

10 February 2014

**CMP:** Rs.19.1

**Industry:** Other agricultural products

**BSE group:** B

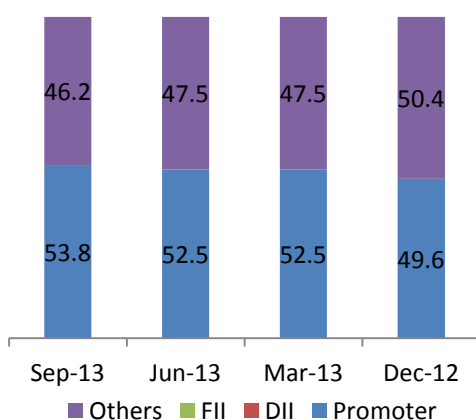
**Promoters**

Ashok Vishandas Motiani and family

**Key Data** (as on 11 Nov '13)

BSE	530077
ISIN	INE795D01011
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	228.1
Current P/E	4.3
Current P/BV	0.8
52 week low-high	13.65-26.85
30 days avg daily trading volume	934
Equity capital (Rs mn)	116.5
Net worth (Rs mn)	367.0

**Shareholding Pattern (%)**



[Click here for: Initiation Report](#)

[Write to us at: equity.research@outlook.com](mailto:equity.research@outlook.com)

**Company business**

Freshtrop Fruits Limited (FFL) is engaged in the production and export of fresh fruits. It operates in two segments: Fresh fruits and Processed fruits/vegetables. i. Fresh fruits consist of grapes, pomegranates, mangoes. ii. Processed fruits/vegetables consist pomegranates concentrate, mango pulp, guava pulp, papaya concentrate and tomato paste. FFL exports its products to European Union countries, Islamic countries, USA etc. During FY12, 'grape sales' contributed approximately 75% of total income (80% in FY11) while 'pomegranate concentrate' and 'mango pulp' contributed 10% each. FFL has four processed fruit/vegetables manufacturing plants. All these are located in Maharashtra – one in Satara, one is Sangli and two in Nasik.

**Financials**

Particulars (Rs in mn)	Jul '13 to Sep '13	Jul '12 to Sep '12	% Change <sup>1</sup>	Apr'13 to Jun '13	% Change <sup>2</sup>
Total income	75.9	73.0	4.0%	580.9	(86.9%)
Total operating expenditure	68.8	62.9	9.4%	499.9	(86.2%)
EBIDTA	7.1	10.1	(29.8%)	81.0	(91.2%)
EBIDTA margin	9.35%	13.84%	(32.4%)	13.94%	(32.9%)
PBT	(2.6)	(0.4)	-	66.6	-
PAT	(2.6)	(0.5)	-	45.0	-
PAT margin	negative	negative	-	7.75%	-
Cash accruals	4.2	5.2	(19.2%)	52.6	(92.0%)
EPS	(0.2)	(0.1)	-	3.9	-

<sup>1</sup> compared to corresponding quarter in the previous year

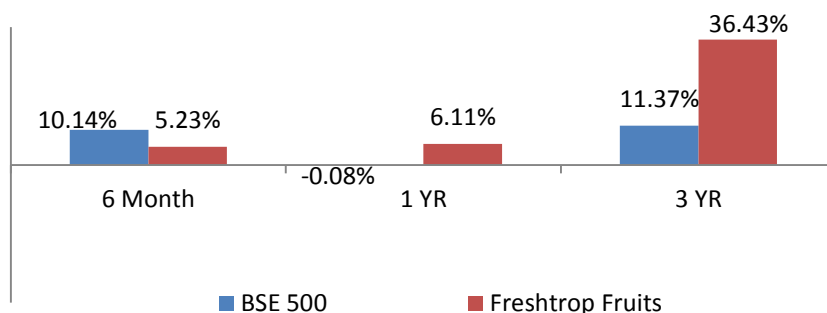
<sup>2</sup> sequential comparisons

Source: Moneycontrol, Company

**Financial Performance**

On y-o-y basis, total income of the company increased by 4% to Rs 75.9 mn for the quarter ended September 2013 from Rs 73 mn for the same quarter previous year. The revenue from 'fresh fruits' segment increased to 30% in Sep13 quarter from 20% in Sep12 quarter. 'Food processing' segment accounts for 70% of total revenue in Sep13 quarter (80% in Sep12 quarter). EBIDTA decreased by 29.8% to Rs 7.1 mn from Rs 10.1 mn mainly due to ~150% higher other expenses. The company has made a loss of Rs 2.6 mn for Sep13 quarter as against a loss of Rs 0.5 mn for Sep12 quarter.

**Share Price Performance**



## Financials

P&L (Rs. mn)	FY11	FY12	FY13
Total income	563.9	619.6	937.9
EBIDTA	46.3	68.4	100.6
EBIDTA margin	8%	11%	11%
Depreciation	22.8	23.1	23.7
EBIT	23.5	45.3	76.9
Interest	22.3	37.7	24.0
PBT	1.2	7.6	52.9
Tax	0.7	2.2	17.5
PAT	0.5	5.4	35.4
PAT Margin	0%	1%	4%
	-	-	-
Dividend Payout	-	-	39.0

Valuation ratios	FY11	FY12	FY13
P/E	41.0	4.6	279.5
P/BV	0.7	0.5	0.5

Balance Sheet (Rs. mn)	FY11	FY12	FY13
Share Capital	110.5	110.5	116.5
Share application money, warrants	0.0	0.0	1.8
Reserves & Surplus	228.2	229.2	248.7
<b>Net worth</b>	<b>338.7</b>	<b>339.7</b>	<b>367.0</b>
Borrowings	244.6	242.8	235.3
Current Liabilities and provisions	181.0	193.5	339.7
Net deferred tax Liabilities	38.2	40.8	43.8
<b>Total liabilities</b>	<b>802.5</b>	<b>816.8</b>	<b>985.8</b>
Fixed assets	429.5	411.7	414.6
Non-current Investments	0.0	0.0	0.0
Loans and Advances	47.7	37.6	55.8
Current Assets	310.0	352.1	514.5
<b>Total assets</b>	<b>802.5</b>	<b>816.8</b>	<b>985.8</b>

Cash Flow (Rs.mn)	FY11	FY12	FY13
PBT	1.2	7.6	52.9
CF from Operation	26.1	19.3	33.1
CF from Investment	(14.3)	(5.3)	(26.3)
CF from Financing	(4.5)	(14.5)	(12.8)
Inc/(dec) Cash	7.3	(0.5)	(6.0)
<b>Closing Balance</b>	<b>17.2</b>	<b>16.7</b>	<b>10.7</b>

## Disclaimer

The information contained herein is from publicly available data or other sources believed to be reliable, but we do not represent that it is accurate or complete and it should not be relied on as such. Our company shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation which may affect their investment in the securities of companies referred to in this document (including the merits and risks involved). The discussions or views expressed may not be suitable for all investors. This information is strictly confidential and is being furnished to you solely for your information.