

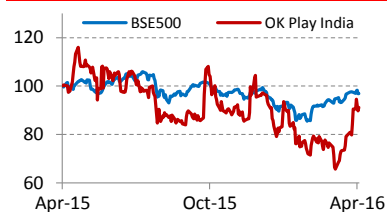
Ok Play India Ltd.

Market data

Current price*	Rs 131.4 (BSE)
Market cap *	Rs 2362.8 m
Face value	Rs 10
BSE Code	526415
No. of shares	17.9 m
Free float	39.6%
52 week H/L*	Rs 175.7 /94.2

*as on 10th May 16

Rs 100 invested is now worth



Stock price performance

	OK PLAY	BSE-500
1-Yr	-10%	-3%
3-Yr	295%	39%
5-Yr	533%	41%

Shareholding (Sep-2015)

Category	(%)
Promoters	60.4
DII's	0.0
FII's	0.0
Others	39.6
Total	100.0

Report prepared by

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Company overview

OK Play India Limited is engaged in the business of plastic moulded products, such as point of purchase (POP) products, industrial products, infrastructure & automobile products and children products. The company also produces school furniture, playground equipment, mannequins and plastic toys. OK Play Auto Private Limited is the company's subsidiary. The company's automotive and industrial products include air duct, air filter, air filter hose, bus seat, cab roof, cabinet, canopy, console, duct, expansion tank and front console, among others. The Company's range of school furniture includes chowki, chair and dual desk, among others. The company's manufacturing facilities are located at Sohna in Haryana and Ranipet in Tamil Nadu.

Company strengths

OK Play is the largest manufacturer of plastic moulded toys, fun-stations, playground equipment and children's furniture in India. The company's products are distributed all over the country through a network of distributors and retailers. The company has tied up with many international leading brands from countries such as the USA, the UK, Germany, Belgium and Japan. The company has signed up an agreement with Ashok Leyland Limited. The agreement is for supply of moulded plastic fuel tanks for LCV, ICV and HCV components of Ashok Leyland and its joint venture companies. This, coupled with the Rate Contract from the government of Haryana for the supply of dual desks, has put the company on a strong footing. Also, the company's importance for products made of metal and wood has yielded good results.

Industry overview

The Indian plastics industry made its beginning with the production of polystyrene. Thereafter, with significant progress along the years, the industry now has grown and diversified rapidly. The industry spans across the country and hosts more than 2,000 exporters (Source – IBEF website). It employs about 4 million people and comprises more than 30,000 processing units. Around 85-90% of these units are small and medium-sized enterprises. India stands as one of the most promising exporters of plastics among developing countries. The industry offers excellent potential in terms of capacity, infrastructure and cheap labour availability. Further, it is supported by a large number of polymer producers, and plastic process machinery and mould manufacturers in the country. The major strength of the industry is the availability of raw materials in the country.

Financials at a glance

(Rs m)	FY11	FY12	FY13	FY14	FY15
Sales	382	389	564	978	630
Sales growth (%)	-20.7%	1.7%	45.0%	73.5%	-35.5%
Operating profit	50	-41	116	154	-103
Operating profit margin (%)	13.0%	-10.4%	20.6%	15.8%	-16.3%
Net profit	-31	-74	-22	-89	-27
Net profit margin (%)	-8.0%	-18.9%	-4.0%	-9.1%	-4.3%
No. of shares (m)	15.98	15.98	16.98	17.08	17.08
Balance Sheet					
Current assets	756	787	844	911	887
Fixed assets	476	478	534	544	569
Investments	0	0	0	0	0
Other assets	78	108	116	20	41
Total Assets	1,310	1,373	1,493	1,475	1,497
Current liabilities	389	483	639	790	722
Net worth	445	373	376	288	288
Long term debt	470	511	473	392	481
Other liabilities	6	6	6	6	6
Total liabilities	1,310	1,373	1,493	1,475	1,497

Note: Financial results are consolidated wherever applicable else standalone

Company Fundamentals

Parameters	FY13	FY14	FY15
Sales per share (Rs)	33.2	57.3	36.9
Sales/Net fixed assets (x)	1.1	1.8	1.1
Operating profit margin (%)	20.6%	15.8%	-16.3%
Net profit margin (%)	-4.0%	-9.1%	-4.3%
Inventory days	129.6	92.3	73.3
Debtor days	225.3	104.5	169.5
Fully diluted earnings per share (Rs)	-1.3	-5.2	-1.6
Debt to equity Ratio (x)	1.3	1.4	1.7
ROE (%)	-6.0	-31.6	-9.3
ROCE (%)	5.3	7.5	9.2
Earnings per share (Rs)	-1.3	-5.2	-1.6

Quarter Result Trend

	Qtr ending	Dec-14	Mar-15	Jun-15	Sep-15
Net sales	(Rs m)	212	97	141	138
Gross profit	(Rs m)	37	-210	-45	22
Gross profit margin	(%)	17.4	-217.1	-31.8	15.7
Net profit	(Rs m)	6	8	-74	-10
Net profit margin	(%)	2.6	8.3	-52.5	-7.5

Latest Quarter Result Performance Review

Rs m	Sep-14	Jun-15	Sep-15	QoQ ch	YoY ch
Net Sales	76.0	140.7	137.7	-2.1%	81.2%
Other income	0.0	0.0	0.0	NA	NA
Total Income	76.0	140.7	137.7	-2.1%	81.2%
Expenses	62.2	185.4	116.1	-37.4%	86.7%
Gross profit	13.8	-44.7	21.6	-148.3%	56.5%
Depreciation	17.0	8.2	6.2	-24.4%	-63.5%
Interest	21.4	21.0	25.7	22.4%	20.1%
Profit before tax	-24.6	-73.9	-10.3	-86.1%	-58.1%
Tax	0.0	0.0	0.0	NA	NA
Profit after tax	-24.6	-73.9	-10.3	-86.1%	-58.1%
Gross profit margin	18.2%	-31.8%	15.7%		
Effective tax rate	0.0%	0.0%	0.0%		
Net profit margin	-32.3%	-52.5%	-7.5%		

Note: Quarter results exclude extraordinary / exceptional items | Wherever the results are consolidated we have taken consolidated numbers else standalone. NA = Not applicable. NM = Not meaningful

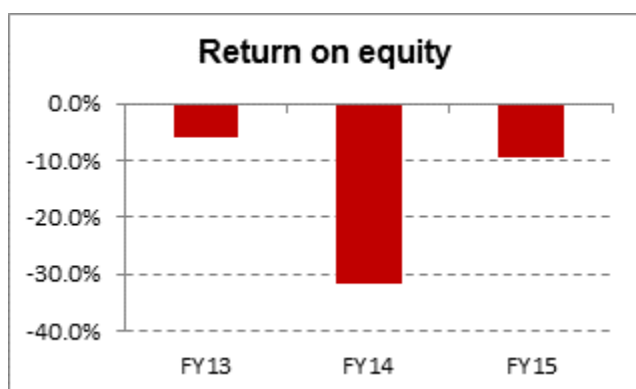
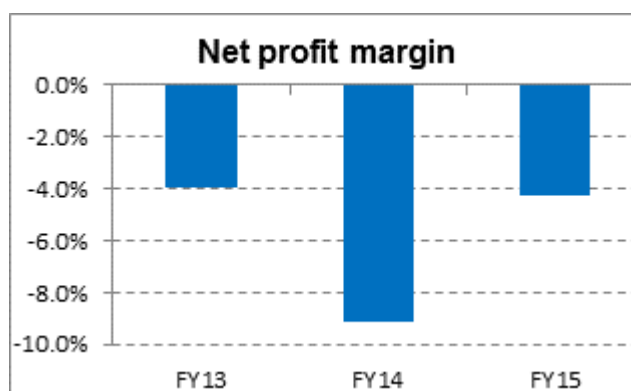
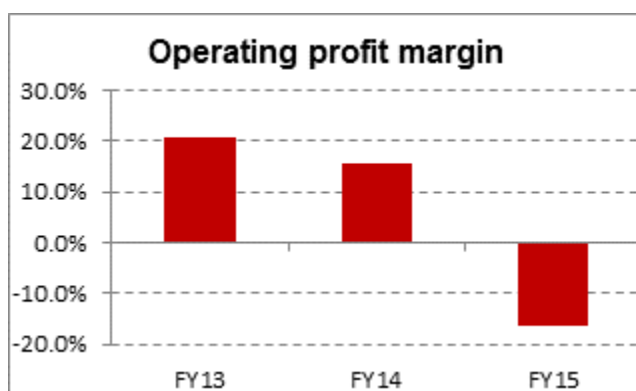
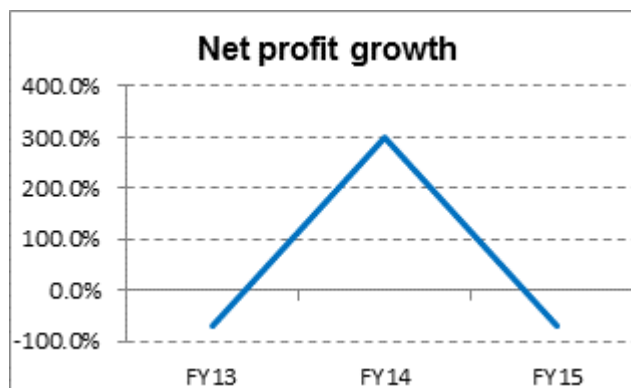
Result performance review

- During quarter ended September 2015, the company's net sales declined by 2.1% on a quarter on quarter (QoQ) basis and increased 81.2% on a year on year (YoY) basis.
- Its other income stood nil for the quarter.
- The company's expenditure was up by 86.7% YoY. As such, it reported operating profit of Rs 21.6 m during the quarter.
- Depreciation decreased by 63.5% YoY, while interest increased by 20.1% YoY.
- At the bottom line, the company reported net loss of Rs 10.3 m for the quarter as compared to net loss of Rs 24.6 m during the same quarter of the previous year.

Current valuation

The company's stock trades at Rs 131.4 per share. Its trailing twelve-month earnings are negative; hence its P/E ratio is not meaningful.

Charts



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- The only purpose of this report is to present publicly available information on the company to readers in a format that is easy to understand.

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