

CMP: INR8.76

Stock data

BSE code	519491
BSE ID	OCEAGRO
Face value (INR)	10
No of shares (m)	6.7
Market cap (INRm)	59.1
3m avg. daily vol (No)	732.0
Free float (INRm)	17.8
Dividend yield FY14 (%)	0

S&P BSE Sensex	26,126.8
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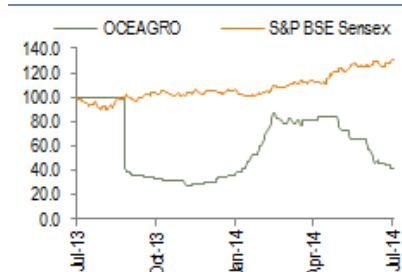
Stock performance (%)

52-week H/L	INR19.0/5.9		
	1M	3M	12M
Absolute (%)	-29.9	-48.3	-58.4
Relative (%)	-33.1	-63.5	-88.4

Shareholding pattern (%)

Promoters	FIIs	DIIs	Others
69.86%	0.00%	0.00%	30.14%

Relative stock movement



Source: BSE

July 2014

Company Overview

Based out of Baroda, Ocean Agro India Limited (OAIL) is in the business of agro products, packaging materials and irrigation equipments. It started business as a proprietary firm in 1971 and was converted into company in 1990. Currently, it is dealing in agri-products only. Key products include Delta and Amrut Sanjivani which are lipo protein and peat humus based organic fertilizers. Currently it manufactures only bio-fertilizers and bio-pesticides.

Q1FY15 performance

- Revenues increased by 28.3% YoY from INR37.7m in Q1FY14 to INR48.4m in Q1FY15.
- Raw material cost increased by 12.3% YoY from INR11.5m in Q1FY14 to INR12.9m in Q1FY15.
- Staff cost increased by 46.6% YoY from INR2.8m in Q1FY14 to INR4.2m in Q1FY15.
- Other expenses increased by 35.3% YoY from INR19.9m in Q1FY14 to INR26.9m in Q1FY15.
- As a result, EBIDTA increased by 26.3% YoY from INR3.5m in Q1FY14 to INR4.5m in Q1FY15.
- Depreciation increased by 7.5% YoY from INR1.6m in Q1FY14 to INR1.7m in Q1FY15.
- Interest expenses decreased marginally by 2.8% YoY to INR1.3m in Q1FY15.
- Non-operating income, provision for taxes remained nil in Q1FY15.
- As a result, adjusted PAT increased by 133.8% YoY from INR0.6m in Q1FY14 to INR1.5m in Q1FY15.
- The company has informed BSE that it has reappointed Shri Kaushikbhai Parikh as Managing Director and Shri Manharbhai Patel as Joint Managing Director.

Table 1: Q1FY15 snapshot**

(INRm)	Q1FY15	Q1FY14	YoY %	Q4FY14	QoQ%	FY14	FY13	YoY %
Revenue	48.4	37.7	28.3	30.5	59.0	201.3	160.9	25.1
EBITDA	4.5	3.5	26.3	7.7	-41.8	24.3	14.9	62.6
PAT (Adjusted)	1.5	0.6	133.8	4.2	-64.4	9.1	0.1	7209.6
PAT (Reported)	1.5	0.6	133.8	-0.2	867.9	1.3	0.1	922.4
Ratio								
% of sales	Q1FY15	Q1FY14	YoY %	Q4FY14	QoQ%	FY14	FY13	YoY %
Raw Material	26.6	30.4	-3.8	25.3	1.3	28.3	25.1	3.2
Staff Cost	8.6	7.5	1.1	16.0	-7.4	8.3	7.9	0.4
Other Expenditure	55.6	52.7	2.9	33.4	22.2	51.3	57.7	-6.4
EBITDA	9.3	9.4	-0.1	25.3	-16.0	12.0	9.3	2.8
Tax Rate	0.0	0.0	0.0	0.0	0.0	23.3	93.6	-70.3
NPM	3.1	1.7	1.4	13.7	-10.6	4.5	0.1	4.5

Note: **Standalone numbers. Source: Company, Varhad Research

Quarterly performance in charts and tables

Table 2: Detailed Q1FY15 Overview**

	Q1FY15	Q1FY14	YoY %	Q4FY14	QoQ%	FY14	FY13	YoY %
Revenue	48.4	37.7	28.3	30.5	59.0	201.3	160.9	25.1
Raw Material Cost	12.9	11.5	12.3	7.7	67.2	57.1	40.5	41.0
Staff Cost	4.2	2.8	46.6	4.9	-14.9	16.8	12.7	31.9
Other Expenditure	26.9	19.9	35.3	10.2	164.5	103.2	92.8	11.2
Total Cost	44.0	34.2	28.5	22.8	93.1	177.0	146.0	21.2
EBITDA	4.5	3.5	26.3	7.7	-41.8	24.3	14.9	62.6
Depreciation	1.7	1.6	7.5	2.0	-14.3	7.0	6.5	7.3
EBIT	2.7	1.9	42.2	5.7	-51.7	17.3	8.4	105.4
Interest Expenses	1.3	1.3	-2.8	1.6	-20.7	5.5	6.6	-16.7
Non-Operating Income	0.0	0.0	n.a.	0.1	-100.0	0.1	0.1	2.0
PBT	1.5	0.6	133.8	4.2	-64.4	11.9	2.0	510.9
Provision for Tax	0.0	0.0	n.a.	0.0	n.a.	2.8	1.8	52.1
PAT (Adjusted)	1.5	0.6	133.8	4.2	-64.4	9.1	0.1	7209.6
Extra Ordinary	0.0	0.0	n.a.	-4.4	-100.0	-7.9	0.0	n.a.
PAT (Reported)	1.5	0.6	133.8	-0.2	867.9	1.3	0.1	922.4

Note: (n.a) Not Applicable, **Standalone numbers. Source: BSE, Varhad Research

Chart 1: Sales trend

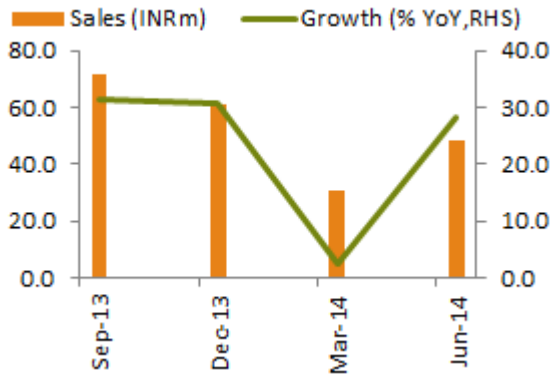


Chart 2: EBITDA trend#

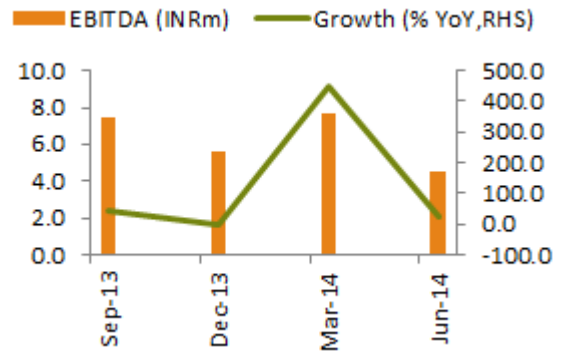


Chart 3: Margin trend

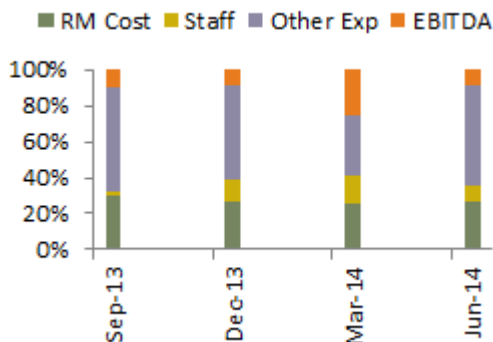
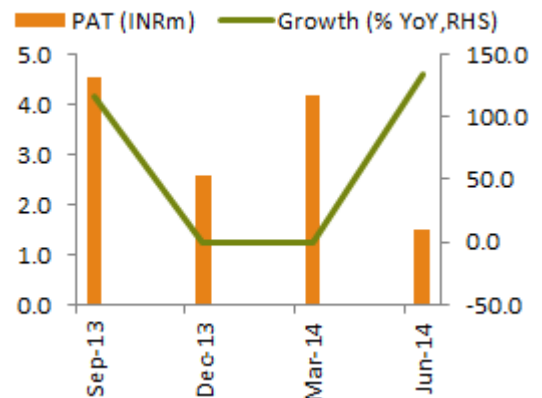


Chart 4: PAT trend#



Note: (#) EBITDA/PAT growth could not be calculated for certain quarters due to losses, Source: Company, Varhad Research

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Head Office: Ground Floor, E07/01, Sector 1, Vashi, Navi Mumbai 400703|Tel: +91-22-64646425
|www.varhadcapital.com|

Regional Offices: B111, Parmar Chambers, Sadhu Vasvani Chowk, Pune 411001