

## Sesa Goa

### Performance Highlights

Particulars (₹ cr)	2QFY13	2QFY12	% chg (yoy)	1QFY13	% chg (qoq)
Net sales	294	790	(62.7)	1,733	(83.0)
EBITDA	6	260	(97.7)	676	(99.1)
EBITDA margin (%)	2.1	32.9	(3086)bp	39.0	(3697)bp
Adj. PAT	334	235	42.1	1,216	(72.5)

Source: Company, Angel Research

Sesa Goa reported disappointing results from its core operations in 2QFY2013 led by lower iron ore sales volumes. However, the company's adjusted PAT grew by 42.1% yoy due to income from share of profit in associate company. **We recommend Accumulate rating on the stock.**

**Ban on iron ore mining in Goa dents top-line:** The company's net sales declined by 62.7% yoy to ₹294cr (lower than our estimate of ₹725cr) mainly on account of a decline in iron ore sales volumes (down 87.0% yoy to 0.2mn tonne) due to a ban on mining in Goa. Iron ore realization was flat yoy at US\$85/tonne.

**Lower sales and higher export duty hit EBITDA:** The EBITDA de-grew by 97.7% yoy to ₹6cr mainly due to a decline in net sales and higher fixed costs. The company reported an exceptional item related to forex gain and VRS amounting to ₹188cr. Share of income from its associate (Cairn India) was ₹464cr. Excluding exceptional items and including share of profit from associates, the adjusted PAT increased 42.1% yoy to ₹334cr (above our estimate of ₹247cr).

**Outlook and valuation:** We expect sales volumes to decline drastically from Goa due to a recent ban by the Supreme Court and Ministry of Environment and Forests (MOEF). Hence, we expect its core business profits to decline significantly in FY2013, although the share of income from its associate, Cairn India is expected to result in growth in the bottom-line. Considering the ongoing process of group restructuring by the promoter, Vedanta Resources, the valuation of Sesa Goa will mirror the valuation of the consolidated company, Sesa Sterlite. **We recommend an Accumulate rating on the stock.**

#### Key financials (Consolidated)

Y/E March (₹ cr)	FY2011	FY2012	FY2013E	FY2014E
Net sales	9,193	8,310	4,551	6,640
% chg	56.9	(9.6)	(45.2)	45.9
Net profit	4,222	2,696	2,994	3,492
% chg	60.6	(36.2)	11.1	16.6
FDEPS (₹)	47.5	30.3	33.7	39.3
OPM (%)	56.5	42.1	32.8	34.4
P/E (x)	3.6	5.6	5.0	4.3
P/BV (x)	1.2	1.0	0.9	0.7
RoE (%)	40.7	19.3	18.3	18.3
RoCE (%)	42.8	20.7	7.1	9.8
EV/Sales (x)	0.7	2.2	3.9	2.6
EV/EBITDA (x)	1.2	5.2	12.0	7.6

Source: Company, Angel Research

## ACCUMULATE

CMP	₹169
Target Price	₹183

Investment Period	12 months
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Stock Info	
Sector	Mining
Market Cap (₹ cr)	14,726
Net Debt (₹ cr)	3,636
Beta	1.2
52 Week High / Low	270/149
Avg. Daily Volume	357,569
Face Value (₹)	1
BSE Sensex	18,625
Nifty	5,664
Reuters Code	SESA.BO
Bloomberg Code	SESA@IN

Shareholding Pattern (%)	
Promoters	55.1
MF / Banks / Indian Fls	4.2
FII / NRIs / OCBs	27.0
Indian Public / Others	13.7

Abs. (%)	3m	1yr	3yr
Sensex	10.6	7.7	11.3
SESA	(7.1)	(17.5)	(46.3)

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**Exhibit 1: 2QFY2013 financial performance (Consolidated)**

Y/E March (₹ cr)	2QFY13	2QFY12	YoY%	1QFY13	Qoq%	1HFY12	1HFY11	YoY%
<b>Total sales</b>	<b>294</b>	<b>790</b>	<b>(62.7)</b>	<b>1,733</b>	<b>(83.0)</b>	<b>2,027</b>	<b>2,899</b>	<b>(30.1)</b>
Raw Material	(1)	100	(100.7)	192	(100.4)	192	176	9.2
% of Net sales	(0.2)	12.7		11.1		9.5	6.1	
Consumption of Stores	66	72	(8.8)	101	(34.9)	167	165	1.0
% of Net sales	22.3	9.1		5.8		8.2	5.7	
Staff Cost	64	63	2.9	69	(7.2)	134	117	14.2
% of Net sales	21.8	7.9		4.0		6.6	4.0	
Export Duty	9	87	(89.2)	434	(97.8)	443	433	2.5
% of Net sales	3.2	11.0		25.0		21.9	14.9	
Other Expenses	66	0	-	94	(30.5)	160	161	(0.5)
% of Net sales	22.3	-		5.4		7.9	5.5	
Total Expenditure	288	530	(45.6)	1,056	(72.7)	1,345	1,460	(7.9)
% of Net sales	97.9	67.1		61.0		66.3	50.4	
<b>EBITDA</b>	<b>6</b>	<b>260</b>	<b>(97.7)</b>	<b>676</b>	<b>(99.1)</b>	<b>682</b>	<b>1,439</b>	<b>(52.6)</b>
% of Net sales	2.1	32.9		39.0		33.7	49.6	
Interest	82	52	58.4	118	(30.6)	200	113	76.7
Depreciation	33	24	37.4	30	10.3	64	51	24.4
Other Income	14	50	(71.8)	15	(5.8)	29	202	(85.5)
Exceptional Items	188	(234)		(252)		(64)	(255)	
<b>Profit before Tax</b>	<b>93</b>	<b>0.4</b>	<b>25,024.3</b>	<b>543</b>	<b>(82.9)</b>	<b>636</b>	<b>1,222</b>	<b>(47.9)</b>
% of Net sales	31.6	-		31.4		31.4	42.2	
Tax	35	(1)	(3,956.0)	92	(61.9)	127	380	(66.5)
% of PBT	37.7	(245.9)		17.0		20.0	31.1	
<b>PAT</b>	<b>58</b>	<b>1</b>	<b>4,421.1</b>	<b>199</b>	<b>(70.9)</b>	<b>257</b>	<b>842</b>	<b>(69.5)</b>
Share of profit from associate	464	0	-	765	(39.3)	1,230	-	-
% of Net sales	19.7	0.2		11.5		12.7	29.0	
<b>Adjusted PAT</b>	<b>334</b>	<b>235</b>	<b>42.1</b>	<b>1,216</b>	<b>(72.5)</b>	<b>1,551</b>	<b>1,034</b>	<b>50.0</b>

Source: Company, Angel Research

**Exhibit 2: 2QFY2013 – Actual vs Angel estimates**

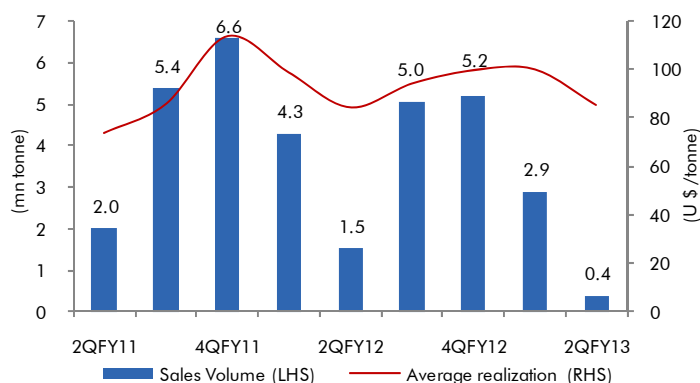
(₹ cr)	Actual	Estimates	Variation (%)
<b>Net sales</b>	<b>294</b>	<b>725</b>	<b>(59.4)</b>
EBITDA	6	182	(96.7)
EBITDA margin (%)	2.1	25.1	(2,304)bp
<b>Adj. PAT</b>	<b>334</b>	<b>247</b>	<b>35.4</b>

Source: Company, Angel Research

**Ban on iron ore mining in Goa dents top-line**

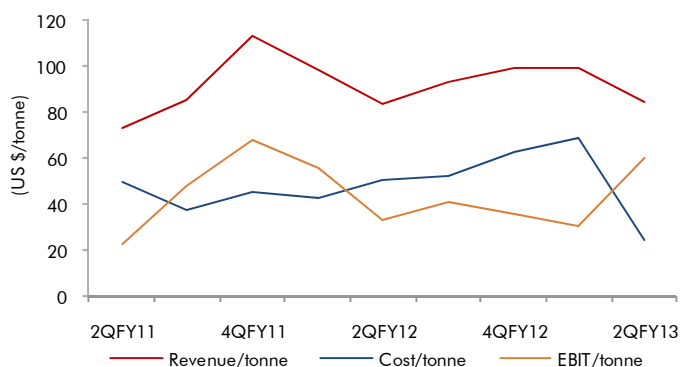
The company's net sales declined by 62.7% yoy to ₹294cr (lower than our estimate of ₹725cr) mainly on account of a decline in iron ore sales volumes due to a mining ban in Goa. Iron ore sales volumes declined 87.0% yoy to 0.2mn tonne while iron ore realization was flat yoy at US\$85/tonne.

**Exhibit 3: Iron ore sales volume down 87.0% yoy**



Source: Company, Angel Research

**Exhibit 4: Per tonne analysis**

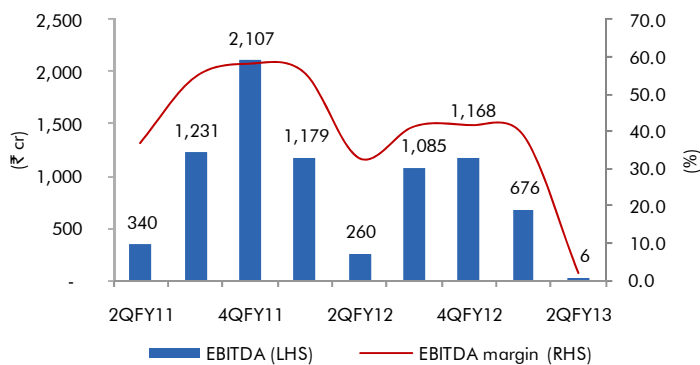


Source: Company, Angel Research

### Lower sales and higher fixed costs hit EBITDA

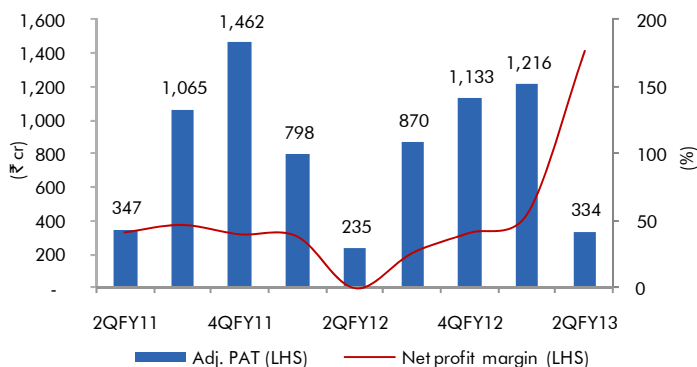
The EBITDA de-grew by 97.7% yoy to ₹6cr mainly due to a decline in net sales and higher fixed costs. The EBITDA margin slipped 3,086bp yoy to 2.1%. The company reported an exceptional item related to forex gain and VRS amounting to ₹188cr. However, the PAT (excluding share of profit from associates) grew by 4,421.1% yoy to ₹58cr in 2QFY2013 mainly because of a lower base of 2QFY2012. Sesa Goa reported a share of income from associate (Cairn India) of ₹464cr during 2QFY2013. Excluding exceptional items and including share of profit from associates, the adjusted PAT increased 42.1% yoy to ₹334cr (above our estimate of ₹247cr).

**Exhibit 5: EBITDA declined by 97.7% yoy**



Source: Company, Angel Research

**Exhibit 6: Adjusted PAT up 42.1% yoy**



Source: Company, Angel Research

## **Investment arguments**

### **Commencement of operations in Karnataka to drive volumes**

Currently, Sesa Goa is not producing iron ore from its Karnataka mine due to a ban in the region. During July 2012, the Central Empowered Committee recommended an annual production capacity of 2.3mn tonne for Sesa Goa's mine in Chitradurga, Karnataka. However, Sesa Goa is still awaiting an approval from the Supreme Court for resumption of mining. Nevertheless, we model 1.0mn/2.3mn tonne of iron ore production and sales from Karnataka for FY2013/FY2014.

### **Ban on mining in Goa remains a key overhang**

During 2QFY2013, the Goa government imposed a ban on iron ore mining in Goa until further review. Later, the MOEF also suspended environment clearances to all functional mining leases in Goa. Sesa Goa operates several mines in the region with an annual production of 12mn tonne. It generates a significant proportion of revenue and profit from its Goa mines. Given the regulatory issues, there is lack of clarity on timelines to recommence production from the Goa mines. Further, the Shah Commission has recommended a cap on production in Goa which could potentially affect Sesa Goa's iron ore volumes in the state. The Central Empowered Committee is currently studying the Shah Commission report. While we believe the ban could be temporary, there are chances of iron ore production cap by the government/MOEF which could affect Sesa Goa's production going forward. This is likely to be a key overhang on the stock in our view.

## Outlook and valuation

We expect sales volumes from Goa to decline due to the recent ban by the Supreme Court and MOEF. Further, Sesa Goa is likely to produce only 2.3mn tonne p.a. of iron ore from its Karnataka mines (compared to its capacity of 6mn tonne). Hence, we have cut iron ore volumes estimates for FY2013 drastically. Although its core business' profitability is expected to decline, the share of income from its associate, Cairn India is expected to result in growth in the bottom-line.

Considering the ongoing process of group restructuring by the promoter, Vedanta Resources, valuation of Sesa Goa will mirror the valuation of the consolidated company, Sesa Sterlite. **We value Sesa Sterlite's business at ₹183, based on the SOTP methodology and recommend an Accumulate rating on the stock.**

### Exhibit 7: SOTP valuation of Sesa Sterlite (FY2014)

Subsidiary	Valuation technique	Target multiple (x)	Equity value	% Stake	Value (₹ cr)
Sterlite Industries	EV/EBITDA	4.0	12,337	100%	12,337
Balco	EV/EBITDA	6.0	(130)	51%	(66)
Vedanta Aluminium	EV/EBITDA	5.0	(9,473)	100%	(9,473)
Hindustan Zinc (20% holding company discount)	EV/EBITDA	4.0	61,319	65%	31,837
Sterlite Energy	FCFE	1.0	331	100%	331
Tasmania Copper mines	P/BV	1.0	1,009	100%	1,009
International Zinc	EV/EBITDA	4.0	6,484	100%	6,484
MALCO	BV	-	-	100%	1,712
Sesa Goa	EV/EBITDA	3.5	4,892	100%	4,892
Cairn India (20% holding company discount)	DCF	-	72,146	59%	33,938
less : Cairn debt					(28,797)
<b>Net equity value</b>					<b>54,203</b>
Fair value for Sesa Sterlite (₹)					<b>183</b>

Source: Angel Research

### Exhibit 8: EPS – Angel forecast vs consensus

Year	Angel forecast (%)	Bloomberg consensus (%)	Variation (%)
FY13E	33.7	38.4	(12.4)
FY14E	39.3	38.3	2.5

Source: Bloomberg, Angel Research

### Exhibit 9: Recommendation summary

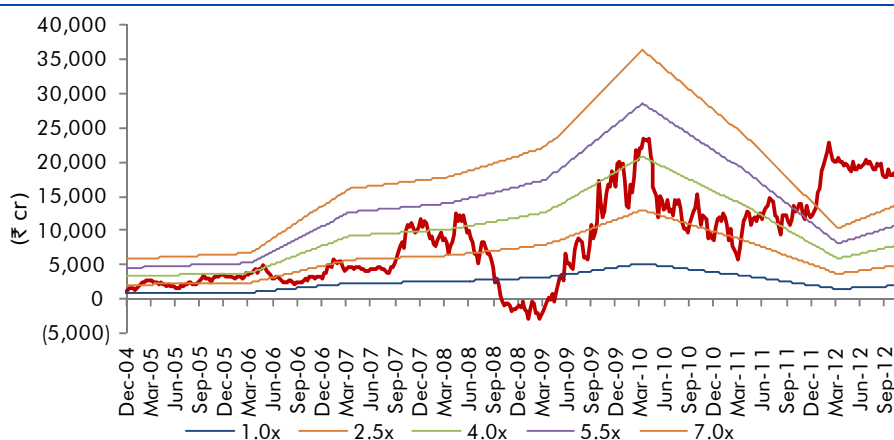
Companies	CMP (₹)	TP (₹)	Reco.	Mcap (₹ cr)	Upside	P/E (x)		P/BV (x)		EV/EBITDA (x)		RoE (%)		RoCE (%)	
						FY13E	FY14E	FY13E	FY14E	FY13E	FY14E	FY13E	FY14E	FY13E	FY14E
Coal India	355	385	Accum.	224,167	9	13.6	12.6	3.9	3.2	8.3	7.1	32.5	28.1	31.5	27.7
MOIL	249	271	Accum.	4,191	9	10.2	9.5	1.5	1.4	4.4	3.8	16.0	15.5	16.4	16.3
<b>Sesa Goa</b>	<b>169</b>	<b>183</b>	<b>Accum.</b>	<b>14,726</b>	<b>8</b>	<b>5.0</b>	<b>4.3</b>	<b>0.9</b>	<b>0.7</b>	<b>12.0</b>	<b>7.6</b>	<b>18.3</b>	<b>18.3</b>	<b>7.1</b>	<b>9.8</b>
NMDC	183	214	Buy	72,554	17	8.7	7.8	2.3	1.9	4.7	3.9	29.6	26.5	35.8	32.1

Source: Angel Research

### Company background

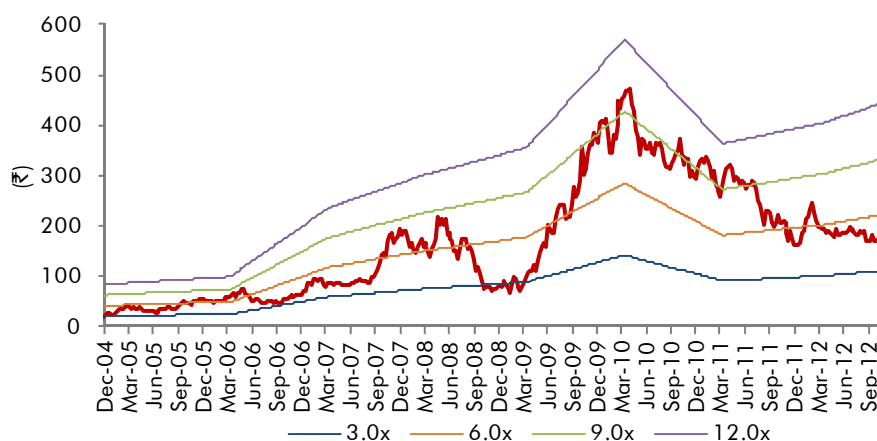
Incorporated in 1965, Sesa Goa’s primary business includes mining and exporting of iron ore. The company has mining operations in Goa and Karnataka with total reserves of 374mn tonne. Sesa Goa also operates a metallurgical coke division (capacity 0.6mn tonne). During CY2011, Sesa Goa acquired a 20% stake in oil-producer Cairn India for ~₹13,000cr. During January 2012, Vedanta Resources (Sesa Goa and Sterlite Industries’ promoters) announced a plan to merge Sesa Goa with Sterlite Industries. The merger has been approved by the shareholders of both the companies and it is currently awaiting various court approvals.

**Exhibit 10: EV/EBITDA band**



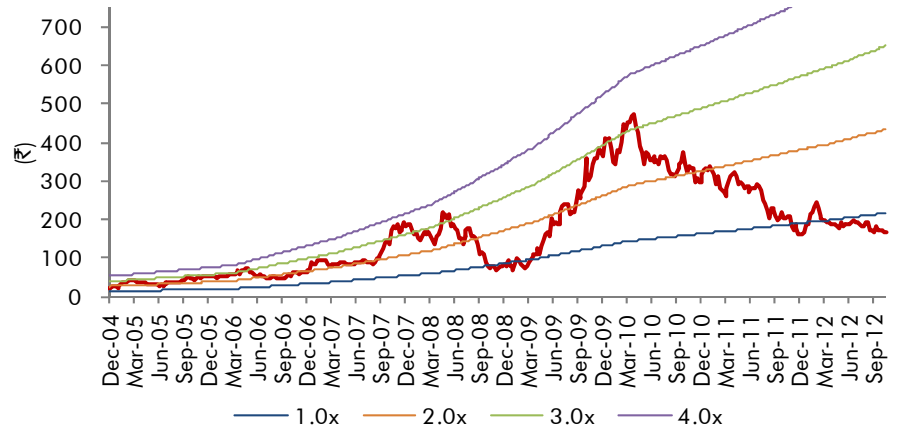
Source: Bloomberg, Angel Research

**Exhibit 11: P/E band**



Source: Bloomberg, Angel Research

**Exhibit 12: P/BV band**



Source: Bloomberg, Angel Research

**Profit and loss statement (Consolidated)**

Y/E March (₹ cr)	FY2009	FY2010	FY2011	FY2012	FY2013E	FY2014E
Gross sales	4,991	5,842	9,208	8,353	4,643	6,773
Less: Excise duty	73	44	64	79	91	133
<b>Net sales</b>	<b>4,918</b>	<b>5,798</b>	<b>9,144</b>	<b>8,275</b>	<b>4,551</b>	<b>6,640</b>
Other operating income	41	60	49	36	0	0
<b>Total operating income</b>	<b>4,959</b>	<b>5,858</b>	<b>9,193</b>	<b>8,310</b>	<b>4,551</b>	<b>6,640</b>
% chg	29.7	18.1	56.9	(9.6)	(45.2)	45.9
<b>Total expenditure</b>	<b>2,417</b>	<b>2,710</b>	<b>4,002</b>	<b>4,810</b>	<b>3,061</b>	<b>4,357</b>
Net raw materials	494	534	858	973	598	768
Other mfg costs	394	391	958	1,973	1,261	1,863
Personnel	77	130	208	268	155	232
Other	1,452	1,654	1,978	1,595	1,047	1,494
<b>EBITDA</b>	<b>2,542</b>	<b>3,149</b>	<b>5,192</b>	<b>3,500</b>	<b>1,491</b>	<b>2,283</b>
% chg	10.4	23.9	64.9	(32.6)	(57.4)	53.1
(% of Net sales)	51.3	53.7	56.5	42.1	32.8	34.4
Depreciation	52	75	96	106	55	80
<b>EBIT</b>	<b>2,490</b>	<b>3,074</b>	<b>5,095</b>	<b>3,394</b>	<b>1,436</b>	<b>2,203</b>
% chg	10.5	23.4	65.7	(33.4)	(57.7)	53.4
(% of Net sales)	50.2	52.5	55.4	40.8	31.5	33.2
Interest charges	4	56	87	433	477	429
Other income	224	426	552	235	211	222
(% of PBT)	8.3	12.4	9.9	7.3	18.0	11.1
Share in profit of asso.	-	-	-	-	-	-
<b>Recurring PBT</b>	<b>2,710</b>	<b>3,445</b>	<b>5,560</b>	<b>3,195</b>	<b>1,170</b>	<b>1,996</b>
% chg	16.6	27.1	61.4	(42.5)	(63.4)	70.5
Extra. Inc/(Expense)	-	-	-	661	-	-
<b>PBT (reported)</b>	<b>2,710</b>	<b>3,445</b>	<b>5,560</b>	<b>3,129</b>	<b>1,170</b>	<b>1,996</b>
Tax	715	806	1,337	1,021	351	599
(% of PBT)	26.4	23.4	24.1	32.6	30.0	30.0
<b>PAT (reported)</b>	<b>1,995</b>	<b>2,639</b>	<b>4,222</b>	<b>2,108</b>	<b>819</b>	<b>1,397</b>
Add: Earnings of asso.	-	-	-	588	2,175	2,095
Less: Minority interest	(7)	(10)	-	-	-	-
Extra. Expense/(Inc.)	-	-	-	-	-	-
<b>PAT after MI (reported)</b>	<b>1,988</b>	<b>2,629</b>	<b>4,222</b>	<b>2,696</b>	<b>2,994</b>	<b>3,492</b>
<b>ADJ. PAT</b>	<b>1,988</b>	<b>2,629</b>	<b>4,222</b>	<b>2,696</b>	<b>2,994</b>	<b>3,492</b>
% chg	28.4	32.2	60.6	(36.2)	11.1	16.6
(% of Net sales)	40.1	44.9	45.9	32.4	65.8	52.6
<b>Basic EPS (₹)</b>	<b>25.3</b>	<b>31.6</b>	<b>49.1</b>	<b>30.3</b>	<b>33.7</b>	<b>39.2</b>
<b>Fully Diluted EPS (₹)</b>	<b>25.3</b>	<b>29.6</b>	<b>47.5</b>	<b>30.3</b>	<b>33.7</b>	<b>39.3</b>
% chg	28.4	17.0	60.6	(36.2)	11.1	16.6

Note: Some of the figures from FY2011 onwards are reclassified; hence not comparable with previous year numbers



**Balance sheet (Consolidated)**

Y/E March (₹ cr)	FY2009	FY2010	FY2011	FY2012	FY2013E	FY2014E
<b>SOURCES OF FUNDS</b>						
Equity Share Capital	79	83	87	87	87	87
Reserves & Surplus	4,637	7,835	12,724	15,031	17,514	20,393
<b>Shareholders Funds</b>	<b>4,716</b>	<b>7,918</b>	<b>12,810</b>	<b>15,118</b>	<b>17,601</b>	<b>20,479</b>
Minority Interest	33	43	-	-	-	-
Total Loans	2	1,961	984	3,734	3,684	3,034
Deferred Tax Liability	66	75	68	105	105	105
Other Long Term Liabilities	-	-	78	3	3	3
Long Term Provisions	-	-	10	12	12	12
<b>Total Liabilities</b>	<b>4,817</b>	<b>9,997</b>	<b>13,950</b>	<b>18,972</b>	<b>21,405</b>	<b>23,633</b>
<b>APPLICATION OF FUNDS</b>						
Gross Block	886	2,751	3,065	4,072	5,072	5,572
Less: Acc. Depreciation	342	574	649	765	820	900
<b>Net Block</b>	<b>544</b>	<b>2,177</b>	<b>2,416</b>	<b>3,307</b>	<b>4,252</b>	<b>4,673</b>
Capital Work-in-Progress	49	79	544	837	487	137
Goodwill	-	-	-	-	-	-
Investments	3,125	4,565	8,800	14,167	16,342	18,437
Long Term Loans and adv.	-	-	196	157	157	157
<b>Current Assets</b>	<b>1,683</b>	<b>4,416</b>	<b>3,642</b>	<b>1,934</b>	<b>1,489</b>	<b>1,829</b>
Cash	18	2,392	897	98	290	280
Loans & Advances	1,103	1,146	1,311	411	411	411
Other current assets	562	879	1,435	1,425	788	1,138
<b>Current liabilities</b>	<b>584</b>	<b>1,240</b>	<b>1,647</b>	<b>1,429</b>	<b>1,322</b>	<b>1,599</b>
<b>Net Current Assets</b>	<b>1,099</b>	<b>3,176</b>	<b>1,995</b>	<b>505</b>	<b>167</b>	<b>230</b>
Mis. Exp. not written off	-	-	-	-	-	-
<b>Total Assets</b>	<b>4,817</b>	<b>9,997</b>	<b>13,950</b>	<b>18,972</b>	<b>21,405</b>	<b>23,633</b>

Note: Some of the figures from FY2011 onwards are reclassified; hence not comparable with previous year numbers

**Cash flow statement (Consolidated)**

Y/E March (₹ cr)	FY2009	FY2010	FY2011	FY2012	FY2013E	FY2014E
Profit before tax	2,710	3,445	5,560	3,129	1,170	1,996
Depreciation	52	75	96	106	55	80
Change in Working Capital	314	179	125	(143)	529	(73)
Others	(221)	(363)	(453.0)	205.0	-	-
Direct taxes paid	721	764	1,368	1,082	351	599
<b>Cash Flow from Operations</b>	<b>2,134</b>	<b>2,571</b>	<b>3,541</b>	<b>2,215</b>	<b>1,403</b>	<b>1,404</b>
(Inc.)/Dec. in Fixed Assets	(147)	(149)	(736)	(726)	(650)	(150)
(Inc.)/Dec. in Investments	(965)	(3,078)	(4,131)	(5,130)	-	-
(Inc.)/Dec. in loans and advances	-	-	-	-	-	-
Others	113	(2,168)	2,068	1,132	-	-
<b>Cash Flow from Investing</b>	<b>(999)</b>	<b>(5,394)</b>	<b>(2,303)</b>	<b>(4,724)</b>	<b>(650)</b>	<b>(150)</b>
Issue of Equity	-	537	-	-	-	-
Inc./(Dec.) in loans	-	2,358	(7)	(57)	(50.0)	(650)
Dividend Paid (Incl. Tax)	138	206	328	558	512	614
Others	1,001	6	65	(788)	-	-
<b>Cash Flow from Financing</b>	<b>(1,139)</b>	<b>2,682</b>	<b>(400)</b>	<b>173</b>	<b>(562)</b>	<b>(1,264)</b>
Inc./(Dec.) in Cash	(3)	(141)	837	(784)	192	(10)
<b>Opening Cash balances</b>	<b>18</b>	<b>14</b>	<b>34</b>	<b>871</b>	<b>87</b>	<b>290</b>
<b>Closing Cash balances</b>	<b>18</b>	<b>34</b>	<b>871</b>	<b>87</b>	<b>290</b>	<b>280</b>

Note: Some of the figures from FY2011 onwards are reclassified; hence not comparable with previous year numbers

### Key ratios

Y/E March	FY2009	FY2010	FY2011	FY2012	FY2013E	FY2014E
<b>Valuation ratio (x)</b>						
P/E (on FDEPS)	6.7	5.7	3.6	5.6	5.0	4.3
P/CEPS	6.5	5.2	3.5	5.4	4.9	4.2
P/BV	2.8	1.8	1.2	1.0	0.9	0.7
Dividend yield (%)	1.3	1.9	3.0	2.4	3.0	3.6
EV/Sales	2.0	1.7	0.7	2.2	3.9	2.6
EV/EBITDA	4.0	3.2	1.2	5.2	12.0	7.6
EV/Total assets	2.1	1.0	0.4	1.0	0.8	0.7
<b>Per share data (₹)</b>						
EPS (Basic)	25.3	31.6	49.1	30.3	33.7	39.2
EPS (fully diluted)	25.3	29.6	47.5	30.3	33.7	39.3
Cash EPS	25.9	32.5	48.5	31.5	34.3	40.1
DPS	2.3	3.3	5.0	4.0	5.0	6.0
Book value	59.9	95.3	144.0	169.9	197.8	230.2
<b>DuPont analysis</b>						
EBIT margin	50.2	52.5	55.4	40.8	31.5	33.2
Tax retention ratio (%)	73.6	76.6	75.9	67.4	70.0	70.0
Asset turnover (x)	0.8	0.5	0.5	0.4	0.3	0.3
RoIC (post-tax)	28.2	20.6	20.5	11.8	5.9	7.7
Cost of debt	-	-	-	-	-	-
Leverage (x)	-	-	-	-	-	-
Operating RoE	28.2	20.6	20.5	11.8	5.9	7.7
<b>Returns (%)</b>						
RoCE (pre-tax)	63.9	41.7	42.8	20.7	7.1	9.8
Angel RoIC (pre-tax)	38.5	27.0	27.5	18.2	8.7	11.2
RoE	51.9	41.6	40.7	19.3	18.3	18.3
<b>Turnover ratios (x)</b>						
Asset T/o (gross block)	6.0	3.2	3.2	2.3	1.0	1.2
Inventory (days)	21	24	25	36	36	36
Receivables (days)	28	20	20	24	24	24
Payables (days)	35	69	78	78	78	78
WC capital (days)	33	12	11	18	19	9
<b>Solvency ratios (x)</b>						
Net debt to equity	(0.7)	(0.6)	(0.7)	0.2	0.2	0.1
Net debt to EBITDA	(1.2)	(1.6)	(1.7)	0.9	1.9	1.0
Interest Coverage (EBIT/Int.)	583.2	55.4	58.4	7.8	3.0	5.1

Note: Some of the figures from FY2011 onwards are reclassified; hence some ratios may not be comparable with previous year ratios

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1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

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<b>Ratings (Returns) :</b>	Buy (> 15%)	Accumulate (5% to 15%)	Neutral (-5 to 5%)
	Reduce (-5% to 15%)	Sell (< -15%)	