

10 February 2014

**CMP:** Rs.4.48

**Industry:** Commodity chemicals

**BSE group:** B

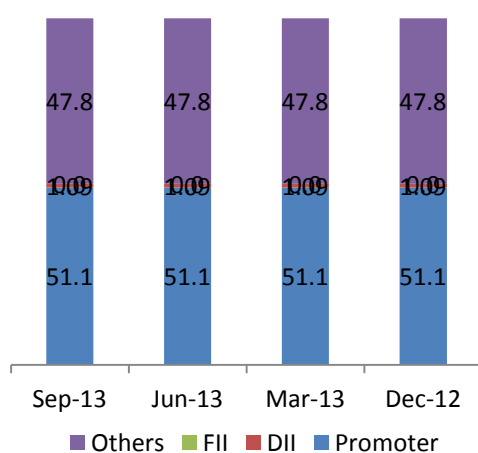
### Promoters

Sandeep Kumar Reddy

### Key Data (as on 10 Feb' 14)

BSE	524564
ISIN	INE052E01015
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	228.1
Current P/E	9.3
Current P/BV	4.8
52 week low-high	2.40-8.62
30 days avg daily trading volume	896
Equity capital (Rs mn)	509.2
Net worth (Rs mn)	356.4

### 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.

### 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	433.1	303.6	42.7%	330.1	31.2%
Total operating expenditure	395.2	296.0	33.5%	364.4	8.5%
EBIDTA	37.9	7.6	399.3%	(34.3)	-
EBIDTA margin	8.8%	2.5%	-	negative	-
PBT	3.4	(22.1)	-	(63.9)	-
PAT	3.4	(22.1)	-	(63.9)	-
PAT margin	0.8%	negative	-	negative	-
Cash accruals	14.1	(12.4)	-	(53.3)	-
EPS	-	(1.9)	-	(0.1)	-

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

<sup>2</sup> sequential comparisons

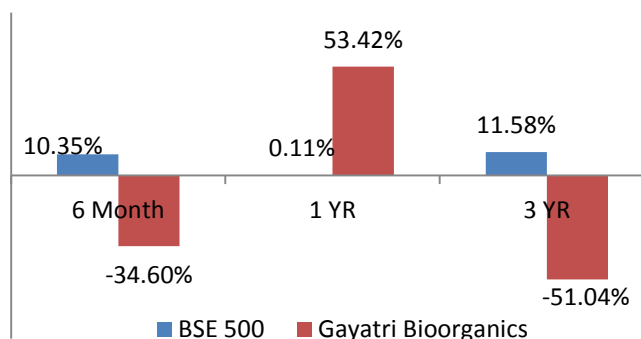
Source: Moneycontrol, Company

### Financial Performance

The total income of the company increased by 42.7% to Rs. 433.1 mn in Sept-13 quarter compared to Rs. 303.6 mn in Sept-12 quarter. The operating profit increased to Rs. 37.9 mn in Sept-13 from Rs. 7.6 mn in Sept-12 on account of increase in the topline of the business. The company earned a net profit of Rs. 3.4 mn in Sept-13 compared to loss in Sept-12.

P/E multiple has turned to positive to 44.8 times as on Sept-13 from negative as on Sept-12 on account of improvement in the earnings of the company.

### Share Price Performance



## Financial Performance - Annually

The total income of the company increased by 17.1% to Rs. 1608.2 mn in FY13 from Rs. 1373.1 mn in FY12. The operating profit of the company increased to Rs. 125.1 mn in FY13 from Rs. 87.1 mn in FY12 on account of decrease in cost of raw material of the company. The company earned a net profit of Rs. 9 mn in FY13 compared to a net loss of Rs. 28.1 mn in FY12. The company has not paid dividend to shareholders almost for the last four years and the management has not specified the reason for the same.

## Financials

P&L (Rs. mn)	FY11	FY12	FY13	Balance Sheet (Rs. mn)	FY11	FY12	FY13
Total income	918.7	1,373.1	1,608.2	Share Capital	509.2	509.2	509.2
EBIDTA	94.6	87.1	125.1	Share application money, warrants	308.6	308.6	308.6
EBIDTA margin	10.3%	6.3%	7.8%	Reserves & Surplus	(442.3)	(470.4)	(461.4)
Depreciation	30.6	37.9	39.5	<b>Net worth</b>	375.5	347.4	356.4
EBIT	64.0	49.2	85.6	Borrowings	499.7	499.9	507.7
Interest	31.5	77.3	76.6	Current Liabilities and provisions	92.4	193.9	329.8
PBT	32.5	(28.1)	9.0	Net deferred tax Liabilities	50.5	51.9	48.6
Tax	3.8	-	-	<b>Total liabilities</b>	1,018.1	1,093.1	1,242.5
PAT	28.7	(28.1)	9.0	Fixed assets	273.8	484.3	525.3
PAT Margin	3.1%	negative	0.6%	Non-current Investments	0.0	0.0	0.0
Dividend (Incl. of tax)	-	-	-	Loans and Advances	31.0	38.9	28.2
Dividend Payout	-	-	-	Current Assets	473.2	480.1	636.7
				<b>Total assets</b>	1,018.1	1,093.1	1,242.5
				<b>Cash Flow (Rs.mn)</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>
<b>Valuation ratios</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	PBT	32.5	(28.1)	9.0
P/E	(16.2)	42.9	5.1	CF from Operation	(68.8)	9.4	102.7
P/BV	6.8	6.4	3.1	CF from Investment	(142.3)	(110.4)	(30.9)
				CF from Financing	379.1	(75.9)	(69.6)
				Inc/(dec) Cash	168.0	(176.9)	2.2
				<b>Closing Balance</b>	185.4	8.5	10.7

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