

Results Watch

March Quarter, FY11 Results Update

Financial Highlights				₹ in Crs.		
Particulars	Q4 FY11	Q4 FY10	% Change	FY11	FY10	% Change
Net Sales	165.78	130.22	27.31	522.46	510.20	2.40
Employee Expenses	22.74	17.49	30.05	82.19	73.56	11.72
Sales & marketing expenses	46.97	35.12	33.75	147.18	135.94	8.27
Other Expenses	36.12	26.85	34.55	132.81	106.50	24.71
Total Expenditure	105.84	79.46	33.21	362.17	316.00	14.61
EBIDTA	59.94	50.76	18.07	160.29	194.20	-17.46
EBIDTA Margin (%)	36.16	38.98	-7.25	30.68	38.06	-19.40
Interest	0.27	1.11	-76.07	2.60	4.55	-42.93
Other Income	3.94	1.96	100.83	11.70	6.17	89.59
PBDT	63.61	51.61	23.24	169.39	195.82	-13.50
Depreciation	5.60	5.13	9.22	20.10	19.10	5.26
Tax	17.83	14.27	24.94	46.52	58.88	-21.00
Reported Profit After Tax	40.18	32.21	24.71	102.77	117.84	-12.79
PAT Margin (%)	24.23	24.74	-2.04	19.67	23.10	-14.83
EPS	4.81	3.85		12.29	14.10	

Analysis:

- MHRIL Ltd recorded revenue of ₹ 165.78 crores in Q4FY11; up by 27.3% on yoy basis on account of better pricing and product mix. Net addition during the quarter stood at 3418 members during the quarter and total members for Club Mahindra Holidays (CMH) stand at 1,17,596 and for Zest at 7,573.
- EBITDA for the quarter ended March'11 stood at ₹ 59.94 crore, increased by 18% as compared to same period last year. EBITDA margin is down by 283 basis points to 36.2%. Other expenses increased by 34.5% to ₹ 36.12 crore.
- Other income for Q4FY11 has jumped by 100% on account of higher interest and dividend income. Net profit for the company stood at ₹ 40.18 crore as compared to ₹32.21 crore in same period last year.
- MHRIL added 69 rooms during the quarter with 44 rooms in Udaipur and 25 rooms in Khana. The 150-room Tungi project is still awaiting some approvals to start. The company has, however, started work on another 150-rooms project near Coorg with an estimated capex of INR 750 mn, and expect to complete it in the next 3-4 quarters.

Company Profile

Mahindra Holidays & Resorts India Ltd (MHRIL) is a leading player in the leisure hospitality industry, provides family holidays primarily through vacation ownership memberships. Mahindra Holidays currently has a pan-India presence through its extensive network of 36 resorts and 1624 apartments. Currently company has 1,25,169 vacation ownership members as on March 31, 2010.

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 and ISI Securities and Ticker Plant.

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