2	
Enterprise Value	1,782	
Debt, Pref. Cap, PV of NCL	115	
Equity Value	1,676	
<i>Fair Value Range (Rs.)</i>	150 – 195	
Per share Value (Rs.)	168	
Stress Value per share (Rs.)	125	