

## DCM Shriram Consolidated

Rs. 55

DCM Shriram Consolidated is a business conglomerate with extensive and growing presence across the entire agri-rural value chain and Chloro-Vinyl industry. The Agri-Rural Business includes fertilisers, sugar, bioseeds, fuel retail and farm solutions business that provides agri-inputs across 30000 retailers in the country. The Chloro-Vinyl Business includes manufacturing of Chlor-alkali, PVC resins, PVC compounds and Cement. Company also has captive power capacity of 283 MW and part of the power is sold to the grid.

The Bioseed and Chloro-Vinyl business have been doing really well and these business alone are worth twice as much as what the whole company is being valued at right now! The Sugar and Fertiliser business are not doing well due to unfavourable government policies but these business are unlikely to bleed much further and their performance should improve in the coming years. The management has been restructuring the company, focussing on improving profitability, and this has reflected in the financials.

At the current market price, the business is valued at only Rs 900 cr. The company is expected to post revenue close to Rs 6200 cr and profit of over Rs 180 cr in this financial year.

In our interaction with the management, they indicated that they are looking at various options to unlock shareholder value. Management is transparent, professional and investor friendly. DCM Shriram Consolidated has a healthy balance sheet and the stock has limited downside. We expect the stock to quote in triple digits in a year's time.

### Stock Data

Market Cap (Cr):	910
Year high:	69
Year Low:	49
EPS:	11
P/E:	5
Book Value	98
P/BV:	0.6

### Shareholding Pattern

Promoter:	62.53%
Institution:	11.55%
Non Institution:	25.92%

### Financial Performance

	FY13	FY12
Revenue	5770	5203
Net Profit	253	50
EPS	15.25	3

### Key Financial Data

Net Debt (Rs Cr)	474
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