

Result Watch

December Quarter FY11 Result Update

Financial Highlights							₹ mn
Particulars	Q3 FY11	Q3 FY10	% Change	9MFY11	9MFY10	% Change	
Net Sales	1101.5	984.3	11.9%	3557.3	2104.9	69.0%	
Raw Material Consumed	808.1	736.1	9.8%	2641.9	1512.8	74.6%	
Employee Expenses	57.4	25.9	121.7%	163.5	71.0	130.2%	
Other Expenses	95.1	45.3	110.0%	269.4	139.1	93.7%	
TOTAL EXPENDITURE	960.6	807.3	19.0%	3074.8	1722.9	78.5%	
EBIDTA	140.9	177.0	-20.4%	482.5	382.0	26.3%	
<i>EBIDTA Margin</i>	<i>12.8%</i>	<i>18.0%</i>	<i>--</i>	<i>13.6%</i>	<i>18.1%</i>	<i>--</i>	
Depreciation	16.7	9.1	82.7%	46.5	25.9	79.5%	
EBIT	124.2	167.9	-26.0%	436.0	356.1	22.4%	
<i>EBIT Margin</i>	<i>11.3%</i>	<i>17.1%</i>	<i>--</i>	<i>12.3%</i>	<i>16.9%</i>	<i>--</i>	
Interest	32.4	17.9	80.9%	92.5	50.8	82.2%	
Other Income	144.3	0.1	--	159.3	1.4	--	
Tax	39.6	32.2	23.2%	66.2	59.3	11.8%	
Reported Profit After Tax	196.5	117.9	66.7%	436.6	247.4	76.5%	
<i>PAT Margin</i>	<i>17.8%</i>	<i>12.0%</i>	<i>--</i>	<i>12.3%</i>	<i>11.8%</i>	<i>--</i>	
Share in profit of an associate	-3.0	22.6	-113.5%	-9.2	37.8	-124.2%	
Adjusted PAT	193.4	140.4	37.8%	427.4	285.2	49.9%	
<i>Adjusted PAT Margin</i>	<i>17.6%</i>	<i>14.3%</i>	<i>--</i>	<i>12.0%</i>	<i>13.5%</i>	<i>--</i>	
EPS (Unit Curr.)	3.1	2.2	38.3%	6.8	4.5	49.7%	

Analysis

- Net Sales of NFPIL has witnessed a growth of 11.9% to ₹ 1,101.5 mn during December 2010 as against ₹ 984.3 mn during the corresponding quarter last year.
- EBIDTA of the company decreased to ₹ 140 mn whereas EBIDTA margin for the period dropped significantly to 12.8% against 18% for the same period last year, a decline of 520 bps. The raw material to sales ratio improved to 73.4% vis-à-vis 74.8% last year. Employee expenses and other expenses increased significantly by 121.7% and 110% respectively.
- PAT for the period has increased by 37.8% to ₹ 193.4 mn against ₹ 140.4 mn for the corresponding period in FY10. PAT margin has increased by 330 bps to 17.6%. Depreciation and interest cost increased sharply by 82.7% and 80.9% respectively. Other income grew significantly to ₹ 144.3 mn during the quarter.
- The company sold a part stake in Nitin Cylinders Ltd on December 28, 2010, and accordingly, it is accounted as an associate after that date.

Company Profile

Nitin Fire Protection Industries Ltd (NFPIL) is end-to-end solution provider for fire protection, safety and security systems with the capabilities in manufacturing, designing, engineering, commissioning and maintenance. The company also manufactures CNG and industrial cylinders, CNG cascades and CNG dispensers. Majority of the revenues are derived through its subsidiaries.

The above analysis and data are based on last available prices and not official closing rates. SKP Research is also available on Bloomberg, Thomson First Call & Investext Myiris, Moneycontrol, Tickerplant and ISI Securities

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