

18 February 2013

CMP: Rs.10.66

Industry: Financial Services

BSE group: B

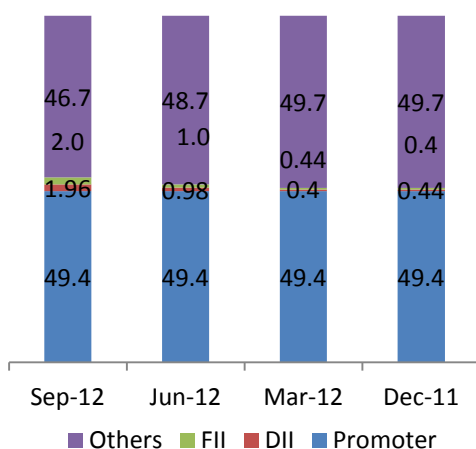
Promoters

Duckworth Ltd, Baring India Pvt. Equity Fund III Listed Investments Ltd

Key Data (as on 21 Jan' 12)

BSE	532745
ISIN	INE347H01012
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	245.4
Current P/E	negative
Current P/BV	0.35
52 week low-high	9.05-22.05
30 days avg daily trading volume	12621
Equity capital (Rs mn)	232.9
Net worth (Rs mn)	728.3

Shareholding Pattern (%)



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Company business

JRG Securities Ltd. (JRG) is a financial services provider, predominantly present in South India. It was incorporated in 1994. In 2007, Baring India Private Equity Fund II Ltd., a private equity firm acquired a majority stake in the company. The erstwhile promoters are Regi Jacob, Giby Mathew, Jiji Anthony and other individuals. JRG offers a gamut of financial products and services ranging from equity trading, commodity trading, currency derivatives, insurance broking and loans (loan against shares, margin funding, gold loans etc.)

Financials

Particulars (Rs in mn)	Jul '12 to Sep '12	Jul '11 to Sep '11	% Change ¹	Apr'12 to Jun '12	% Change ²
Total income	52.6	77.3	(32.0%)	50.8	3.5%
Total expenditure	47.8	94.9	(49.6%)	46.9	1.9%
EBIDTA	4.8	(17.6)	-	3.9	23.1%
EBIDTA margin	9.13%	negative	-	7.68%	18.9%
PBT	(6.1)	(21.7)	-	(9.5)	-
PAT	(6.1)	(21.7)	-	(9.5)	-
PAT margin	negative	negative	-	negative	-
Cash accruals	4.3	(7.2)	-	1.6	168.8%
EPS	--	#VALUE!	-	--	-

¹ compared to corresponding quarter in the previous year

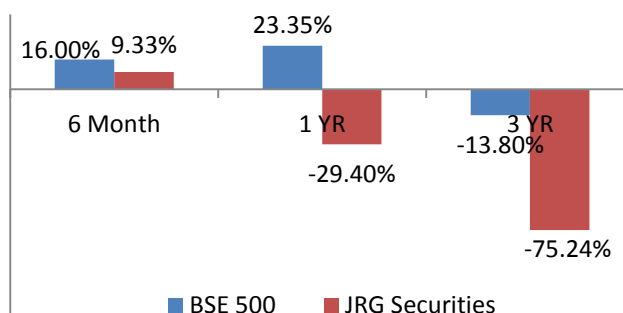
² sequential comparisons

Source: Moneycontrol, Company

Financial performance and recent developments

Total income increased marginally by 3.5% to Rs 52.6 mn as compared to trailing quarter (Rs 50.8 mn) but was 77.3% higher quarter on quarter. Employee benefits cost decreased to Rs 9.3 mn (Rs 21.7 mn for quarter ended Sept' 11), other expenses too decreased to Rs 25.2 mn (36.3 mn). JRG's EBIDTA improved to Rs 4.8 mn (Rs 17.6 mn). As on 30 September 2012 short term borrowings were nil (Rs 119.9 mn as on half year ended 30 Sept 2011). Therefore interest expense for the quarter fell to Rs 0.5 mn (Rs 4.0 mn). PAT, was the quarter was (Rs 6.1 mn), improved as compared to trailing quarter (Rs 9.5 mn) and same quarter last year (Rs 21.7 mn).

Share Price Performance



Financials

P&L (Rs. mn)	FY10	FY11	FY12	Balance Sheet (Rs. mn)	FY10	FY11	FY12
Total income	480.0	386.3	261.6	Share Capital	232.8	232.8	232.8
EBITDA	101.5	10.4	(12.8)	Reserves & Surplus	633.0	586.1	495.4
EBIDTA margin	21.1	2.7	(5%)	Net worth	865.8	818.9	728.2
Depreciation	65.5	60.6	55.8	Deferred tax liability	4.2	0.0	0.0
EBIT	36.0	(50.2)	(68.6)	Borrowings	0.0	16.3	131.9
Interest	10.0	5.1	12.0	current liabilities	406.0	289.2	137.7
PBT before exceptional item	26.0	(55.3)	(80.6)	Total liabilities	1276.0	1124.4	997.8
Exceptional item	0.0	0.0	11.8	Net fixed assets	182.2	132.9	78.4
PBT	26.0	(55.3)	(92.4)	Loan & advances	173.9	81.6	90.4
Tax	11.4	(4.2)	0.0	Non-current investments	422.0	371.9	366.9
PAT	14.6	(51.1)	(92.4)	Non-current assets	0.0	25.4	0.0
PAT margin	3.0%	(13.2%)	(35.3%)	Current Assets	497.9	512.6	462.1
Dividend	0.0	0.0	0.0	Total assets	1276.0	1124.4	997.8
Valuation ratios	FY10	FY11	FY12	Cash Flow (Rs.mn)	FY10	FY11	FY12
P/E	64.4	(Negative)	(Negative)	PBT	26.0	(55.3)	(92.4)
P/BV	1.09	0.71	0.50	CF from Operation	(58.9)	(24.3)	(150.5)
				CF from Investment	(0.7)	(193.4)	63.8
				CF from Financing	64.6	(22.9)	85.6
				Inc/(dec) in Cash	5.0	(240.6)	(1.1)
				Closing Balance	319.4	78.7	77.6

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