

**Assignment Corporate Finance**

**PGCHRM -15**

4/9/2013

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## **About Gammon India Ltd**

The beginning of such a formidable company is to be found in the vision of an equally formidable man. Mr J. C. Gammon was the driving force behind the introduction of prestressed concrete to India. He designed the reinforced concrete piles of the Gateway of India. The foundations of the arch reach deep into the bedrock. With time, he came to be known as the 'Sculptor of Concrete'.

His foresight was fundamental to the company reaching its present stature. His pioneering spirit led to a number of innovations that were the first of their kind.

Gammon India is built on a legacy that has stood the test of time. Technological and design excellence, and a discerning eye for quality and safety are some of the characteristics that distinguish Gammon's tradition for perfection in its areas of operation.

Gammon India is amongst the largest physical infrastructure construction companies in India. Its track record spans significant landmark projects built over several decades, with a prominent presence across all sectors of civil engineering, design and construction. It has a track record of building landmark structures, some of which have become iconic. This includes 'The Gateway of India', the piling and civil foundation work for which was successfully executed by Gammon as its maiden project way back in 1919.

Besides its large scale of operations in the Construction and Infrastructure domain, Gammon has a dominant presence in energy business in which it operates in the hydro, nuclear and thermal power sectors. In fact, Gammon's association with the construction of nuclear power projects dates back to 1959 when it completed the Pre-Stresses Concrete (PSC) Ball Tank of India's first Atomic Reactor Plant in Trombay. Gammon's projects cover businesses and projects involving highways, public utilities, environmental engineering and marine structures. Gammon's expertise also covers the design, financing, construction and operation of modern bridges, viaducts, and metro rail, both on a Built-Operate-Transfer (BOT) basis as well as contract execution. An example is the upcoming 'Signature Bridge' project in Wazirabad in North-West Delhi. This project would significantly help in the efficient flow and management of traffic in the region. Gammon is also active in the Social Infrastructure sector through its operations in the realty project segment. Examples include residential complexes such as Pebble Bay and Godrej WoodsMan Estate in Bangalore, Godrej Kalyan in Mumbai, RNA Exotica, Mumbai; Hotel complexes such as Hotel Leela Palace, Chennai and G Staad, Bangalore besides commercial complexes such as Galleria Mall(INXS) in Bangalore. Gammon is also currently undertaking a major project for ISKON at Sri Mayapur in West Bengal involving the construction of a temple complex and a modern cultural centre.

Gammon international include a majority holding in Franco Tosi Meccanica, SAE Power lines, and Sofinter group, Italy spanning the sectors of power and industrial boilers as well as waste and environment management systems. Gammon has received accolades and recognitions from a variety of reputed institutions. Examples include the Indian Concrete Institute Award for most outstanding concrete structure presented for the segmental arch bridge across the River Beas (Himachal Pradesh)

and the first prize for 'Excellent Aesthetics' for the Vidyasagar Sethu Project across the River Hoogly in Kolkata.

Currently Gammon India has a strong talent base of over 3350 employees on its own rolls apart from 5500 officers and staff working under its aegis at various project sites. It further engages more than 200,000 labour/staff on daily wage basis. Its stand-alone turnover in financial year 2011-12 was close to US \$ 1.1 billion with the Group's turnover in excess of US \$ 1.6 billion.

### Gallery



### Gammon's Corporate Social Responsibility

Gammon's commitment to Corporate Social Responsibility (CSR) means being accountable for our actions to a broad range of stakeholders- investors, employees, customers, suppliers, communities, business partners, host governments and others who have a stake in how our company conducts itself. Gammon has long-established core values associated with health and safety, environment, social and economic.

We recognise the importance of both financial and non-financial performance in our efforts to maintain long-term, sustainable performance for the Company.

We put our policies into practice every day as we manage our business to promote sustainable social, environmental and economic benefits to all stakeholders wherever Gammon operates.

**Awards, Accolades & Certificates**

Awards	Projects	Year
MSRDC Award for J.J. Hospital to Palton Road	J.J. Hospital	2002
ACCE-L&T Endowment Award for Excellence in construction of Haldia Induced Draught Cooling Towers	Induced Draught Cooling Towers at Haldia	2001
IIBE -7th Annual Award Nite for Flyover at Doveton Jn.Chennai	Doveton Jn. Chennai	2001
IIBE-7th Annual Award Nite for Noida Bridge at Delhi	Noida Bridge at Delhi	2001
ACCE-L&T Endowment Award for Excellence in construction of Industrial Structure, Raichur Natural Draft Cooling Towers	Raichur Multiflue Chimney	2000
ICI-MC-Bauchemie Award for the Most Outstanding Bridge, Kaladan Bri dge	Kaladan Bridge	2000
ICI-MC-Bauchemie Award for the Most Outstanding Bridge, Jadukata Bridge	Jadukata Bridge	1999
ACCE-Sarvamangala Award for Excellence In Construction of Karbude Tunnel	Konkan Railway Tunnel and Viaduct	1999
ACCE-L&T Endowment Award for Excellence In Construction of Industrial Structure, Kothgudem, Natural Draft R.C Cooling Towers	Kothgudem Coolling Tower	1998
IIBE- Most Outstanding Bridge National Award , For CMLR Vashi Flyover	CMLR Vashi Flyover	1998
IIBE- Most Outstanding National Award TO P.V.Raj Memorial.	P.V.Raj Memorial	1995
awardsificate of Merit for Akkar Bridge	Akkar Bridge	1988
The Arch of Europe Gold Award	Ganga Bridge	1987
IFAWPCA awardsificate for Sindhri Horizontal Silos	Sindhri Horizontal Silos	1971
IFAWPCA awardsificate for Thane Creek Bridge	Thane Creek Bridge	1971

IFAWPCA Builders Award to Gammon India LTD	1970
Award By Gujarat Electricity Board	Gujarat Electricity Board 1965

**▼ Accolades**

**Accolades**

American Concrete Institute Merit for excellence in concrete construction. Akkar Bridge in Sikkim.

Gammon India Limited has been ranked 4th as per total income in the construction and allied activities sector according to Dun and Bradstreet’s India’s Top 500 companies.

VII International Trophy for Technology- Frankfurt, Germany.

ICI-MC-Bauchemie, Outstanding Concrete Structure Award for Sutlej Bridge, Punjab.

Construction World Putzmeister Trophy to one of India’s most admired construction companies.

Indian Concrete Institute Award for most outstanding concrete structure presented to the segment arch bridge across the river Beas at Ramshilla in Himachal Pradesh.

Best Structure Award- JJ Flyover. Sculpture in Concrete. Gammon’s gift to Mumbai. Awarded by the Builder’s Association of India.

ICI-MC-Bauchemie Award, The most outstanding Concrete Structure, Presented to Kaldan Bridge in Mizoram.

IIBA Indian Institute of Bridge Engineers, Most Outstanding National Bridge Award 1995, 1st Prize for Excellent Aesthetics matching with Environment to the Vidyasagar Setu, across the Hoogly.

**▼ Certificates**

<b>Certificates</b>	<b>Projects</b>	<b>Year</b>
Indian Concrete Institute Award for Outstanding concrete Structure Bridge on Sutlej River, Punjab	Bridge on Sutlej River, Punjab	2006
Export Award for Maximum overseas Construction Contracts Secured	Bridge on Sutlej River, Punjab	2004-05
Zero Accident By Gammon awardsificate From Nuclear Power Corporation of India Limited	Kaiga Project Unit 3 & 4	2003
Parayavaram - Mittra Samman awardsificate	Sr Abhijeet Rajan	2002-03

ICI-MC- Bauchemie Award for the Most Outstanding Concrete Structure ,J.J.Hospital to Paltan Road Section	J.J.Hospital to Paltan Road Section	2001-02
ICI-MC- Bauchemie Award for the Most Outstanding Concrete Structure , Delhi Noida Bridge	Delhi Noida Bridge	2001
ACCE-L&T Endowment Award for Excellence in Construction of Haldia Induced Draught Cooling Towers	Induced Draught Cooling Towers at Haldia	2001
ACCE-L&T Endowment Award for Excellence in Construction of Industrial Structure ,Raichur Natural Darft Cooling Tower	Raichur Multiflue Chimney	2000
ACCE-Simplex Concrete Piles in Calcutta	Jadukata Bridge	2000
DNV Management System awardsificate	ISO-9001-2000	2000
Indian Building Congress Award for Ecellence in Build Environment for Racihur N.D. Cooling Tower Unit 5&6	Raichur N.D. Cooling Towers	2000
ICI-MC- Bauchemie Award for the Most Outstanding concrete Structure for Kaladan Bridge in Mizram	Kaladan Bridge In Mizram	1999-2000
ACCE-Savamangla Award for Excellence in constructiion of Karbude Tunnel	Karbude Tunnel	1999
Indian Institution of Bridge Engineers Guwahati state centre	Guwahati state Centre	1998
ICI-MC-Bauchemie Awardfor thr Most Outstanding concrete Structure for Jadukatta Bridge in Maghalaya	Jadukatta Bridge in Maghalaya	1997-98
awardsificate of Participation	For Gammon India	1997
XVII All India Builders Association of India awardsificate of Attendance	For Gammon India	1997
IIBE S.B.Joshi Memorial National Most Outstanding Bridge Award	For S.B. Joshi Memorial National	1993
VII International Troply For Technology	For Gammon India	1986

## Introduction to Corporate Finance

### Balance Sheet

<b>Consolidated Balance Sheet of Gammon India</b>					
----- in Rs. Cr. -----					
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
<b>Sources Of Funds</b>					
Total Share Capital	27.5	27.49	25.83	17.69	17.69
Equity Share Capital	27.5	27.49	25.83	17.69	17.69
Share Application Money	0	0	18.6	4.02	0
Preference Share Capital	0	0	0	0	0
Init. Contribution Settler	0	0	0	0	0
Preference Share Application Money	0	0	0	105	0
Employee Stock Option	0	2.08	4.01	4.39	1.14
Reserves	2,145.55	1,875.63	1,783.68	1,247.42	1,156.62
Revaluation Reserves	0	257.03	262.32	245.56	249.66
<b>Networth</b>	<b>2,173.05</b>	<b>2,162.23</b>	<b>2,094.44</b>	<b>1,519.08</b>	<b>1,425.11</b>
Secured Loans	5,002.61	4,246.25	3,292.04	2,460.82	1,315.82
Unsecured Loans	3,394.52	2,766.10	1,963.05	1,866.53	371.4
<b>Total Debt</b>	<b>8,397.13</b>	<b>7,012.35</b>	<b>5,255.09</b>	<b>4,327.35</b>	<b>1,687.22</b>
Minority Interest	318.3	299.24	230.02	231.83	148.21
Policy Holders Funds	0	0	0	0	0
Group Share in Joint Venture	0	0	0	0	0
<b>Total Liabilities</b>	<b>10,888.48</b>	<b>9,473.82</b>	<b>7,579.55</b>	<b>6,078.26</b>	<b>3,260.54</b>
<b>Application Of Funds</b>					
Gross Block	8,363.82	5,647.54	4,796.07	4,330.57	1,729.54
Less: Accum. Depreciation	1,198.00	1,383.88	1,218.93	1,043.05	396.27
<b>Net Block</b>	<b>7,165.82</b>	<b>4,263.66</b>	<b>3,577.14</b>	<b>3,287.52</b>	<b>1,333.27</b>
Capital Work in Progress	90.37	1,867.73	1,692.26	1,274.98	440.59
Investments	328.37	257.69	92.54	94.75	165.12
Inventories	3,547.44	2,280.60	2,146.46	1,558.29	780.57
Sundry Debtors	2,916.04	3,083.07	3,016.50	2,719.00	757.85
Cash and Bank Balance	747.03	572.04	553.16	526.21	364.39
Total Current Assets	7,210.51	5,935.71	5,716.12	4,803.50	1,902.81
Loans and Advances	1,868.31	2,272.28	1,636.59	1,622.94	574.54
Fixed Deposits	0	0	0	85.16	19.15
Total CA, Loans & Advances	9,078.82	8,207.99	7,352.71	6,511.60	2,496.50
Deffered Credit	0	0	0	0	0
Current Liabilities	5,228.31	4,140.21	4,235.25	4,134.02	974.82



Provisions	546.59	983.04	899.85	853.87	201.51
Total CL & Provisions	5,774.90	5,123.25	5,135.10	4,987.89	1,176.33
Net Current Assets	3,303.92	3,084.74	2,217.61	1,523.71	1,320.17
Minority Interest	0	0	0	0	0
Group Share in Joint Venture	0	0	0	0	0
Miscellaneous Expenses	0	0	0	2.3	1.39
Total Assets	10,888.48	9,473.82	7,579.55	6,183.26	3,260.54
Contingent Liabilities	2,750.99	5,858.64	1,947.33	5,340.68	485.88
Book Value (Rs)	160.05	140.2	141.99	145.84	135.38

**Sources Of Funds** It is very clear and prominent from the numbers of last five years that company has shown an upward trend in last five years where its Total Share Capital has increased from Rs 17.69 cr to Rs 27.50 cr which is an increase of Rs 9.81 cr. Apart from Total Share Capital there has also been an increase in company's Equity Share Capital and Reserves. The company's reserves has increased gradually without showing any special effect unlike Total Share Capital

These figures when compared with Unitech (its Peer) we can say that Unitech's Total Share Capital also has increased from Rs 324 to Rs 523 i.e a rise of Rs 198 cr which is much higher than Gammon whereas the Networth of Unitech has increased from Rs 3647 to Rs 12023 cr i.e an increase of Rs 8376 cr

**Networth** The company's Networth has increased from Rs 1,519.08 cr to Rs 2,173.05 i.e an increase of Rs 747.94 cr

**Total Debt & Total Liabilities** Since the company has been growing so company should require more funds to finance its current and future projects. Hence, liabilities should also go up as the earning capacity has gone up. Now let us come to see the numbers. Yes, we are right the company's Total Debt has increased Rs 1,687.22 cr to Rs 8,397.13 cr. Also on comparing the numbers for company's UnSecured and Secured Loans we have seen that both the types of loans has shown an increase of Rs 3,023 cr and Rs 3,686 cr respectively. Now, let us move to the Application of Funds and Net worth of the company to further support our statement about company's growth

Its peer Unitech has shown an increase of Rs 1119 cr by reaching at Rs 15301 cr from Rs 14182

**Application Of Funds** Though there is an increase in Inventories, Cash & Bank Balances, Total Current Assets, Investments and Net Worth of the company. There is also an increase in Working Capital of the company which is required as in a Construction and Engineering Company.

**Linkages between Balance Sheet and P/L Statement for Gammon India Ltd for Mar 12**

Total Sales	8,228.27						<b>Assets Side</b>	
Add : Other Income	142.50						Cash & Bank Balances	747.03
Less: Cost of Goods Sold	94.98						Accounts Receivable	
Gross Profit	6.05						Loans and Advances	1,868.31
Less : Operating/Other Expenses	6,208.23						Inventories	3,547.44
EBITDA	2,067.56						Current Assets	7,210.51
Less : Interest	652.83						Fixed Assets	0
Less : Depreciation & Amortization	242.96						Other Assets (Investments, Goodwill, etc.)	328.37
Profit before Tax	1,171.77						<b>Total Assets</b>	10,888.48
Less : Tax	89.27						<b>Liabilities Side</b>	
Net Income	1,082.50						Accounts Payables	
							Other Current Liabilities & Provisions	5,228.31
							Total Current Liabilities & Provisions	5,774.90
							Long-term Liabilities	8,397.13
							Net Worth	2,173.05
							Total Liabilities	8,715.43

**Profit and Loss Statement**

<b>Consolidated Profit and loss of Gammon India</b>					
----- in Rs. Cr. -----					
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
<b>Income</b>					
Sales Turnover	8,228.27	8,929.68	7,135.99	5,265.98	2,643.46
Excise Duty	78.93	86.04	66.14	46	0
Net Sales	8,149.34	8,843.64	7,069.85	5,219.98	2,643.46
Other Income	142.5	493.88	53.47	73.21	23.8
Stock Adjustments	74.72	-4.68	-32.02	0	0
<b>Total Income</b>	8,366.56	9,332.84	7,091.30	5,293.19	2,667.26
<b>Expenditure</b>					
Raw Materials	94.98	0	0	0	0
Power & Fuel Cost	215.44	2.61	1.84	1.5	1.11
Employee Cost	968.87	262.4	206.94	213.92	42.43
Other Manufacturing Expenses	4,981.61	7,778.52	5,834.05	4,389.55	2,233.46
Selling and Admin Expenses	0	225.31	186.97	90.77	27.03
Miscellaneous Expenses	1,226.62	51.65	67.57	26.75	26.52
Preoperative Exp Capitalised	0	-28.34	0	-1.21	-0.35
Total Expenses	7,487.52	8,292.15	6,297.37	4,721.28	2,330.20
<b>Operating Profit</b>	736.54	546.81	740.46	498.7	313.26
PBDIT	879.04	1,040.69	793.93	571.91	337.06
Interest	652.83	521.86	420.59	276.64	117.86
PBDT	226.21	518.83	373.34	295.27	219.2
Depreciation	242.96	241.23	198.11	143.91	88.32

Other Written Off	0	0.97	1.19	0.23	0.08
Profit Before Tax	-16.75	276.63	174.04	151.13	130.8
Extra-ordinary items	-6.25	-11.64	-19.94	5.39	-2.2
PBT (Post Extra-ord Items)	-23	264.99	154.1	156.52	128.6
Tax	89.27	143.2	97.46	84.42	64.44
<b>Reported Net Profit</b>	-114.81	125.18	56.6	72.1	64.16
Minority Interest	6.51	7.45	4.34	13.91	7.97
Share Of P/L Of Associates	-16.18	7.7	6.56	1.87	-15.1
Net P/L After Minority Interest & Share Of Associates	-60.79	118.25	65.68	50.93	73.49
Total Value Addition	7,392.54	8,292.15	6,297.37	4,721.28	2,330.20
Preference Dividend	0	0	6.07	6.3	0
Equity Dividend	2.96	10.06	7.65	6.5	4.34
Corporate Dividend Tax	7.73	7.52	2.28	2.17	0.74
<b>Per share data (annualised)</b>					
Shares in issue (lakhs)	1,357.75	1,357.39	1,274.39	867.45	867.45
<b>Earning Per Share (Rs)</b>	-8.46	9.22	3.97	7.59	7.4
Equity Dividend (%)	0	0	0	0	0
<b>Book Value (Rs)</b>	160.05	140.2	141.99	145.84	135.38

## Analysis

The net sale of the company has grown 4 times since last 5 yrs from Rs 2643 cr to Rs 8149 cr. As the company has been growing its employee cost, raw material (potential to purchase more raw material), manufacturing cost has also gone up.

The Earnings per share has gone down last year as compared to previous year. However, there is a constant increase in the book value of the firm except for a small dip in Mar 11 with operating profit getting doubled in last five years from Rs 313 cr to Rs 736 cr

Its competitor Unitech on the other hand has shown a decline of Rs 1692 cr and 1602 in Net Sales and Total Income respectively.

The Earnings per share has gone down from Rs 10.28 to Rs 0.94 whereas book value has gone up from Rs 22.47 cr to Rs 45.96 cr ie an increase of Rs 23.49 cr which is very less as compared to Gammon India ltd

**Finance Ratio**

Gammon India					
----- in Rs. Cr. -----					
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
<b>Investment Valuation Ratios</b>					
Face Value	2	2	2	2	2
Dividend Per Share	--	--	--	--	--
Operating Profit Per Share (Rs)	54.25	40.28	58.1	57.49	36.11
Net Operating Profit Per Share (Rs)	600.21	651.52	554.76	601.76	304.74
Free Reserves Per Share (Rs)	--	113.68	117.69	127.43	123.72
Bonus in Equity Capital	4.21	4.21	4.49	6.55	6.55
<b>Profitability Ratios</b>					
Operating Profit Margin(%)	9.03	6.18	10.47	9.55	11.85
Profit Before Interest And Tax Margin(%)	5.92	3.27	7.6	6.73	8.41
Gross Profit Margin(%)	6.05	3.45	7.67	6.79	8.5
Cash Profit Margin(%)	2.1	3.82	3.97	3.51	6.05
Adjusted Cash Margin(%)	2.1	3.82	3.97	3.51	6.05
Net Profit Margin(%)	-1.26	1.18	0.64	1.06	2.66
Adjusted Net Profit Margin(%)	-1.26	1.18	0.64	1.06	2.66
Return On Capital Employed(%)	6.38	8.74	8.5	7.18	8.94
Return On Net Worth(%)	-4.83	5.78	2.19	3.96	6.07
Adjusted Return on Net Worth(%)	-3.11	6	4.33	2.76	6.27
Return on Assets Excluding Revaluations	160.05	140.2	141.99	145.58	135.22
Return on Assets Including Revaluations	160.05	159.14	162.57	173.89	164
Return on Long Term Funds(%)	6.38	11.89	9.95	9.74	9.44
<b>Liquidity And Solvency Ratios</b>					
Current Ratio	1.57	1.05	1.17	1.01	1.72
Quick Ratio	0.95	1.14	1	0.97	1.46
Debt Equity Ratio	3.86	3.68	2.9	3.42	1.44
Long Term Debt Equity Ratio	3.86	2.58	2.38	2.26	1.4

**Analysis and thoughts**

Previously from Balance sheet we saw that there was an increase in company's sale, assets and Book Value. However by looking at various profitability ratios we found that its profit margin has gone as compared to year 2008

Also the current and quick ratio has come down which is due to increase in current liabilities. However, the current assets and inventory by Rs 2766 cr and Rs 5307 cr respectively

Debt Equity Ratio has been stable in last two years whereas Long Term Debt to Equity Ratio is also ranging from 2.30 to 3.90 in last few years

While comparing these numbers with Unitech we found that it has comparatively better Current, Quick, Debt Equity Ratio and Long Term Debt to Equity Ratio as 1.82, 1.52, 0.27 and 0.18 which are quite healthy and better as compared to Gammon India Ltd

### Below are the some important formulae

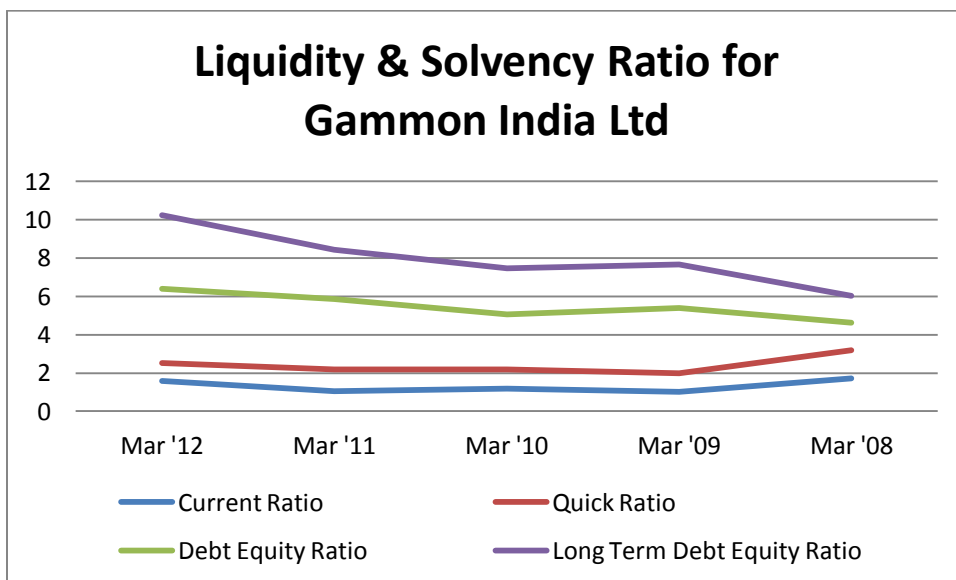
#### Liquidity Ratio

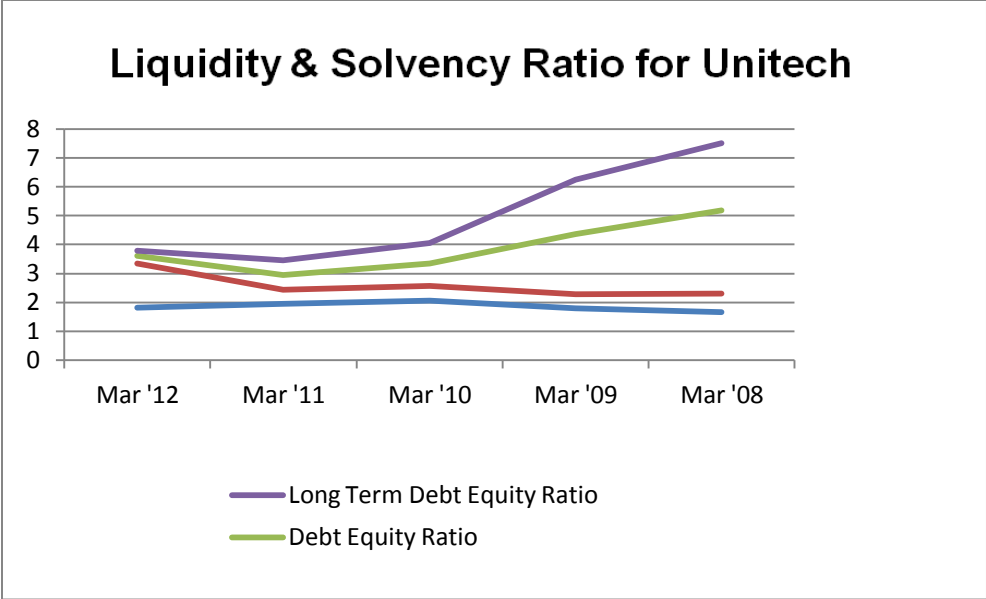
- Current Ratio =  $CA/CL$
- Quick Ratio =  $(CA - Inventory) / \text{Current Liabilities}$
- Debt Equity Ratio =  $(\text{Current Liability} + \text{Long Term liability}) / \text{Networth}$
- Long Term Debt Equity Ratio =  $\text{Long Term Liability} / \text{Net worth}$

#### Profitability Measures

- Operating Profit Margin =  $\text{Operating Profit} / \text{Sales}$
- Net Profit Margin =  $\text{Net Income} / \text{Sales}$
- Gross Profit Margin =  $\text{Gross Profit} / \text{Sales}$
- Return on Assets =  $\text{Net Income} / \text{Total Equity}$
- Return on Equity =  $\text{Net Income} / \text{Total Equity}$

Graphical Comparison of Liquidity Ratios for Gammon and Unitech





**APPENDIX**

For all the comparisons done with Unitech below are its Balance Sheet (consolidated) , Profit and Loss Statement and Financial Ratios

<b>Consolidated Balance Sheet of Unitech</b>					
----- in Rs. Cr. -----					
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
<b>Sources Of Funds</b>					
Total Share Capital	523.26	523.26	487.76	324.68	324.68
Equity Share Capital	523.26	523.26	487.76	324.68	324.68
Share Application Money	0	0	0	0	0
Preference Share Capital	0	0	0	0	0
Init. Contribution Settler	0	0	0	0	0
Preference Share Application Money	0	0	0	0	0
Employee Stock Option	0	0	225.2	0	0
Reserves	11,500.58	11,060.36	9,698.17	4,884.35	3,322.48
Revaluation Reserves	0	0	0	0	0.53
Networth	12,023.84	11,583.62	10,411.13	5,209.03	3,647.69
Secured Loans	2,177.61	3,850.26	6,573.96	9,493.76	8,144.74
Unsecured Loans	1,028.46	2,000.48	1,224.55	1,354.24	2,321.24
Total Debt	3,206.07	5,850.74	7,798.51	10,848.00	10,465.98
Minority Interest	71.79	48.87	31.25	21.9	68.66
Policy Holders Funds	0	0	0	0	0
Group Share in Joint Venture	0	0	0	0	0
Total Liabilities	15,301.70	17,483.23	18,240.89	16,078.93	14,182.33
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
<b>Application Of Funds</b>					
Gross Block	3,539.73	3,701.73	3,079.17	2,863.19	1,224.62
Less: Accum. Depreciation	204.42	153.92	134.43	100.25	66.11
Net Block	3,335.31	3,547.81	2,944.74	2,762.94	1,158.51
Capital Work in Progress	1,120.01	1,578.96	1,311.83	1,175.77	2,098.24
Investments	1,747.63	1,612.54	1,242.69	958.72	656.23
Inventories	5,026.58	19,440.51	17,207.04	15,775.60	13,607.56
Sundry Debtors	1,838.42	2,147.42	1,267.04	931.03	745.98
Cash and Bank Balance	318.55	450.94	477.53	550.24	1,012.51
Total Current Assets	7,183.55	22,038.87	18,951.61	17,256.87	15,366.05

Loans and Advances	9,767.15	3,384.33	3,155.83	3,489.49	3,704.64
Fixed Deposits	0	0	132.01	94.6	395.75
Total CA, Loans & Advances	16,950.70	25,423.20	22,239.45	20,840.96	19,466.44
Deffered Credit	0	0	0	0	0
Current Liabilities	7,742.34	14,526.71	9,991.60	10,184.09	8,262.18
Provisions	109.6	152.57	134.08	29.69	935
Total CL & Provisions	7,851.94	14,679.28	10,125.68	10,213.78	9,197.18
Net Current Assets	9,098.76	10,743.92	12,113.77	10,627.18	10,269.26
Minority Interest	0	0	0	0	0
Group Share in Joint Venture	0	0	627.84	554.29	0
Miscellaneous Expenses	0	0	0.01	0.03	0.06
Total Assets	15,301.71	17,483.23	18,240.88	16,078.93	14,182.30
Contingent Liabilities	2,812.82	1,261.89	1,282.61	3,459.07	1,415.87
Book Value (Rs)	45.96	44.27	41.77	32.09	22.47

## Profit &amp; Loss Statement

<b>Consolidated Profit &amp; Loss account of Unitech</b>					
----- in Rs. Cr. -----					
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Income					
Sales Turnover	2,429.57	3,187.09	2,836.36	2,848.79	4,114.85
Excise Duty	7.71	0.06	0.59	4.47	0.72
Net Sales	2,421.86	3,187.03	2,835.77	2,844.32	4,114.13
Other Income	208.05	105.03	175.67	460.11	163.87
Stock Adjustments	32.14	11.93	-3.1	-5.43	-13.29
Total Income	2,662.05	3,303.99	3,008.34	3,299.00	4,264.71
Expenditure					
Raw Materials	135.4	158.92	125.57	96.01	78.02
Power & Fuel Cost	88.21	47.84	42.48	58.61	53.89
Employee Cost	161.96	121.31	104.47	118.51	106.98
Other Manufacturing Expenses	1,430.81	1,607.94	1,461.04	772.47	1,464.77
Selling and Admin Expenses	0	0	66.8	83.64	84.48
Miscellaneous Expenses	309.52	339.09	41.05	105.96	60.78
Preoperative Exp Capitalised	0	0	0	0	0
Total Expenses	2,125.90	2,275.10	1,841.41	1,235.20	1,848.92



Operating Profit	328.1	923.86	991.26	1,603.69	2,251.92
PBDIT	536.15	1,028.89	1,166.93	2,063.80	2,415.79
Interest	56.28	145.46	211.56	602.01	327.14
PBDT	479.87	883.43	955.37	1,461.79	2,088.65
Depreciation	43.4	31.86	34.11	20.92	20.53
Other Written Off	0	0	0.02	0.19	0.32
Profit Before Tax	436.47	851.57	921.24	1,440.68	2,067.80
Extra-ordinary items	-1.6	0.52	-15.97	-1.28	-0.53
PBT (Post Extra-ord Items)	434.87	852.09	905.27	1,439.40	2,067.27
Tax	188.66	270.38	226.38	242.39	398.59
Reported Net Profit	246.21	583.55	678.67	1,195.53	1,668.66
Minority Interest	8.07	10.38	3.14	-2.15	12.87
Share Of P/L Of Associates	0.77	5.51	0.48	1.24	-5.54
Net P/L After Minority Interest & Share Of Associates	238.97	565.29	691.02	1,197.71	1,661.87
Total Value Addition	1,990.49	2,116.17	1,715.84	1,139.20	1,770.90
Preference Dividend	0	0	0	0	0
Equity Dividend	-26.16	26.16	85.51	20.44	40.58
Corporate Dividend Tax	-3.61	4.24	8.1	3.47	6.9
Per share data (annualised)					
Shares in issue (lakhs)	26,163.01	26,163.01	24,388.01	16,233.75	16,233.75
Earning Per Share (Rs)	0.94	2.23	2.78	7.36	10.28
Equity Dividend (%)	0	0	0	0	0
Book Value (Rs)	45.96	44.27	41.77	32.09	22.47

**Financial Ratios**

<b>Consolidated Key Financial Ratios of Unitech</b>					
	----- in Rs. Cr. -----				
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
<b>Investment Valuation Ratios</b>					
Face Value	2	2	2	2	2
Dividend Per Share	--	--	--	--	--
Operating Profit Per Share (Rs)	1.25	3.92	4.06	9.87	13.87
Net Operating Profit Per Share (Rs)	9.26	11.93	11.63	17.52	25.34
Free Reserves Per Share (Rs)	--	40.16	35.21	25.68	19.23
Bonus in Equity Capital	60.45	60.45	64.85	97.42	97.42
<b>Profitability Ratios</b>					
Operating Profit Margin(%)	13.54	28.98	34.94	56.33	54.73
Profit Before Interest And Tax Margin(%)	10.82	27.09	32.01	47.9	52.71
Gross Profit Margin(%)	11.75	27.98	33.74	55.59	54.23
Cash Profit Margin(%)	11.07	18.62	23.63	36.78	38.86
Adjusted Cash Margin(%)	11.07	23.32	23.63	36.78	38.86
Net Profit Margin(%)	9.02	17.24	22.58	36.24	39.24
Adjusted Net Profit Margin(%)	9.02	17.24	22.58	36.24	39.24
Return On Capital Employed(%)	3.23	5.71	6.17	12.68	16.65
Return On Net Worth(%)	1.97	4.9	6.62	22.96	45.55
Adjusted Return on Net Worth(%)	2.06	6.34	6.6	22.9	44.53
Return on Assets Excluding Revaluations	45.96	44.31	41.77	32.09	22.47
Return on Assets Including Revaluations	45.96	44.31	41.77	32.09	22.47
Return on Long Term Funds(%)	3.48	6.12	6.39	13.62	19.38
<b>Liquidity And Solvency Ratios</b>					
Current Ratio	1.82	1.94	2.07	1.79	1.67
Quick Ratio	1.52	0.49	0.5	0.5	0.64
Debt Equity Ratio	0.27	0.51	0.77	2.08	2.87
Long Term Debt Equity Ratio	0.18	0.51	0.71	1.87	2.32