

Century Textile & Industries Ltd

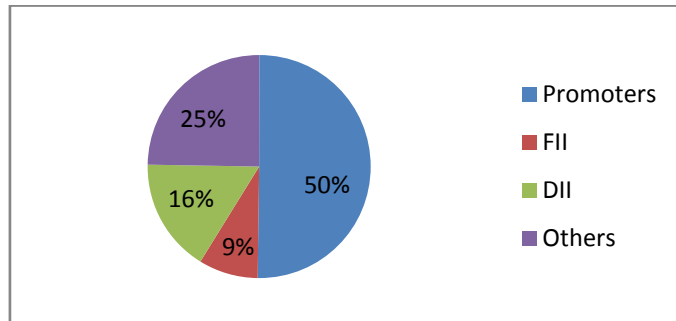
Accumulate

Target Price: Rs 1329

Value Parameters -

BSE Code	500040
NSE Symbol	CENTURYTEX
CMP	Rs.1200
Face Value	Rs 10
52 Week High/Low	1471/915
Market Cap (Rs cr)	13,491
EPS (TTM)	29.53
PE ratio (x)	40.61

Shareholding Pattern % (Dec'17)



Company Overview

Century Textiles & Industries Ltd has a wide portfolio that includes the manufacture of Yarn, Denim, Viscose filament rayon yarn, Tyrecords, Caustic soda, Sulfuric acid, Salt, cement, Pulp & paper and Real-Estate.

Textiles (Cotton fabrics, Denim cloth, Yarn, Viscose Filament Yarn & Tyre Yarn):

Cotton textiles and yarn faced various challenges during the year, including sluggish demand in domestic and export markets, the possibility of a pickup of demand from

USA and other importing countries for textile products is likely to improve the performance of this business segment

Cement During the FY 2016-17, the Company has produced 9.9 million tons of cement as compared to 10.2 million tons previous year, witnessing a de-growth of 3%.

Pulp and paper Century textile is the only Indian paper company producing all types of paper products like writing and printing paper, copier paper, and tissue & board.

During the year, quarter over quarter, this segment continued to improve its performance.

Real Estate: Company has developed a commercial property on the land adjacent to its registered office in Worli, Mumbai; **called Birla Aurora &** is leased out to the extent **of about 90% and Birla Centurion is leased out to the extent of 60%.**

Company **aims to increase revenues from the Real-Estate segment.**

Outlook & valuation

Century textile has been continuously growing and diversifying its business, Cement contributes 4328Cr to total revenue (TTM).

Textile contributes 682Cr (Adjusted for transfer of VFY/VSJ business to Grasim Industries) to total revenue (TTM).

Pulp & Paper and Real-Estate contribute 2196Cr and 125 Cr respectively to total revenue.

We have valued each segment differently with different valuation metrics according to industry average and our estimated market cap comes to 14,887Cr. Based on this we **arrive at fair price of Rs. 1329.** We have **'Accumulate'** rating on the stock, on the back of healthy profit growth in trailing twelve months.

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