Century Ply Q3FY18

- topline inc 20% yoy
- topline inc 7.5% qoq
- blended ebitda margin 18%
- tax rate 22%
- profitability of plywood lower than
- profitability laminates stable
- MDF business 1st qtr profitable
- Forex - 357cr exposure gain of 1.74cr

Q&A

- gst not accompanied with e bay bill; so gst
- plywood put in 28% bracket, 18% bracket revised in nov17
- last yr demon qtr was our good qtr and we have grown on top of that
- Q4 should see higher growth due to gst rate change
- commercial veneer - we deal in costlier veneer - we are leader in veener - we are preferred supplier -
- not taken any price increase in laminates - now we will take some price increase

- laminates seg growth coming down
- yoy growth was less coz of high base
- goin fwd 15-20% vol growth
- increase in RM cost did not pass last yr - have passed in this qtr
- still unorg sector prevails; 18% duty has helped us - almost 9% we get input credit
- effective price gap reduced to 7-8% which was 25% - beneficial to us

- tgt mkt for mdf segment - sale 10000 cubic metre, small complaints here and there
- mkt is growing, competitor not going down but we are growing
- china mdf prod is 14mn tonne ; india combined is 1mn tonne; so there is supply constraint
- mdf could be a challange to plywood but as per china's comparison plywood also kept growing with mdf
- percapita plywood consump is 2sqm in europe it is 50-60 sqm

- 25% share of organised; Industry growth rate? share of plywood in 3-5yrs
- historically plywood growing at 15% cagr; intro of mdf and particle board will pick up (25% growth) and growth in plywood will be 10-15%
- mdf plan utilization fy 19 and realizations? - 80% + utilization with realization of 19-23k per cubic metre (after paying taxes)
- ebitda margins - 21% with 53% cap utilization;
- existing player will put more plants eg greenply planning in south
- exiting plant of century - 2nd line - little less capacity - 400 cubic metre capacity - produce 1-4mm
- plant in U.P. - can be a big mkt, next in Assam
- taken an unsec loan from promoters at arms length price at 6.75%

- pine planks price increase from meghalaya lead to pressure in margins
- disruption due to e way bill? - it will help org player; could be some disruption - over all there will less growth but org will grow
- in demon unorg player were disrupted more than org player

- total capex in fy 18 reduced - we planned 380cr will end up with 350cr - due to account of savings
- capacity of mdf - 2L cubic metre a month

- interest cost - low for qtr - 650 700cr debt - reconciliation
- avg int cost is below 4%
- dollar is not hedged - so we are gaining in last 2-3 yrs
- capex of 50 cr deferred to nxt yr
- sainik vol decline - thrust product - gst still not come into play - cost advtg for sainik in 2nd half of this calendar year

- cement board- bison board - since last 15years - we are importing and marketing - not much utility - we are amrketing for 20 months - but not much headway - not user friendly
- in certain usage cement board will have benefit over mdf but it will not be much
- mdf wll replace cheap wood
- photo frame, furniture - uses mdf
- mdf will become far more localized

- imports will reduce when green's plant start in south
- movement from south to north will also stop, gradually it will be localized
- pricing at par with competitors

- logistics business - vol 20000
- major change? - handling containers - depends on traffic in kolkata
- other player have also started
- steady growth - profitability maintained.

KEC International Q3FY18

- rev not comparable (effective more than 22 % reported)
- margin increased to 10.2% from 9.2%
- t&D rev grown significantly 23.4%
- Cables business flat revenue; after gst
- 235crs order (85% from railway) L1?
- int cost reduced to 2.5% from 3%
- expect borrowing level inline with that of march 2017

Q&A

- can reach 20% rev growth in next yr
- almost 2.5K cr order will convert to rev in 19-20
- SAE business - 40% + growth yoy - 1400 cr order of EPC - most rev in Q4 next yr
- growth in brazil should be much higher than what it is now
- building factories for tyre and cement companies
- in civil business - residential colony for cement company and mining company (rajasthan)
- will start looking at epc for affordable housing
- will look into defense sector
- Cables and Civil margins lower than T&D
- Civil has got capex;
- SAE Ebitda will do more than 6-7% margins
-
- Working capital not improved - can be brought down?
- we are ok to dec to dec; qoq weak
- primary reason - saudi - backlog of collection - sorted out now
- other reason - powergrid

- 3rd reason - gst
- Decline in borrowing - not immediately - since capex in rail and civil.
- W.C. --> as a % of rev it will keep going down but effective reduction difficult
- Railway is area where we see growth happening
- Civil vols not high but will play well
- Africa - Interconnection projects
- ME mkt - settling down - as crude price stabilised
- Brazil - EPC for last 2-3 auctions are finalized
- India - main driver of T&D; State funding happening - clear that India growth will happen - double digit growth
- even tdy 49% of order book for t&D is from pgcil

- we have 7-8 ongoing proj in saudi; we are still bidding - v large mkt
- order book for civil - will double atleast nxt yr

- backlog of 1000cr in railways
- 1/3rd will execute faster
- atleast 50bps inc in margins on consol basis

- fy 18 - 10-15% growth in vols terms
- our effort is to reduce int cost as % of rev to 2.5 to 2.7%
- finance cost may go down with rating improvement but not interest cost as its rising
- powergrid order slowing down - better in south and east;
- we will not see major change in competition in railways
- overseas - 1st pref to railways as it is synergic
- solar - focus completely outside india; traction in M.E. and Africa

- exhaustive risk mgmt - for new client and new geography

- most of L1 from Railways T&D and Civil (Defence) are from N.E.
- railways order book - 1000-1500 crs for 12-18months
- civil book - rev close to 150 crs - order book - 450cr
- L1 order book - more than 4000cr (70% in India)

- brazil - generally on negotiated basis - not on L1 basis

- margins in railway and civil appears to be lower as vols are less - once we grow business we will see improving margins
- cables - 3 factories - extra cost as 1 factory moved from silvassa to baroda
- SAE - 1400 crs EPC orders; start kicking in Nov - Dec 2018

- saudi money pending - AR (keeps on building) in saudi is 1000cr - we are not putting more W.C. - majority completed

- steel price risks? - in brazil - annual reset clause - keeping in mind inflation
- in general - india business also has price variation clause.
- international contracts are generally fixed price - order book 3000cr - steel component (where its difficult to hedge) is 15-16%

Greenply Q3FY18

- mdf business grew 19.6%
- currency gain 8.14cr improved mdf and ebitda margins
- toline growth 10% - restocking of plywood and lower base effect
- plywood 69% mdf 28% rev
- avg relaisation 219 / sqm - plywood
- mdf realisation 26139 /cu.m.
- ebitda margins 16% - due to forex gain
- pat up 50.2% - due to imprved topline and curr gain
- capex - 283 cr spend 90 cr in Q4 this FY
- W.C. days inc by 7days to 68 days

Q&A

- low plywood margins - due to sale of lower margin prod - fall in sale of decorative veneer
- decorative veneer - it will take a qtr or two to stabalise revenues
- regular plywood - rev will stabalise in curr qtr
- b grade material supplied by century - but going fwd margin pressure will be seen as supply dynamics changes - there will be some reduction in margins from rudrapur plant

- sale of decorative veneers reduced by 15% - primary reason of decline in margins - dec veneers has much more realisation
- as long as e way bill is delayed - vols will be impacted
- projecting cap utilization of 60% and 17% realization for south plant
- capacity of south is double than that century has

- import price of mdf - 18000 + customs + freight

- 2 qtrs it will take to stabalize after e way bill is implemented
- no material change in demand outlook - which is not great

- ply vols growth - 17-18% - dealers have improved stocking level - reason for such improvement
- mdf sales team - ramping up - therefore employee cost increased
- outsourcing proportion in ply - 30% vols term - 22% value term

- 400cr rev - 7.28cr exports
- capex guidance - 150 cr nxt yr - in 3 proj

- currency gain - 8.15cr in p/l - subsumed in other expenses
- currency losses 14cr loss now reversed with gain of 8.15cr - net loss 6 cr for 9m
- mdf business margins boosted coz forex gain taken there

- topline vol nos guidence - 5-6%
- demFand scenario - remain same - not seeing any improvement
- margins will be 12.5%
- timber prices are more or less stable

- face veneers - sourcing just 10% req from gabon - installed only 3 peeling lines out of 6
- will see increase in consumption next FY

- there is not much import of laminated MDF - most imports are plain and so will be the exports

- avg cost of debt - 8.22 - 8.3% for existing business- new mdf business- 7.3-7.5%
- peak debt - in fy 19 around 715crs
- W.C. days - no substantial improvement from here
- int cost - 45cr for fy19 and 60-62 cr in fy20

- mdf sales vol - domestic - 39332 cu.m. vs 35751 cu.m.
- exports - 4450 cu.m. vs 2002 cu.m.

Indigo Q3FY18

- pat 7.6bn inc 56.4% - driven by better rev mgmt, and better credit mgmt
- margins 12.3%
- indigo only indian carrier to make it among top 20 on time departures
- 1000 daily flights - record - 1st indian carrier
- 90 new flight connections announced
- flies to 41 domestic and 8 intnl destination
- all neo aircraft in active operation
- we remain interested in intnl op of air india
- with or w/o air india we seek opportunity for long overhaul flights
- ebitda margin 32% vs 29%
- 3.84 from 3.48 Rasks??
- gst - 784mn under protest last qtr; 689 mn this qtr
- founder sold shares through ofs process
- 3 ATR purchased this qtr
- capacity guidance - 24% increase

- pass through of crude oil prices?fare hikes? - there is a lag in pass through - not 100% passthrough - fy10-14 80% was passed - whether possible now? - cant predict but there are many mkt dynamics that will come into play
- fx gain in qtr? - 803mn - 408mn in other inc - 394 mn in offset in other expenses. remainder of other inc is interest inc
- plane pur plans - cheaper than leasing? - any movement on direct fuel import? - 3 ATR acq directly with cash - combination of national and pvt oil cos and opp for import is also looked into - commitment for larger qty in case of import
- rasks performance improvement stalled? - helped by better rev mgmt from new sys and processes. demon and compensation, all factors will go away now
- cash needs for business also incld buying aircrafts
- pay much lower % of dividend

- sacrifice on profit to gain share? - there is lag but there is passthrough and not 100%
- 14.5% capacity - international vs 15% and 10% earlier
- issues that we have shorter term leases for aircrafts
- delivery of new aircraft not at expected pace; only after this improves can performance will be good on cost side
- udaan scheme - allocated 20 routes - last few mins the news have come out
- ancilliary rev - pretty strong - baggage and cancellation fee are the drivers
- detailed guidance of ASK growth in next concall - will maintain at 20% cagr
- compensation from prat whitney - not disclosed
- 32 neos - burns less fuel than older airplanes - so cost advtg increases
- 24% capacity expansion comes from new neos and 2nd hand aircrafts

Daawat Q3FY18

- increase in paddy prices by 25-30% - so lead to increase prices to maintain margins
- branded rice - 5% gst
- backend team worked with farmers to increase yield
- 40k acre land for crop production
- adq. reserve of quality paddy stocks to take care of next season
- 400 cr qip - to augment long term cap and deleveraging - debt eq and curr ratio improved
- transition in gst - smooth - impacted our bulk business- but benefited organised player
- increased share of branded business - 61 from 56%
- mkt share in india 29%
- rice based health products - quick cooking brown rice growth 50%
- rozana gold plus - growing at steady pace
- saute sauces - well accepted in test, will launch in 3-4months
- international branded business - 60% growth in vols
- new avatar for euro mkt
- lt foods america won order for big chain
- product royal now in walmart apart from costco
- middle east going well
- organic business doing well - focus on ingridient business -
- upgraded existing organic facility

- branded gross margins improved by 120bps
- operational exp. increased - higher ad spend
- reduction in int improved pbt
- eps is on fully diluted basis
- india branded vol valued at 675 cr (12% increse)

- avg realization also increased
- intnl business valued at 890 cr

Q&A

- backend upgradation - idea is to improve margins by 1% in next one year on ebitda front
- 700 distributors in urban
- consumer business grown ; bulk business impacted due to gst
- international sales - us main mkt. followed by europe and other world
- intnl growth is from core business- but we are planning a 10% diversification from other products in nxt few yrs
- value added prods - 35-40% gross margins
- base business- 28-29% gross margins
- capex for nxt 5 yrs will be done in this yr - 150crs
- maintenance capex 50cr p.a.

- ebitda margins down qoq and yoy - loss of 10cr in european operations; 14cr baddebts w/off in this qtr
- though pat margins improved

- hike in paddy prices - impact - procurement is already done -
- paddy inventory - 220k tonnes and rice 150k tonnes
- total inventory - 1800crs
- plan to reduce debt by 150-200crs

- qty breakup of branded and unbranded - for 9m - 225K tonnes and 78k tonnes

- for 3m 78k tonnes for branded

- international prices of basmati are strengthening
- other income inclds exchange diff

- we have enough qty to service the europe mkt
- we are not in IRAN business - as an industry we are geting orders from IRAN
- LT foods operate in politically stable mkts
- india mkt share - 29%
- us - 50% mkt share

- 9m gross margins improved 1%
- q3 gross margins reduced 5% - which is less - as brown rice exported to europe which has lower margins
- europe shipped for 6 months - total business of 150 crs

- development of horeca business in india will be in focus
- ready to eat basmati - driver in US
- europe -
- organic busines - big driver of growth - going fwd cagr of 23%
- sales mix of branded can take gp move by 2% - can improve ebitda by 3%
- 2/3rd growth will come from branded business and 75% growth will come from branded and organic business
- ebitda - organic - 23% cagr - margin 16%
- roce shape up - 22% at end of 4 yrs from curr 16%

- curr paddy prices as compared to last yr - 31 vs 25 - procurements start from october
-
- lower gulf - we are growing 12-13% yoy - indusvalley and rozana brands cater there
- 817 brand - strong brand in canada and east coast of USA

- overall basmati business growing at 7% - branded and unbranded
- brand rozana and indusvalley - branded revenue of 50cr is same as when acquired - we are working on it to improve
- probable loss in europe in coming qtr - loss accrued - next year will be breakeven

GSFC Q3FY18

- Capro benzene spread is 1000$ now - sustainable in q4
- power and fuel cost affected due to low utilization (82%) of ammonia 4 plant
- power and fuel cost - higher as crude prices rose
- tax w/back is a one time benfit - nxt qtr it will be 22%
- looking to sell 5L tonne fertilizers
- o/s subsidy 800 cr and ammonium subsidy is 700 cr - ttl - 1500cr
- by march we hope to get subsidy as of dec end - i.e. 500cr
- fy 19 vol guidance - 2mn tonnes
- ammonia and sulphur prices started falling in q4
- 2000 rs margins can be expected in fertilizers * 2L tonnes =
- FACT also produce caprolactum - but plant is shutdown - they tried reopening - but not financially viable
- output of industrial product - melamine - 40K tonne capacity - 90% utilization in 2QFY19
- 5yr strategy of 1000cr pbt still stands - expecting to achieve in fy21-22
- sulphur ammonia prices were higher in q3 q4 - impacted the nos - subsidy remains the same - rm price inc has to be absorbed by co.
- increased prices of fertilizers in q3
- dec qtr capro benzene spread was 1100$
- margins in chemical i.e. 15% is sustainable
- willl keep pursuing opportunities in trading of melamine ammonia etc
- govt keeps on reducing fertilizers subsidy and special discount due to low rainfall affects ebit margins
- sikka expansion plan - completed
- dahej expansion - no plans - govt not giving permission for urea plants
- melamine addnl sales will come in fy19 i.e. nxt yr
- nylon capacity is 36000 metric tonne; in 9m we have done 15000 tonnes
- there is a anti dumping on capro right now, we'll continue to pursue that
- no demerger of investment arm
- caprolactum is used for making nylon which is used in automative tyres
- we produce 85k tonnes capro we captively use 15k tonnes

Kwality Q3FY18

- topline - anticipating growth of 10% - will come from B2C segment
- bottomline - ebitda layer - grown 13.3%; margins -7.2% tgt 9%
- pat margins - 1.2% ; depn increase - unit 3 gone operational from feb 17 - capex added to gross block - so depn hitting p/l - depn will be at peak in this yr
- interest cost - 12% - will address it through 1) margin improvement ; 2) cash conversion cycle improvement ; 3)capital structure optimization; 4) overall cost of debt will come down as team is in touch with bankers
- employee cost - esops issued to retain best talent
- slight increase in tax rate
- differential in depn cos act vs it act ; gap betn igaap and ind as - resulted in decline in pat

- 4-4-24 strategy
- 4 core strategy - 4 key enablers - 24 distinct programme
- 8 different categories of products
- procurement - focusing on direct sourcing -
- idbi will give loans to big farmers - farmer will setup dairy farm - bulk milk production - at concessional rate of mclr

Q&A

- significant stock increase
- cost of milk - avg milk pur price -34rs

- going forward - 70% rev expecting from B2C and 30% from B2B
- E&Y - IT transformation partner - 6 distinct themes suggested - 23 distinct programmes - we are executing programmes now - we have won 2 awards
- increase of 8-9cr in employee cost is one-off
- b2b business margins - 5-10%
- b2c business margins - 10-20%
- receivables - 80 days ; Cash conversion cycle - 89days from 100days
- debtors in value - 1480crs. Exports - Domestic-
- procurement total 36L Litres - 26% is direct sourcing
- reduction in pledge - next 2 qtrs will look to reduce pledge
- gross block - 624crs
- 100crs investments then 60crs p.a. for maintenance capex
- expected pat margins - 4-4.5% as effective tax rate will go down i.e. 28%
- capex in unit 3 - 434crs moved from cwip to gross block
- depreciation will come down to 85crs in fy19 and 75crs in fy20
- curr debt 1589 crs - debt level will not be linear change - if capital structure optimization is executed properly then debt level will reduce to 1000-1100crs
- 300 crs received from KKR credit line; working on refinancing of KKR debt
- we will not launch ice-cream ; its not on radar
- UHT milk, cream, lassi, chaas, milkhsakes, butter, paneer are value added products we want to get into
- utilization rate 15% on value added products

NCC Q3FY18

- good result from profit pov; rev still concerns there
- secured order of 12360 crs in 3qtr out of ttl 21614crs
- O/S order book - 31627cr - 70% growth

- bldg divsion - 60% of total order secured i.e. 12317crs
- roads - in curr 3 m period around 483 crs order secured - ttl size 4083crs
- railways - 3057 crs new orders in 9m period
- Agriculture - 1094crs
- Mining - 1874 crs at beg -
- Others - 424 crs

- curr yr revenues excludes gst as compared to last year
- gross margins in 3rd qtr - 21.27% inclds bonus of rs 73crs from UP project for early completion
- pat level increase is due to bonus receipt, general margins increase at all levels
- interest cost declined in last 2-3 qtr but this qtr interest cost increased due to mobilisation of advance as they are interest bearing
- quantum of loan is increased
- avg int cost come down to 10.85%

Q&A

- expansion taken place in so margins sustainable in fy19
- o/s amt from subsidiary - 600 crs loan and 1000crs investment

- closure of business done for international business - loss making
- not finalized business plan for fy19 - steep increase of topline will be there ~30% growth
- qip money used to support wcap and capex; will not service debt from qip proceeds
- some monetisation of assets taken place for loss making susbsidiaries
- from fy19 losses wont be there from international LLC companies
- exceptional loss is the difference between carrying cost and selling value of subsdiary assets
- 20-50crs loss in nxt 2-3 qtrs for closing down subsidiaries

Satin Credit Care Q3 FY18

- doubled our pbt
- extra provisioning of 16.9cr above rbi req; inspite prov cosol pat gone up
- Par 90 nos - 61% recovery
- disbursement - 3500 cr
- aum 4881 cr growth 31% yoy 9% qoq
- guidance of march 18 on track of 5500cr aum; growth of 35-40% in 2019 and 2020

- concentration of up state gone down 34.7% as comapred to 36.9%;
- cashless disbursement increasing 26% in dec 17; 30% in jan 18; guidance - june 18 - 50% will be cashless
- newer disbursement - 98% collection efficiency - 84% of total portfolio
- raised capital - 440 cr;
- license for hsg finance - disbursed 1st loan in feb18 - focus on rural micro housing space
- tieups - capf for non microfinance products -
- tie up with indusind - 1st loan disbursed today

Q&A

- we have provided 62% of gnpa
- net npa 3.67% vs 5.95%
- 3.6% exposure in rajasthan - after loan waiver its been 2-3dys - but no depression in rajasthan collection
- last 15days MP mkt little depressed due to bielection - impacted in short term - but nothing as sort of demon
- marginal cost of funds - 11.75% vs 0.25% more in Q2; blended cost is still high
- securitized portion of book - started growing - historically 25-30% of portfolio securitized

- net npa - bucket left will be slightly tougher - will scatter over nxt 2 qtr - zero collection client brought down to 57500 from 62000 from 82000
- due to some delay in collection - margins have squeezed
- par 1 and par 30 nos will take a while - par 90 have come down from 11.43 to 9.17 %
- msme space - it is all secured with collateral - focusing more on quality than volumes
- affordable housing - credit cost as % of portfolio is going up but we are operating in a niche area - we will build a much quality portfolio then our peers
- loan book guidance - M18 - 5500cr - intact
- margins down to 9.75% due to delay in collection and 98% efficiency temporarily impacting
- collection efficiency vs peers is low 98% vs 99.5% - will definitely improve from here - our expectation was still lower but will improve
- we are disbursing in impacted markets again -
- credit cost will remain in range of 1% or so
- nxt 5 yrs 2/3rd will be microfinance and 1/3 will be non microfinance
- RoA of non mf book - slightly early to proj. but on a consol basis we are looking for 3% RoA in nxt 1-2 yrs
- concentration in UP have come down; we wont let any state go above 18% concentration
- nobody has heart to disburse loan in UP, we are still doing it
- we look at lower tier 1 and more leverage as a player in financial services company but credit rating looks the other way
- earlier than long away will also look at some south states
- dividend policy - no - all we generate is for growth - dividend is far away
- 34.5% still UP vs 36.9% - but Penetration level is so low - in terms of demand there is no way any state can matchup
- in terms of nos - UP will be same - in terms of % it will go down
- opex part - escalation in employee exp - as we recruited 1100 people and opened branches - as portfolio will grow it will even out over a period of time
- NNPA 3.74% i.e. 150Crs - This is the hard one which is left - we will try harder to bring this down to a level we can say ok its fine demon done and dusted. 60-70 crs done in last qtr but this will need little more time to battle it out the last 150Crs
- north and centre was far more impacted in demon - we are not there in west and south - but we have seen the worst so it will be easier to navigate to other territories
- state wise collection efficiency trend - broadly in trend as shown in last presentation
- from Q2 to Q3 no trending down of collection efficiency from any states

Ruchira Papers Q3FY18

- our paper is used in notebooks, books , spiral notebook, copier, packaging
- power tariff in himachal pradesh is cheaper so we have plant location advantage
- modernization of plant is complete
- proposed greenfield proj - 1L TTA 800Crs Cost Funded thru debt and equity - only for writing and printing paper
- promoter holding will not be less than 51%
- Commercial producn in Q1FY20-21

- back in track after shutdown of unit
- nos in line with our expectation
- Avg NSR of craft paper and printing paper improved

Q&A

- agri RM prices are same
- 30-40% RM consists of Agro RM
- 40 crs expansion at existing plant - 24Crs for producn and rest for buying land
- 104 acres land procured for new plant; applied for environment clearence
- out of 800Crs - 450cr term loan; rest from QIP, INternal Accrual, Promoter money etc
- expansion of existing units is already done; results will come in coming qtrs - these are for remocval of small bottlenecking
- as pulp (Wood) prices going up we are not affected as we used agro materials
- op margins in new plant will be more than existing plant coz now we have experience
- new plant - we will go to raw material belt, which will reduce 25-30% of RM Cost on a per unit basis
- we wont let the debt equity go beyond 2-2.5 levels; promoter will bring money or will do QIP
- No new players coming in mkt, only listed companies are expanding
- Now we will use international waste paper in making of craft paper; earlier were not using
- realisation WPP 53000 vs 51851

- realisation craft paper 27721 vs 23988
- vol nos for WPP 12696 vs 13020
- vol nos for craft 18180 vs 17558
- ebitda margin WPP 25.15%
- ebitda margin craft paper 11.55%
- prices of WPP in Jan was 55000 / tonne
- power cost - 50-60% of power we generate on ourself - so we dont forsee any price increase

JKIL Q3FY18

- order book 8220 crs as on Dec 17
- networth 1462crs dec 17
- pat margin 7.2% for 9m
- ebitda margin 17% for 9m

Q&A

- 1800-1900 crs of topline guidance for FY18 - 9m fig is 1100 crs
- Order inflow this qtr is 58cr bcoz we were not bidding; will aggressively bid now
- 2200-2300 cr of order expected to come in nxt 12months - 50-60% from metro ; Balance from flyover and others
- no L1 in any projects
- Bidded for 230 cr proj of flyover in mumbai
- margins in range of 17-18%
- Debtors 542 crs - from nxt qtr wil come down for sure - as proj execution
- Cash bal - 373crs fdr and ---- cash balance
- metro line 3 tgt 250crs in q4
- metro 2, 3 and 7 and JNPT will be key projects for q4
- metro line 5,6,7 we shall be bidding; bid size 350-550crs each approx
- 8220 crs breakup - 4527 crs metro 3; line 2 will be 1000crs; jnpt 730crs
- capex - bought equipment of 260 crs will be financed mainly through debt
- pipeline of metro proj out of mumbai -ahemdabad delhi mumbai are our key areas
- mobilisation adv 710 crs; spending will be around 100crs
- not capitalized any interest on capex..all expensed
- line 2 and line 7 will take 18m to complete

Banswara Syntex Q3FY18

- gst, currency fluctuation. reduction of duty drawback impacted our exports
- increase in polyester price of 9% qoq
- power cost also increased - pet coke banned, now we using next alternative use - impacted power costs
- garments and fabrics - contributed 66% vs 60% ; will use yarn for captive purposes
- 10% margins in yarn in normal scenario
- emulating turkish and european fast fashion trends
- japan growth rate 42% almost 25crs...sustainable growth rate is 25%
- yarn 32%- fabric-48% garment- 20%
- ebitda margins - 8.4% vs 11.6% yoy
- 9m ebitda margins - 9% vs 11.3% yoy
- net debt reduced by 44 cr ; overall reduction will be 61 crs
- 60crs every year debt reduction tgt
- no major capex in nxt few yrs

Q&A

- synthetic yarn margins are less than cotton yarn as you cant make any trading profits in synthetic yarn. Cotton yarn has an element of trading of cotton in it
- capacity utilization - there was a small glitch of 3-4 days strike in Jan due to labour interest - impacted yarn operations and not o
- we stilll have to pass 5-7% of increase in costs to our customers
- garment and fabric parts is seeing significant growth
- we generally have to quote the prices to customers and hold the prices for a year
- fy 19 we will kick in with joint venture and growth will come from europe, us and japan
- we are more perceived as a turkish company as against an Asian company - as we do not compete indian companies on cost front, we try to compare ourself to turkish company which allows us to ask for price hikes from customers

- we requested 10% hike from customers , we were able to get 5%
- ebitda margin tgt of 11.5-12 in 18-19; objective is to get at 15% in another 2-3yrs
- gst demon impact will be there for 4-6months
- customers pay for rm increase, but if there is duty drawback from your govt customers does not compensate, however when they find we are still cheaper with a European quality they still come to us
- govt is losing export revenues as all councils are posting losses
- cost advtg which india had vs china is now lost due to duty drawback
- revenue guidance this yr 1300 crs ; next yr 1400-1450crs
- we never expected our margins to be this terrible on domestic front; export front is better - realizations are good
- foreign clients ask us why government is being hard on exporters
- margins in synthetic yarns are horrible
- 9.5% is the rate at which we borrow; there is a rebate of 3% in garment business in which we are focussing
- better margins in exports than domestic - 1-2% difference
- 52% of revenues is domestic; tgt is to make 50-50
- we are going after organized customers in India like bigbazar, lifestyle etc
- exports in this qtr is reduced due to there was resistance of increase in currency and drawbacks which lead to rejection of many orders, we were fighting for cost increase

Ahluwalia Q3FY18

- 9m ebitda margin of 13.83%
- 9m pat margin 7.04%
- order book - 3575crs (incld full tax amount-not adj for gst) to be executed in next 2.5yrs

Q&A

- not any L1 orders
- Bidding - Pipline - 2.5K crs - 80% is govt by NBCC/CPWD
- stuck orders - 200crs
- topline guidance - growth of 15-20%
- ebitda margin guidance - 14%
- margins are as a result of belt tightening exercise - seen increase competitive activity
- topline growth is max in 4th qtr - thats y we are confident that we will cross our guidance
- debt level - 61crs; projection is to reduce it to 25-30crs by 2019
- Wcap cycle - 90days; projection of 75-80 days by 2019
- 2 order of nbcc - 1 worth more than 1000cr - we had a jv with a russian co. and other order was independent which was sub 1k cr
- we are going to bid for couple of airports with a participating jv
- in long run we would like to maintain balance between public and pvt ; currently we are 60:40 guidance is for 50:50
- we wont continue making such high ebitda margins in every qtr
- order inflow in this year - 9m -1260cr - 3m - 705 crs; Q4 tgt - 200crs
- one time provision made in interest - on account of tax demand - just a provision not an outflow
- impact of gst - topline has come down by 8% due to gst vis a vis last year
- avg cost of debt - 9.0-9.5%
- we are doing IIM rohtak - will bid for some of them ; not looking to go in Hyderabad geography for IIT Hyd

- commercial real estate is doing well; post rera there is some movement happening on residential side also, some tenders are coming to us
- 10% of new orders that come in can be on residential side
- regional players (kunal infra, girdarilal, svadeshi construction etc)are coming and bidding indiscriminately for NBCC orders, we are wary of costs
- NBCC obv needs to have a bank of contractors as their order piepline is huge
- capex for fy 19 will be 25-30crs if we reach order worth 2.5k crs
- subcontracting - around 15% - for highly specialized work - like lifts, IT mgmt etc

Camlinfine Q3FY18

- 1st plant will start in 1Q FY19 for Lockheed
- we have one time hits in this qtr but growth is visible
- guaiacol sales in china had a hit of 4.85crs as some distressed entity in china was selling it a lower price than us
- another hit to ebidta was becoz of inr appreciation; if dollar goes up we can recover loss
- last qtr we lost a big customer as we started competing with him on some products - so we did not give him rebate - there was a dispute and it has been settled by making provision in this qtr
- increments given to employees below the 2nd tier retrospective from june 2017
- total one time hit 12.36 lacs; if results are adjusted for this than we go flat or +ve ebidta
- will build capacity in blends, build aroma business, shelf life solution
- revenue from aroma is in increasing trend - will hit 100% cap utilization
- vanillin prices have gone up. Realizations from 9.. to 10..
- guaiacol prices (RM) and vanillin prices (FG) both have simultaneously gone up..over time margins shall improve
- dahej proj -basic engg is complete, floated purchase for long lease items - commercial production will start in January
- shelf life and blend - launched animal nutrition line - will show significant result in next FY
- animal nutrition line - brazil and US - launched in last qtr
- vanillin 60-65% capacity nxt yr we can take upto 90-95% in nxt yr
- vanillin business now we are selling to major F&F companies
- guaiacol - we have a patented process- have commercialized

Q&A

- guaiacol patented process - 15% bigger cost than current process; cost of ramping up is 5crs ; capacity will taken up to 300 tonnes ; with new process margins will also improve
- debtors exposure - 125crs ; hedging cost is 3-4% annually ; on a b/s basis we have a natural hedge
- guaiacol is sold in open mkt (Pharma sales) (small qty) and major mkt (90%) is for use of vanillin (captive use)

- blends business - margins 20% (in maturity phase) ; overall after dahej coming on line - perf chem and shelf life business will go to 15-18% margins
- we work at 35-40% on gross margins level; but ebidta total depends on diff geographies
- final margins for 'lockheed' supply is yet to be negotiated
- dahej capex - 140crs; spent 26crs as on date; other well be spent by sept oct 2018 - cost advtg at dahej plant will be around 20-25%
- prices of TBHQ and BHA is going up becoz cost have also gone up; for passing RM cost there is a lag of one quarter.
- gross margins on standalone business - shall be in range of 27-28%
- blends is a high margin business
- china jv - on a 90% capacity we can make 15% margins
- wcap req needs will go up as topline grows - but cycle period will reduce as there is traction in subsidiary from 110 days to 85-90 days
- avg cost of borrwoing - 10.5-10.85%
- mexican subsidiary should grow 15% every year for next 2-3 years
- lockheed supply - initial capacity - 5000 range.
- latin america - 40customers from 25 customers
- mexico added 20 customers
- europe - tgt 15 customers - curr 4 customers