

06 February 2013

**CMP:** Rs.3.2

**Industry:** Commodity chemicals

**BSE group:** B

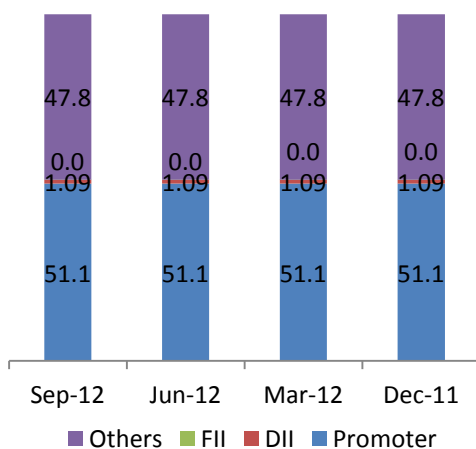
**Promoters**

Sandeep Kumar Reddy and family

**Key Data** (as on 16 Jan' 13)

BSE	524564
ISIN	INE052E01015
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	163.0
Current P/E	negative
Current P/BV	4.2
52 week low-high	2.71-5.97
30 days avg daily trading volume	1233
Equity capital (Rs mn)	817.8
Net worth (Rs mn)	347.4

**Shareholding Pattern (%)**



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**Company business**

Gayatri Bioorganics Limited (GBL), previously known as Gayatri Starchkem Limited, is engaged in manufacturing and distribution of starch, sorbitol, liquid glucose and its allied products. GBL is a Hyderabad headquartered and the company has two manufacturing facilities in Andhra Pradesh, one in Medak District and other in East Godavari District. GBL is promoted by Sandeep Kumar Reddy and family. Sandeep Kumar Reddy is the chairman of the company.

Earnings per share for the last four quarter sum upto a negative Rs. 1.3 and market price is Rs. 3.2 (22 Jan '13) which is lower than face value of the company. So investors must proceed with caution.

**Financials**

Particulars (Rs in mn)	Jul '12 to Sep '12	Jul '11 to Sep '11	% Change <sup>1</sup>	Apr'12 to Jun '12	% Change <sup>2</sup>
Total income	301.9	266.7	13.2%	330.9	(8.8%)
Total expenditure	297.5	291.2	2.2%	353.6	(15.9%)
EBIDTA	4.4	(24.5)	-	(22.7)	-
EBIDTA margin	1.5%	negative	-	negative	-
PBT	(25.5)	(53.9)	-	(53.8)	-
PAT	(22.3)	(53.9)	-	(53.8)	-
PAT margin	negative	negative	-	negative	-
Cash accruals	(12.6)	(44.1)	-	(44.2)	-
EPS	--	--	-	--	-

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

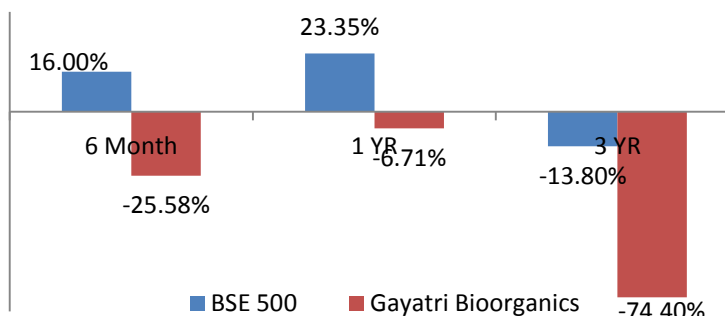
<sup>2</sup> sequential comparisons

Source: Moneycontrol, Company

**Financial performance**

Total income decreased by 13.2% from Rs. 266.7 mn (Jul-Sep '11) to Rs. 301.9 mn. EBIDTA improved from Rs. 24.5 mn (Jul-Sep '11) to Rs. 4.4 mn on account of decrease in cost of raw material and employee expense. EBIDTA margin was at 1.5%. The company incurred a net loss of Rs. 22.3 mn on account of finance costs of Rs. 20 mn and depreciation of Rs 9.7 mn. Long term borrowings of the company decreased from Rs. 205 mn (as on Mar '12) to Rs. 154.5 mn.

**Share Price Performance**



## Financials

P&L (Rs.mn)	FY10	FY11	FY12
Total income	623	874	1310
EBIDTA	53	94	86
EBIDTA margin	8.5%	10.8%	6.6%
Depreciation	29	31	38
EBIT	23	64	48
Interest	8	31	76
PBT	15	33	(28)
Tax	0	4	0
PAT	15	29	(28)
PAT margin	2.4%	3.3%	(2.1%)
Dividend (incl. tax)	0	0	0
Dividend per share	0	0	0

Valuation ratios	FY10	FY11	FY12
P/E	26.2	59.5	Negative
P/BV	1.1	1.2	0.7

Balance Sheet (Rs.mn)	FY10	FY11	FY12
Share Capital	818	818	818
Reserves & Surplus	(471)	(442)	(470)
<b>Net worth</b>	<b>347</b>	<b>375</b>	<b>347</b>
Borrowings	91	444	403
Current Liabilities (excluding borrowing)	106	139	280
Other non-current liabilities		2	3
<b>Total liabilities</b>	<b>543</b>	<b>960</b>	<b>1033</b>
Net fixed assets	312	463	522
Investments	0	0	0
Loans and Advances	21	37	44
Current Assets	210	459	467
<b>Total assets</b>	<b>543</b>	<b>960</b>	<b>1033</b>

Cash Flow (Rs.mn)	FY10	FY11	FY12
PBT	15	33	(28)
CF from Operation	3	(69)	9
CF from Investment	(32)	(142)	(104)
CF from Financing	39	379	(76)
Inc/(dec) in Cash	10	168	(170)
<b>Closing Balance</b>	<b>17</b>	<b>185</b>	<b>15</b>

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