

10 February 2014

**CMP:** Rs.14.55

**Industry:** Auto Tyres & Rubber Products

**BSE group:** B

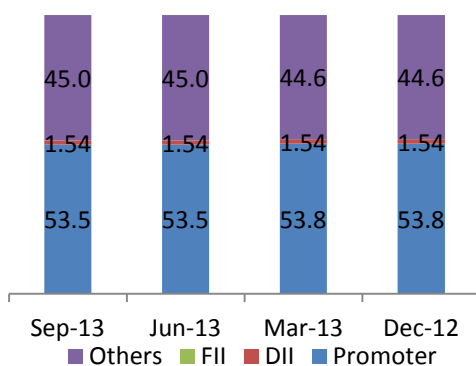
### Promoters

R P Jagatia, J. P. Goenka, R P Jagatia, M. P. Kankani

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

BSE	509148
ISIN	INE011C01015
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	317.7
Current P/E	negative
Current P/BV	1.0
52 week low-high	11.00-28.80
30 days avg daily trading volume	19148
Equity capital (Rs mn)	218.4
Net worth (Rs mn)	319.3

### Shareholding Pattern (%)



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### Company business

Govind Rubber Limited (GRL) is engaged in the manufacture of rubber products including tyres and tubes. GRL's principal products include cycle tyres, cycle tubes, auto tyres and auto tubes. It manufactures auto tyres in nylon cross ply for mining, skid steers, forklifts, light trucks, motorcycles, scooters and mopeds. It also manufactures tubes and tube valves. GRL has two dedicated manufacturing units for tyres and one manufacturing unit for tubes. All three are in Ludhiana. GRL supplies tyres to a number of Indian bicycle manufacturing companies including TI, Avon, Hero, Atlas, Milton Cycles and Safari Bikes. Its European Clients include Aldi, Epple, Pucky, Panther, Prophete and Trax Bond. GRL is a part of Siyaram Poddar Group (SPG) which has wider interests in textiles and garment (Siyaram's) and paper other than tyres.

### 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	1,234.7	1,083.2	14.0%	672.1	83.7%
Total operating expenditure	1,176.3	944.9	24.5%	639.0	84.1%
EBIDTA	58.4	138.3	(57.8%)	33.1	76.6%
EBIDTA margin	4.73%	12.77%	(63.0%)	4.92%	(3.9%)
PBT	3.6	90.1	(96.0%)	(21.1)	-
PAT	3.6	71.3	(95.0%)	(21.1)	-
PAT margin	0.29%	6.58%	(95.6%)	negative	-
Cash accruals	11.1	78.5	(85.9%)	(13.4)	-
EPS	0.2	3.3	(94.8%)	(1.0)	-

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

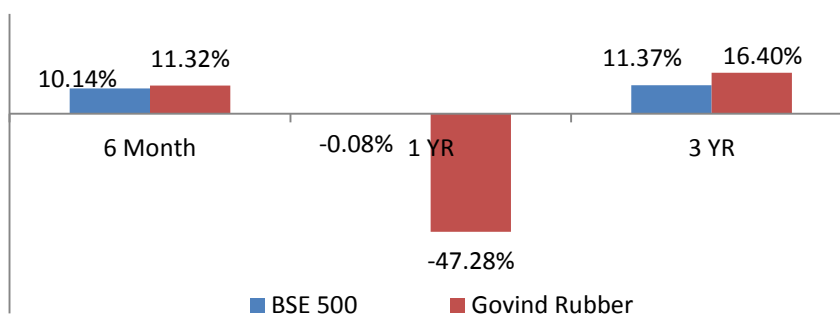
<sup>2</sup> sequential comparisons

Source: Moneycontrol, Company

### Financial Performance

On y-o-y basis, total income of the company increased by 14% to Rs 1234.7 mn for the quarter ended September 2013 from Rs 1083.2 mn for the corresponding quarter previous year. EBIDTA significantly decreased by 57.8% to Rs 58.4 mn for the quarter ended September 2013 from Rs 138.3 for the quarter ended September 2012 primarily due to increase of 11% in cost of materials and 63% in other expenditures. Net profit for Sep13 quarter was Rs 3.6 mn, down 95% from Rs 71.3 mn for Sep12 quarter. EPS was Rs 0.2 (Rs 3.3).

### Share Price Performance



## Financials

P&L (Rs. mn)	FY11	FY12	FY13
Total income	3,504.1	3,418.2	4,103.8
EBIDTA	294.0	236.4	234.9
EBIDTA margin	8%	7%	6%
Depreciation	27.8	28.8	28.8
EBIT	266.2	207.6	206.1
Interest	156.8	147.4	185.5
PBT	109.4	60.2	20.6
Tax	58.7	(49.9)	5.0
PAT	50.7	110.1	15.6
PAT Margin	1%	3%	0%
	-	-	-
Dividend Payout	-	-	-

Valuation ratios	FY11	FY12	FY13
P/E	2.8	18.4	7.7
P/BV	1.6	0.9	1.2

Balance Sheet (Rs. mn)	FY11	FY12	FY13
Share Capital	218.4	218.4	218.4
Share application money, warrants	0.0	0.0	0.0
Reserves & Surplus	(24.8)	85.3	100.9
<b>Net worth</b>	193.6	303.7	319.3
Borrowings	976.1	1,059.1	1,198.9
Current Liabilities and provisions	973.4	1,067.1	1,155.4
Net deferred tax Liabilities	0.0	43.3	39.0
<b>Total liabilities</b>	2,143.1	2,473.2	2,712.6
Fixed assets	336.1	338.4	326.2
Non-current Investments	0.0	22.4	32.4
Loans and Advances	70.7	129.5	184.0
Current Assets	1,693.5	1,839.8	2,013.3
<b>Total assets</b>	2,143.1	2,473.2	2,712.6

Cash Flow (Rs.mn)	FY11	FY12	FY13
PBT	109.4	60.2	20.6
CF from Operation	47.7	192.4	25.6
CF from Investment	(36.9)	(61.1)	(51.3)
CF from Financing	(5.3)	(89.0)	(4.3)
Inc/(dec) Cash	5.5	42.3	(30.0)
<b>Closing Balance</b>	20.0	62.3	32.3

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