

REI Agro

REI Agro Ltd. was promoted by Mr. Sanjay and Sandip Jhunjhunwala and incorporated in 1994 as a Basmati processing and marketing company. It is involved in the activities right from contract farming to procuring paddy to packaging and retailing. The company has also installed wind farm in Rajasthan and Maharashtra. Company is the largest basmati producer in the country, capturing 20% of the basmati rice segment. Company has shifted its focus towards branded rice and introduced four new brands during the year 2004-05, namely Real Magic, Kasauti, Jkon and Raindrop in addition to the existing brands. Company has set up a new paraboiled rice processing facility with an initial capacity of 230000 TPA at Haryana.

For the HY-Sep.05, operating income and operating expenses zoomed 51.23% and 47.24% to Rs. 577.59 crores and Rs. 505.72 crores respectively. Net profit increased by 48.93% to Rs. 33.30 crores as compared to Rs. 22.36 crores reported for the HY-Sep.04. Net profit margin reduced to 5.76%.

Product Mix (Top 3)

Product name	Sales Qty	UoM	Sales value	Product Mix
Processed Rice	201221.00	MT	586.17	97.31
Goods Traded	13023.00	MT	11.21	1.86
Bran	15672.00	MT	4.93	0.81

Quarterly Trends (Rs. Crore)

	Dec - 05	Sep - 05	Jun - 05	Mar - 05	Dec - 04
Net Income	164.76	275.10	301.32	250.79	214.41
Other Income	0.00	0.14		0.00	0.04
Operating Profit	36.32	39.80	31.64	24.32	24.59
Interest	7.38	8.83	9.31	8.18	7.69
Gross Profit	28.94	31.11	22.33	16.15	16.94
Depreciation	2.42	2.16	2.12	1.11	0.99
PBT	26.53	28.96	20.21	15.03	15.95
Tax	8.52	11.69	4.30	1.90	0.75
PAT	18.01	17.27	15.91	13.13	15.20
Equity	42.68	34.86	33.45	33.45	29.60
OPM(%)	22.04	14.46	10.50	9.69	11.46
NPM(%)	10.93	6.27	5.27	5.23	7.08

Investor Returns

	FY05	FY04	FY03	FY02	FY01
Rights Issue	N.A.	N.A.	N.A.	N.A.	N.A.
Splits	N.A.	N.A.	N.A.	N.A.	N.A.
Dividend (%)	7	6	6	6	
Bonus ratio	N.A.	N.A.	1:1	N.A.	N.A.

High / Low Trends

	2005	2004	2003	2002	2001
BSE	219/109	145/60	155/15	48/14	29/10
NSE	219/106	145/62			

Balance Sheet Trends (Rs. Crore)

Liabilities	2004	2003	2002	2001
Equity	29.60	13.48	13.44	13.20
Reserves	27.96	24.44	15.25	8.53
Loans	255.45	212.91	186.66	115.30
Others	40.00	9.78	0.00	0.00
Assets				
Net block	68.67	35.40	30.54	30.01
Inventory	0.08		0.30	0.14
Working Cap	284.13	225.03	184.26	106.57
Others	0.13	0.19	0.25	0.31

Raw Material Mix (Top 3)

Raw material name	UoM	Qty	Cost of goods	Raw Material Mix
Paddy	Metric Tonnes	252216.00	555.23	100.00
NA	NA	NA	NA	NA
NA	NA	NA	NA	NA

Annual Trends (Rs. Crore)

	FY04	FY03
Net Sales	602.66	497.50
Other Income	0.02	0.02
Operating Profit	40.61	32.54
Interest Cost	13.27	13.44
Gross Profit	27.36	19.13
Depreciation	2.13	1.74
PBT	22.86	12.62
Tax Charges	6.85	3.84
Reported Net Profit	15.80	8.65
Cash Flow from operating Activity	-41.53	-53.22
Equity	29.60	13.48
EPS (Rs.)	5.34	5.84
Cash EPS (Rs.)	6.08	7.06
Cash Flow from Operations per share	-14.03	-35.96
Eq. Dividend (%)	7.00	6.00
OPM (%)	6.73	6.54
RONW (%)	27.50	22.92
ROCE (%)	26.09	34.07
Debt/Equity	1.56	1.38
Exports as percent of Total Sales	3.70	2.01
Net forex Earnings	21.15	9.76
Book Value	19.40	25.50

BSE Code: 532106

NSE Code: REIAGROEQ

CMP: Rs. 175 • F.V: Rs. 10

52 Week H/L : Rs. 219/106

PE (x) : 19.68

Dividend Yield (%) : 0.67



9/2/2005 8/6/2005 6/10/2005 8/2/2006

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CEO: Mr. Sandip Jhunjhunwala • Business Group: Not Applicable • Industry: Trading