



Issue Details

Listing	BSE & NSE
Open Date	7 th July 2021
Close Date	9 th July 2021
Price Band	INR 880-900
Market Lot	16 shares
Minimum Lot	1 Lot

Clean Science & Technology Ltd (CSTL), established in 2003, is one of the leading companies engaged in the manufacturing of functionally critical specialty chemicals such as Monomethyl Ether of Hydroquinone – MEHQ, Butylated Hydroxy Anisole – BHA, and Ascorbyl Palmitate (Performance Chemicals), Guaiacol and Dicyclohexyl Carbodimide – DCC (Pharmaceutical Intermediates), and Methoxy Acetophenone – 4MAP and Anisole (FMCG Chemicals). For the products MEHQ and BHA, CSTL is the top global producer, while it ranks 3rd globally for Guaiacol. For the other products that it manufactures, namely Ascorbic Palmitate, DCC, 4-MAP and Anisole, it is India’s largest producer.

Issue Structure

Offer for sale	100%
Fresh Issue	0%
Issue Size	INR 1,547 cr
Total no of shares	106,218,960
QIB share (%)	≥ 50%
Non Inst share (%)	≤ 15%
Retail share (%)	≤ 35%

To cater to the increasing demand requirements for all the above products, the company is undertaking a capex of ~INR 150 cr, which should be operational by early FY23. Accordingly, we expect CSTL to sustain its revenue growth rates of 20.4% to INR 894 cr over the period of FY21-24E. Exports contribute over 65-70% of CSTL’s total business, while the rest comes from the domestic market.

EBITDA and net profit over the same period are set to grow at a CAGR of 17.7% to INR 422 cr and 17.1% to INR 318 cr, respectively. EBITDA and net margin are expected to deteriorate by 330bps (to 47.2%) and 312bps (to 35.6%), respectively, since the operationalization of the new facilities would lead to an increase in overhead costs. As a result, return ratios RoE and RoIC are expected to be at 26.8% (-994bps) and 62.0% (-166bps), respectively, by FY24.

Shareholding Pattern

	Pre (%)	Post (%)
Promoters	94.7	78.5
Institutional	5.3	13.4
Public	0.0	8.1

Phenol and hydrogen peroxide are the key raw materials used, along with Acetone, Cyclohexylamine, Methanol, Tertiary Butyl Alcohol and Acetic Anhydride. The company procures all the raw materials on spot contracts, and passes-on the prices to its clients. CSTL’s customers include manufacturers and distributors in India, China, Europe, the US, Taiwan, Korea and Japan.

Key Financials (in ₹ crores)

	Sales	EBITDA	Net Profit	EBITDA (%)	Net Profit (%)	EPS ₹	BV ₹	RoE (%)	RoIC (%)	P/E (x)	P/BV (x)	EV/EBITDA (x)
FY20	419	185	140	44.2	33.3	13.1	32.2	40.8	63.3	68.5	27.9	50.8
FY21	512	259	198	50.5	38.7	18.7	50.8	36.8	63.6	48.2	17.7	36.0
FY22E	652	322	236	49.4	36.2	22.2	69.7	31.9	62.3	40.5	12.9	28.5
FY23E	778	378	280	48.5	36.0	26.3	90.7	29.0	61.7	34.2	9.9	23.9
FY24E	894	422	318	47.2	35.6	30.0	111.7	26.8	62.0	30.0	8.1	20.9

The company operates two manufacturing facilities in Kurkumbh (Maharashtra) with an aggregate installed capacity of 29,900 metric tonnes (MT), which is split across its three verticals

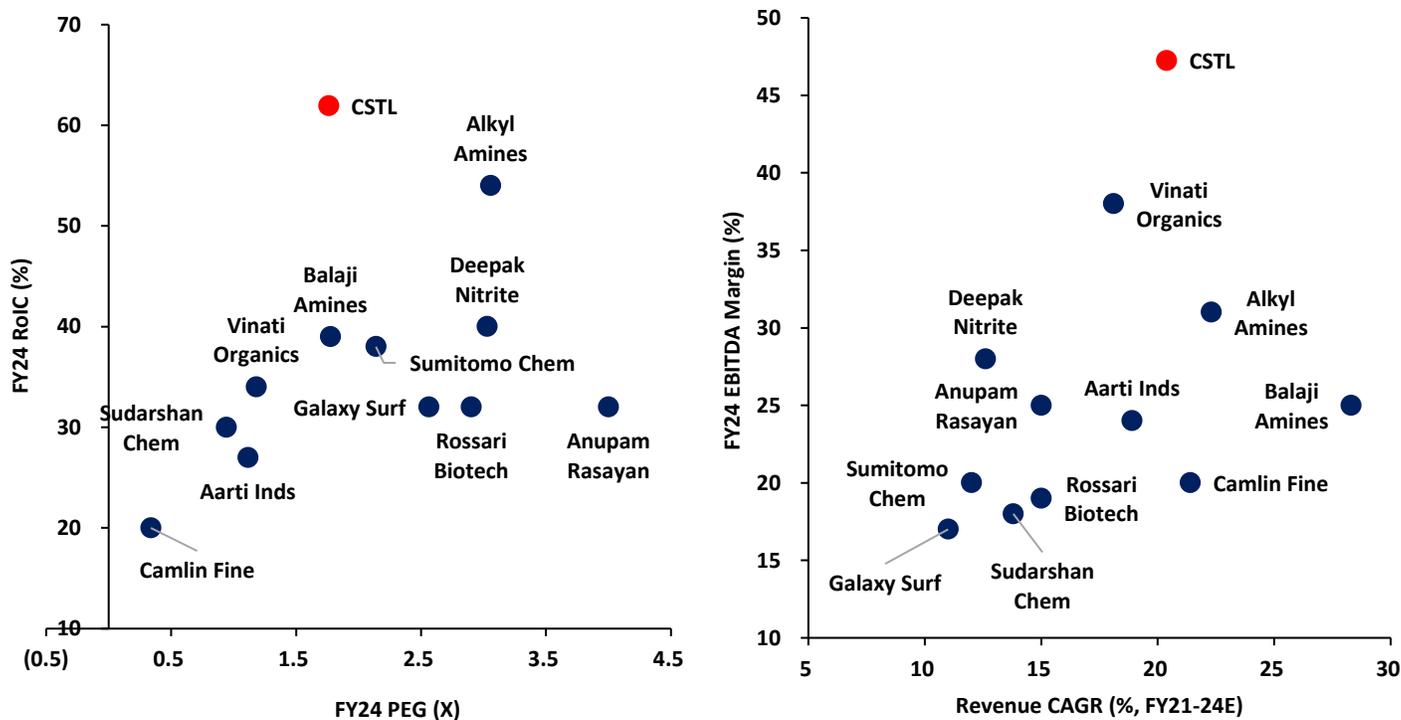
- Performance chemicals – capacity of 9,640 MT (~74% utilization in FY21)
- Pharmaceutical intermediaries – capacity of 4,060 MT (~64% utilization in FY21)
- FMCG chemicals – capacity of 16,200 MT (~73% utilization in FY21)

The ongoing capex (3rd facility) is coming up at the same location with the 4th facility (planning stage) expected to come up over the next couple of years.

We initiate coverage with a BUY and recommend a SUBSCRIBE for long term investment. At the offer for sale price of INR 900, the stock is valued at 30X FY24 earnings. The high valuations are justified given the

- high growth potential
- dominant producer status
- best in class profitability, and
- sustainable high return ratios

Best in class margins and return ratios justifies the premium valuations

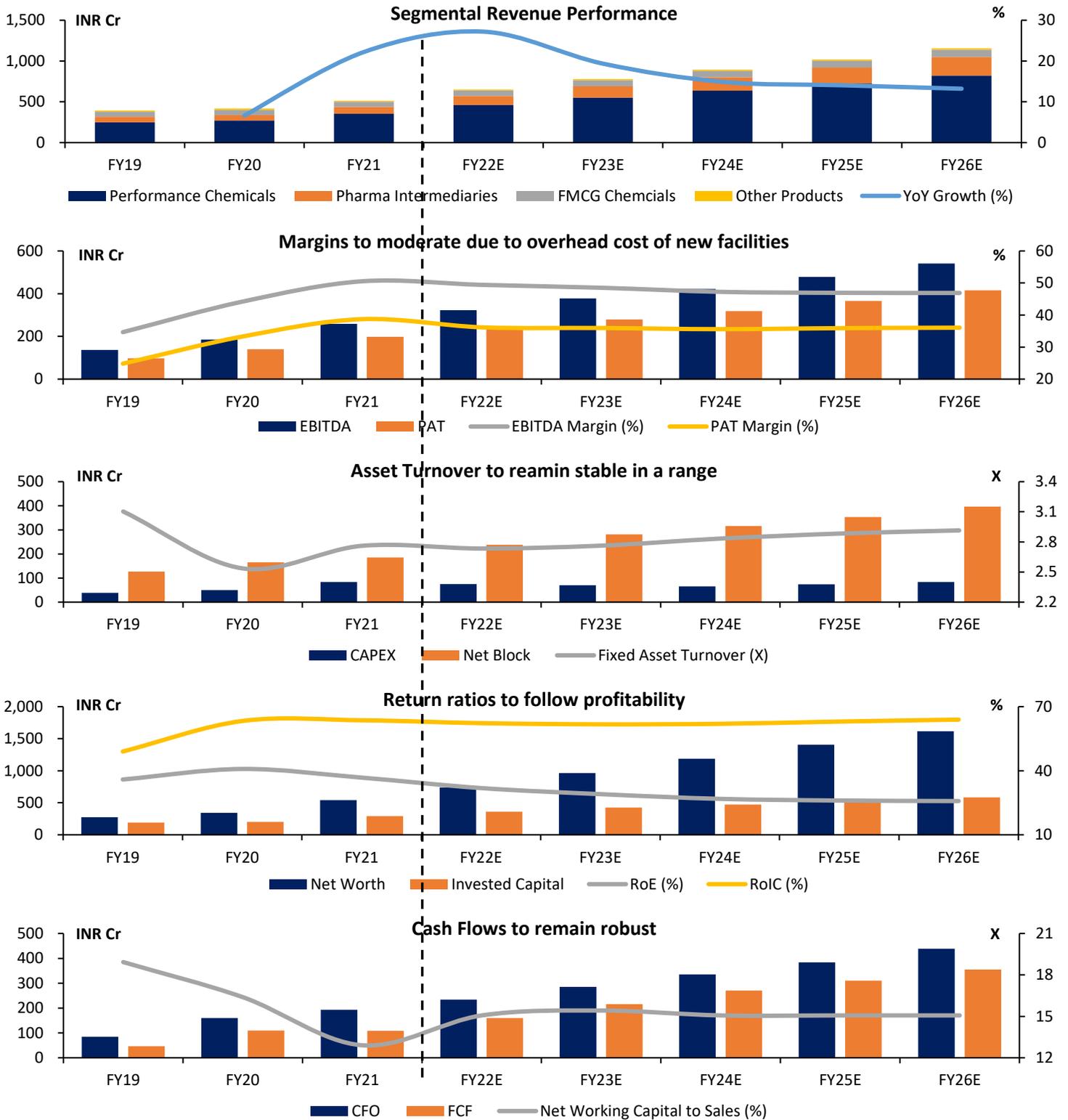


Source: Bloomberg & Ventura Research

Chemical Sector Peer Comparison

Particulars	Revenue	EBITDA	Net Profit	EBITDA Margin (%)	Net Margin (%)	EPS ₹	BVPS ₹	RoE (%)	RoIC (%)	P/E	P/B	EV/EBITDA
Clean Science & Technologies Ltd. (CMP: Rs.900 Mkt Cap: Rs.9560 cr)												
FY19	393	136	98	34.7	24.8	9.2	25.6	35.9	49.0	97.9	35.1	69.5
FY20	419	185	140	44.2	33.3	13.1	32.2	40.8	63.3	68.5	27.9	50.8
FY21	512	259	198	50.5	38.7	18.7	50.8	36.8	63.6	48.2	17.7	36.0
FY22	652	322	236	49.4	36.2	22.2	69.7	31.9	62.3	40.5	12.9	28.5
FY23	778	377	280	48.5	36.0	26.3	90.7	29.0	61.7	34.2	9.9	23.9
Balaji Amines Ltd. (CMP: Rs.2527.4 Mkt Cap: Rs.8189 cr)												
FY19	943	193	117	20.5	12.4	36.1	177.3	20.4	23.3	69.9	14.3	43.2
FY20	936	181	105	19.3	11.2	32.3	177.3	18.2	17.7	78.2	14.3	46.3
FY21	1,293	352	220	27.2	17.0	67.9	257.6	26.4	36.4	37.2	9.8	23.8
FY22	1,670	425	276	25.4	16.5	85.2	321.9	26.5	36.5	29.7	7.9	19.7
FY23	1,974	493	323	25.0	16.4	99.8	400.8	24.9	34.9	25.3	6.3	17.0
Alkyl Amines Chemicals Ltd. (CMP: Rs.3553.4 Mkt Cap: Rs.18144 cr)												
FY19	846	164	86	19.4	10.2	16.9	74.3	22.7	26.9	210.4	47.8	111.3
FY20	993	257	202	25.9	20.3	39.5	74.3	53.1	38.9	90.0	47.8	70.8
FY21	1,161	380	259	32.7	22.3	50.8	154.0	33.0	53.0	70.0	23.1	47.9
FY22	1,474	443	307	30.0	20.8	60.2	194.4	31.0	51.0	59.0	18.3	41.1
FY23	1,817	540	373	29.7	20.5	73.1	229.0	31.9	51.9	48.6	15.5	33.7
Deepak Nitrite Ltd. (CMP: Rs.1746.7 Mkt Cap: Rs.23824 cr)												
FY19	2,675	414	174	15.5	6.5	12.7	78.6	16.2	15.0	137.2	22.2	60.4
FY20	4,193	1,026	611	24.5	14.6	44.8	78.6	57.0	33.5	39.0	22.2	24.3
FY21	4,110	1,128	701	27.4	17.0	51.4	162.8	31.6	33.6	34.0	10.7	21.7
FY22	5,447	1,499	974	27.5	17.9	71.4	233.7	30.6	38.6	24.5	7.5	16.0
FY23	5,991	1,662	1,089	27.7	18.2	79.9	303.8	26.3	37.1	21.9	5.7	14.2
Sumitomo Chemical India Ltd. (CMP: Rs.380.5 Mkt Cap: Rs.18992 cr)												
FY19	2,223	291	167	13.1	7.5	3.3	16.2	20.6	37.6	113.9	23.5	48.7
FY20	2,425	334	205	13.8	8.4	4.1	24.2	16.9	33.9	92.8	15.7	43.7
FY21	2,632	480	338	18.2	12.8	6.8	30.7	22.0	39.0	56.2	12.4	38.7
FY22	2,983	552	396	18.5	13.3	7.9	37.3	21.3	38.3	47.9	10.2	33.2
FY23	3,403	658	476	19.3	14.0	9.5	45.3	21.1	38.1	39.9	8.4	27.5
Galaxy Surfactants Ltd. (CMP: Rs.3047.1 Mkt Cap: Rs.10803 cr)												
FY19	2,732	353	191	12.9	7.0	53.9	247.3	21.8	27.3	56.6	12.3	31.2
FY20	2,563	369	230	14.4	9.0	65.0	247.3	26.3	22.7	46.9	12.3	30.1
FY21	2,717	440	285	16.2	10.5	80.3	365.0	22.0	34.0	38.0	8.3	25.2
FY22	3,163	506	327	16.0	10.3	92.1	435.2	21.2	33.2	33.1	7.0	21.9
FY23	3,516	576	378	16.4	10.7	106.6	512.9	20.8	32.8	28.6	5.9	19.2
Aarti Industries Ltd. (CMP: Rs.885.9 Mkt Cap: Rs.30871 cr)												
FY19	4,659	963	494	20.7	10.6	14.2	75.9	18.7	16.9	62.5	11.7	34.2
FY20	4,105	986	536	24.0	13.1	15.4	75.9	20.3	15.9	57.6	11.7	33.4
FY21	4,559	1,010	1,068	22.2	23.4	30.6	195.6	15.7	8.7	28.9	4.5	32.8
FY22	5,709	1,295	682	22.7	11.9	19.6	126.0	15.5	25.5	45.3	7.0	25.3
FY23	6,897	1,616	896	23.4	13.0	25.7	150.1	17.1	27.1	34.5	5.9	19.9
Vinati Organics Ltd. (CMP: Rs.1801.8 Mkt Cap: Rs.18519 cr)												
FY19	1,108	423	282	38.2	25.5	27.5	102.3	26.9	41.5	65.6	17.6	43.5
FY20	1,011	414	334	41.0	33.0	32.5	102.3	31.8	38.1	55.5	17.6	44.1
FY21	915	344	273	37.6	29.8	26.6	144.7	18.4	32.4	67.9	12.5	53.6
FY22	1,329	502	334	37.8	25.2	32.5	179.4	18.1	32.1	55.4	10.0	37.0
FY23	1,664	613	453	36.8	27.2	44.0	216.3	20.4	34.4	40.9	8.3	30.1
Sudarshan Chemical Industries Ltd. (CMP: Rs.670 Mkt Cap: Rs.4638 cr)												
FY19	1,593	203	135	12.8	8.5	19.5	82.0	23.8	14.9	34.3	8.2	24.6
FY20	1,708	246	145	14.4	8.5	20.9	82.0	25.5	16.6	32.1	8.2	20.6
FY21	1,792	278	127	15.5	7.1	18.3	99.2	18.5	16.8	36.6	6.8	18.4
FY22	2,182	350	173	16.0	7.9	25.0	119.5	20.9	28.9	26.8	5.6	14.9
FY23	2,515	423	214	16.8	8.5	31.0	141.0	22.0	30.0	21.6	4.8	12.1
Camlin Fine Sciences Ltd. (CMP: Rs.171.1 Mkt Cap: Rs.2182 cr)												
FY19	878	69	1	7.8	0.1	0.1	30.6	0.2	5.5	3,421.0	5.6	36.6
FY20	1,017	131	32	12.9	3.1	2.5	30.6	8.2	11.4	68.4	5.6	20.0
FY21	1,186	189	75	16.0	6.3	5.9	47.4	12.4	15.4	29.2	3.6	13.8
FY22	1,450	256	99	17.7	6.8	7.8	52.6	14.8	17.8	22.0	3.2	10.2
FY23	1,821	343	144	18.9	7.9	11.3	65.8	17.2	20.2	15.1	2.6	7.6

Source: Bloomberg & Ventura Research



Source: Company Reports and Ventura Research

Key Business Segments

Segment	Products	Global Market Size	Application	CSTL Position
Performance Chemicals (FY21 revenue contribution: 69%)	MEHQ	12,500 MT	Used as a main polymerization ingredient in dermatology, polymers & monomers, ink, agrochemicals, etc.	No 1 producer globally
	BHA	9,000 MT	Used as anti-oxidant in food and animal feed industry	No 1 producer globally
	Ascorbyl Palmitate	450 MT	Used in infant food formulations, food items and cosmetics	No 2 producer in India
Pharmaceutical Intermediates (FY21 revenue contribution: 16%)	Guaiacol	60,000 MT	A chemical intermediate used for manufacturing of API.	No 3 producer globally
	DCC	7,000 MT	Mainly used as a reagent in anti-retroviral drugs and also used for the preparation of amides, esters, and anhydrides.	No 1 producer in India
FMCG Chemicals (FY21 revenue contribution: 12%)	4-MAP	7,200 MT	Used as ultra volatile blocker in cosmetic industry	No 1 producer in India
	Anisole	34,000 MT	It is a precursor to perfumes, insect pheromones, and pharmaceuticals.	No 1 producer in India

Source: Company Reports

Performance Chemicals

The performance chemical industry finds applications across segments ranging across cosmetics, food, textiles and pharma industries, as they are the vital ingredients for various industries. There are very few manufacturers of such chemicals in the global market and CSTL is one of them. Over the period FY19-21, CSTL's revenues from this segment grew at a CAGR of 19.4% to INR 355 cr.

The tightening of environmental norms in developed countries has resulted in a slowdown in China and created a significant opportunity for Indian companies in the performance chemicals space. We expect the revenues from this segment to grow at a CAGR of 21.5% to INR 636 cr by FY24.

Pharmaceutical Intermediates

India's pharmaceutical intermediates market has grown at a CAGR of 9.7% during FY19-21, fueled by a substantial increase in domestic demand for APIs and a rise in export orders. Over the same period, CSTL's revenue from this segment grew at a CAGR of 10.4% to INR 83 cr.



The government is taking various initiatives to boost the industry, such as allocating land in different states to develop API Mega Parks, increasing investment in R&D, etc., which could improve the consumption for pharma intermediates at a CAGR of over 15% over the period of FY21-24E.

CSTL is India's largest producer of DCC and 3rd largest globally for Guaiacol. We expect the revenues from this segment to grow at a CAGR of 25.6% to INR 164 cr by FY24.

FMCG Chemicals

4-MAP is the key ingredient in CSTL's FMCG chemical segment, which is an aromatic chemical compound used in spices, cosmetics, medicines, etc. Globally, the 4-MAP market clocked a CAGR of 3.6% to USD 35 mn during FY19-21. Over the period, CSTL's revenue from this segment grew at a CAGR of 1.6% to INR 63 cr. CSTL underperformed the global growth due to slower than expected growth in the domestic premium FMCG industry.

With the rapid urbanization and rising income levels, we are expecting a gradual increase in demand for premium FMCG products in the Indian market. We expect the revenues from this segment to grow at a CAGR of 8.0% to INR 80 cr by FY24.

Management Team

Key Person	Designation	Details
Mr Pradeep Ramwilas Rathi	Chairman and Non Executive Director	He holds a bachelor's degree in science from University of Poona and master's degree of science in chemical engineering practice from Massachusetts Institute of Technology, USA. He also holds a master's degree in business administration from Columbia University, USA. He has close to 25 years of experience in the chemical industry and is currently a director of Sudarshan Chemical Industries Ltd, Pune, India.
Mr Ashok Ramnarayan Boob	Managing Director	He holds a bachelor's degree in chemical engineering from the Institute of Chemical Technology, Mumbai. He has close to 25 years of experience in the chemical industry and has previously worked as an executive director at Mangalam Drugs and Organics Ltd.
Mr Siddhartha Ashok Sikchi	Whole Time Director	He holds a master's degree in science from the University of Manitoba, Canada and a bachelor's degree in technology from the Institute of Chemical Technology, Mumbai. He has over 14 years of experience in the chemical industry.
Mr Krishnakumar Ramnarayan Boob	Whole Time Director	He holds a bachelor's degree in pharmacy from the University of Bombay, India. He has close to two decades of experience in the chemical industry and has previously worked as a director at Mangalam Drugs and Organics Ltd.
Mr Pratik Abhaykumar Bora	CFO	He has been associated with CSTL since January 27, 2020 and has been promoted to the post of Chief Financial Officer in February 2021. He holds a bachelor's degree in engineering (computer science and engineering) from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad and a master's degree in business administration (capital markets) from Narsee Monjee Institute of Management Studies, Mumbai.

Source: Company Reports

Issue Structure and Offer Details

The proposed issue size of CSTL's IPO is INR 1,547 cr and the entire amount is an offer for sale. The price band for the issue is in the range of INR 880 – 900 and the bid lot is 16 shares and multiples thereof.

Issue Structure		
Category	No. of shares offered	No of shares Offered
QIB	At least 8,592,334	At least 50% of public issue
Non-Institutional Bidders	Not more than 2,577,700	Not more than 15% of public issue
Retail	Not more than 6,014,633	Not more than 35% of public issue

* No of shares based on higher price band of INR 900

Source: Company Reports & SEBI

Shareholding Pattern		
Category	Pre-issue	Post-issue
Promoters	94.7%	78.5%
Institutions	5.3%	13.4%
Public	0.0%	8.1%

Source: Company Reports and SEBI

Financial Projections

Figures in INR Crores	FY20	FY21	FY22E	FY23E	FY24E	Figures in INR Crores	FY20	FY21	FY22E	FY23E	FY24E
Income Statement						Per Share Data (Rs) & Yield (%)					
Revenue	419.3	512.4	651.8	778.0	893.9	Adjusted EPS	13.1	18.7	22.2	26.3	30.0
<i>YoY Growth (%)</i>	<i>6.6</i>	<i>22.2</i>	<i>27.2</i>	<i>19.4</i>	<i>14.9</i>	Adjusted Cash EPS	14.4	20.3	24.3	28.9	32.9
Raw Material Cost	129.2	123.6	163.0	202.3	241.4	Adjusted BVPS	32.2	50.8	69.7	90.7	111.7
<i>YoY Growth (%)</i>	<i>(24.5)</i>	<i>(4.4)</i>	<i>31.9</i>	<i>24.1</i>	<i>19.3</i>	CFO per share	15.1	18.2	22.1	26.9	31.6
Employee Cost	31.0	43.6	58.1	69.4	82.9	CFO Yield	1.7	2.0	2.5	3.0	3.5
<i>YoY Growth (%)</i>	<i>24.8</i>	<i>40.4</i>	<i>33.4</i>	<i>19.5</i>	<i>19.3</i>	FCF per share	10.3	10.3	15.0	20.3	25.4
Power & Fuel Cost	34.8	34.9	44.5	53.1	61.0	FCF Yield	1.1	1.1	1.7	2.3	2.8
<i>YoY Growth (%)</i>	<i>7.8</i>	<i>0.6</i>	<i>27.2</i>	<i>19.4</i>	<i>14.9</i>	Solvency Ratio (X)					
Other Expenses	39.0	51.4	64.2	75.8	86.5	Total Debt to Equity	0.0	0.0	0.0	0.0	0.0
<i>YoY Growth (%)</i>	<i>36.2</i>	<i>31.7</i>	<i>24.9</i>	<i>18.1</i>	<i>14.1</i>	Net Debt to Equity	(0.4)	(0.5)	(0.5)	(0.6)	(0.6)
EBITDA	185.3	259.0	322.2	377.5	422.3	Net Debt to EBITDA	(0.8)	(1.0)	(1.2)	(1.4)	(1.7)
<i>YoY Growth (%)</i>	<i>35.9</i>	<i>39.8</i>	<i>24.4</i>	<i>17.2</i>	<i>11.9</i>	Return Ratios (%)					
<i>Margin (%)</i>	<i>44.2</i>	<i>50.5</i>	<i>49.4</i>	<i>48.5</i>	<i>47.2</i>	Return on Equity	40.8	36.8	31.9	29.0	26.8
Depreciation	13.7	17.2	22.2	26.8	31.1	Return on Capital Employed	37.2	34.4	30.3	27.2	24.7
<i>Depreciation to Gross Block (%)</i>	<i>6.1</i>	<i>6.6</i>	<i>6.6</i>	<i>6.6</i>	<i>6.6</i>	Return on Invested Capital	63.3	63.6	62.3	61.7	62.0
EBIT	171.6	241.7	300.0	350.7	391.2	Working Capital Ratios					
<i>YoY Growth (%)</i>	<i>37.0</i>	<i>40.9</i>	<i>24.1</i>	<i>16.9</i>	<i>11.6</i>	Inventory Days	97.7	156.2	150.0	125.0	100.0
<i>Margin (%)</i>	<i>40.9</i>	<i>47.2</i>	<i>46.0</i>	<i>45.1</i>	<i>43.8</i>	Receivable Days	60.8	52.9	55.0	55.0	55.0
Other Income	10.9	25.6	15.1	23.2	34.1	Payable Days	100.8	180.1	150.0	120.0	100.0
Finance Cost	0.1	0.1	0.0	0.0	0.0	Net Working Capital Days	57.7	29.0	55.0	60.0	55.0
PBT	182.3	267.3	315.1	373.9	425.2	Net Working Capital to Sales (%)	16.4	12.9	15.1	15.4	15.1
<i>YoY Growth (%)</i>	<i>33.5</i>	<i>46.6</i>	<i>17.9</i>	<i>18.7</i>	<i>13.7</i>	Valuation (X)					
<i>Margin (%)</i>	<i>43.5</i>	<i>52.2</i>	<i>48.3</i>	<i>48.1</i>	<i>47.6</i>	P/E Ratio	68.5	48.2	40.5	34.2	30.0
Reported Tax	42.7	68.9	79.3	94.1	107.0	P/BV Ratio	27.9	17.7	12.9	9.9	8.1
<i>Tax Rate</i>	<i>23.4</i>	<i>25.8</i>	<i>25.2</i>	<i>25.2</i>	<i>25.2</i>	EV/EBITDA	50.8	36.0	28.5	23.9	20.9
PAT	139.6	198.4	235.8	279.8	318.2	EV/Sales	22.5	18.2	14.1	11.6	9.9
<i>YoY Growth (%)</i>	<i>43.0</i>	<i>42.1</i>	<i>18.9</i>	<i>18.7</i>	<i>13.7</i>	Cash Flow Statement					
<i>Margin (%)</i>	<i>33.3</i>	<i>38.7</i>	<i>36.2</i>	<i>36.0</i>	<i>35.6</i>	Profit Before Tax	182.3	267.3	315.1	373.9	425.2
Balance Sheet						Adjustments	14.8	(8.1)	30.7	27.5	31.7
Share Capital	1.3	10.6	10.6	10.6	10.6	Change in Working Capital	5.7	2.6	(32.1)	(21.8)	(14.7)
Total Reserves	340.8	529.0	729.5	953.3	1,176.0	Less: Tax Paid	(42.7)	(68.9)	(79.3)	(94.1)	(107.0)
Shareholders' Fund	342.1	539.7	740.1	963.9	1,186.7	Cash Flow from Operations	160.1	192.8	234.4	285.5	335.2
LT Borrowings	0.3	0.3	0.0	0.0	0.0	Net Capital Expenditure	(50.3)	(84.0)	(75.0)	(70.0)	(65.0)
LT Provisions	0.3	0.4	0.5	0.6	0.7	Change in Investments	(56.0)	(102.8)	(56.7)	(59.1)	(53.2)
Deferred Tax Liabilities	10.2	17.6	17.6	17.6	17.6	Cash Flow from Investing	(106.3)	(186.8)	(131.7)	(129.1)	(118.2)
Total Liabilities	352.9	557.9	758.2	982.1	1,204.9	Change in Borrowings	0.1	(2.4)	(0.3)	0.0	0.0
Gross Block	224.0	260.2	335.2	405.2	470.2	Less: Finance Cost	(0.1)	(0.1)	(0.0)	0.0	0.0
Less: Accumulated Depreciation	58.6	74.6	96.8	123.6	154.6	Buyback of Eq Shares (incl Tax)	(40.1)	(0.1)	0.0	0.0	0.0
Net Block	165.3	185.6	238.4	281.6	315.5	Divided Paid (incl Tax)	(15.3)	(3.3)	(35.4)	(56.0)	(95.5)
<i>Fixed Asset Turnover Ratio</i>	<i>2.5</i>	<i>2.8</i>	<i>2.7</i>	<i>2.8</i>	<i>2.8</i>	Cash Flow from Financing	(55.4)	(5.9)	(35.7)	(56.0)	(95.5)
Capital WIP	3.4	55.0	55.0	55.0	55.0	Net Cash Flow	(1.6)	0.2	66.9	100.4	121.5
Other Intangible Assets	0.3	0.3	0.3	0.3	0.3	FOREX Effect	1.4	(0.0)	0.0	0.0	0.0
LT Loans & Advances	1.2	2.1	2.7	3.2	3.7	Opening Balance of Cash	9.4	9.2	9.3	76.3	176.7
Other LT Financial Assets	0.4	15.5	19.7	23.5	27.0	Closing Balance of Cash	9.2	9.3	76.3	176.7	298.2
Income Tax Assets	0.3	1.4	1.4	1.4	1.4						
Other Non Current Assets	2.0	4.9	6.2	7.4	8.5						
Net Current Assets	177.5	290.4	431.7	606.8	790.6						
Total Assets	352.9	557.9	758.2	982.1	1,204.9						

Source: Company Reports & Ventura Research

Disclosures and Disclaimer

Ventura Securities Limited (VSL) is a SEBI registered intermediary offering broking, depository and portfolio management services to clients. VSL is member of BSE, NSE and MCX-SX. VSL is a depository participant of NSDL. VSL states that no disciplinary action whatsoever has been taken by SEBI against it in last five years except administrative warning issued in connection with technical and venial lapses observed while inspection of books of accounts and records. Ventura Commodities Limited, Ventura Guaranty Limited, Ventura Insurance Brokers Limited and Ventura Allied Services Private Limited are associates of VSL. Research Analyst (RA) involved in the preparation of this research report and VSL disclose that neither RA nor VSL nor its associates (i) have any financial interest in the company which is the subject matter of this research report (ii) holds ownership of one percent or more in the securities of subject company (iii) have any material conflict of interest at the time of publication of this research report (iv) have received any compensation from the subject company in the past twelve months (v) have managed or co-managed public offering of securities for the subject company in past twelve months (vi) have received any compensation for investment banking merchant banking or brokerage services from the subject company in the past twelve months (vii) have received any compensation for product or services from the subject company in the past twelve months (viii) have received any compensation or other benefits from the subject company or third party in connection with the research report. RA involved in the preparation of this research report discloses that he / she has not served as an officer, director or employee of the subject company. RA involved in the preparation of this research report and VSL discloses that they have not been engaged in the market making activity for the subject company. Our sales people, dealers, traders and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein. We may have earlier issued or may issue in future reports on the companies covered herein with recommendations/ information inconsistent or different those made in this report. In reviewing this document, you should be aware that any or all of the foregoing, among other things, may give rise to or potential conflicts of interest. We may rely on information barriers, such as "Chinese Walls" to control the flow of information contained in one or more areas within us, or other areas, units, groups or affiliates of VSL. This report is for information purposes only and this document/material should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities, and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This document does not solicit any action based on the material contained herein. It is for the general information of the clients / prospective clients of VSL. VSL will not treat recipients as clients by virtue of their receiving this report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of clients / prospective clients. Similarly, this document does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive this document. The securities discussed in this report may not be suitable for all investors. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive this document should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. And such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this document. The projections and forecasts described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. Projections and forecasts are necessarily speculative in nature, and it can be expected that one or more of the estimates on which the projections and forecasts were based will not materialize or will vary significantly from actual results, and such variances will likely increase over time. All projections and forecasts described in this report have been prepared solely by the authors of this report independently of the Company. These projections and forecasts were not prepared with a view toward compliance with published guidelines or generally accepted accounting principles. No independent accountants have expressed an opinion or any other form of assurance on these projections or forecasts. You should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by VSL, its associates, the authors of this report or any other person that these projections or forecasts or their underlying assumptions will be achieved. For these reasons, you should only consider the projections and forecasts described in this report after carefully evaluating all of the information in this report, including the assumptions underlying such projections and forecasts. The price and value of the investments referred to in this document/material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance. Future returns are not guaranteed and a loss of original capital may occur. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. We do not provide tax advice to our clients, and all investors are strongly advised to consult regarding any potential investment. VSL, the RA involved in the preparation of this research report and its associates accept no liabilities for any loss or damage of any kind arising out of the use of this report. This report/document has been prepared by VSL, based upon information available to the public and sources, believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. VSL has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed. The opinions expressed in this document/material are subject to change without notice and have no obligation to tell you when opinions or information in this report change. This report or recommendations or information contained herein do/does not constitute or purport to constitute investment advice in publicly accessible media and should not be reproduced, transmitted or published by the recipient. The report is for the use and consumption of the recipient only. This publication may not be distributed to the public used by the public media without the express written consent of VSL. This report or any portion hereof may not be printed, sold or distributed without the written consent of VSL. This document does not constitute an offer or invitation to subscribe for or purchase or deal in any securities and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. This document is strictly confidential and is being furnished to you solely for your information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The opinions and projections expressed herein are entirely those of the author and are given as part of the normal research activity of VSL and are given as of this date and are subject to change without notice. Any opinion estimate or projection herein constitutes a view as of the date of this report and there can be no assurance that future results or events will be consistent with any such opinions, estimate or projection. This document has not been prepared by or in conjunction with or on behalf of or at the instigation of, or by arrangement with the company or any of its directors or any other person. Information in this document must not be relied upon as having been authorized or approved by the company or its directors or any other person. Any opinions and projections contained herein are entirely those of the authors. None of the company or its directors or any other person accepts any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection therewith. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Securities Market.

Ventura Securities Limited - SEBI Registration No.: INH000001634

Corporate Office: I-Think Techno Campus, 8th Floor, 'B' Wing, Off Pokhran Road No 2, Eastern Express Highway, Thane (W) – 400608