

07 February 2013

CMP: Rs.73.6

Industry: Healthcare services

BSE group: B

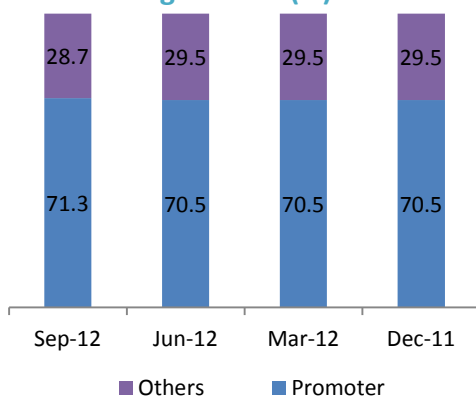
Promoters

Ashok Kumar Goenka, Banwarilal Goenka and Rajesh Goenka

Key Data (as on 28 Jan' 13)

BSE	530897
ISIN	INE825C01018
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	246.6
Current P/E	9.3
Current P/BV	1.8
52 week low-high	60.70-81.95
30 days avg daily trading volume	587
Equity capital (Rs mn)	33.5
Net worth (Rs mn)	134.7

Shareholding Pattern (%)



[Initiation report on NG Industries Ltd](#)

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Company business

N G Industries Ltd (NGIL) is a healthcare service company based in Kolkata. NGIL operates nursing homes, infertility clinics and retail pharmacy outlets in India. Its first business division – 'N G Medicare and Calcutta Hope Infertility Clinic', started in 1995, is a complete diagnostic centre with day-care and nursing home facilities. In 2006, through 'N G Nursing Home', it increased its presence in the healthcare services space. NG Nursing Home caters to major surgeries including general surgery, joint replacement, and urology. Its third business unit – 'N G Pharmacy' has two retail outlets across Kolkata.

Financials

Particulars (Rs in mn)	Jul '12 to Sep '12	Jul '11 to Sep '11	% Change ¹	Apr'12 to Jun '12	% Change ²
Total income	42.8	37.1	15.4%	31.4	36.3%
Total expenditure	30.7	26.8	14.6%	23.8	29.0%
EBIDTA	12.1	10.3	17.5%	7.6	59.2%
EBIDTA margin	28.27%	27.76%	1.8%	24.20%	16.8%
PBT	10.2	8.4	21.4%	5.6	82.1%
PAT	7.5	6.3	19.0%	3.6	108.3%
PAT margin	17.52%	16.98%	3.2%	11.46%	52.8%
Cash accruals	9.2	8.1	13.6%	5.3	73.6%
EPS	2.2	1.9	19.3%	1.1	106.5%

¹ compared to corresponding quarter in the previous year

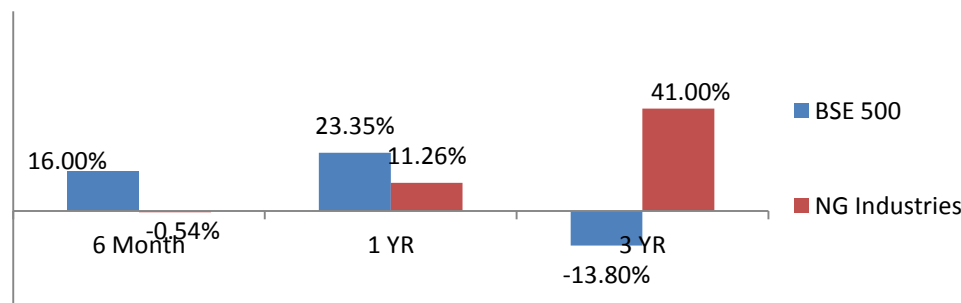
² sequential comparisons

Source: Moneycontrol, Company

Financial update: On YoY basis, for the period ended 30 September 2012, total income increased by 15.4% to Rs.42.8 mn. EBIDTA increased from Rs.10.3 mn to Rs.12.1 mn. PAT increased to Rs.7.5 mn (Rs.6.3 mn in corresponding quarter). The margins of the company improved relative to the corresponding and sequential quarters.

The stock prices on 30 Sep 2012 discounts the TTM EPS (Rs.7.9) for the period ended 30 Sep 2012 by 9.5 times (was 8.8 times for TTM ended 30 June 2012).

Share Price Performance



Financials

P&L (Rs. mn)	FY10	FY11	FY12
Total income	111.0	118.4	144.9
EBITDA	34.3	32.9	41.0
EBIDTA margin	30.9%	27.8%	28.3%
Depreciation	6.8	7.5	7.3
EBIT	27.5	25.4	33.7
Interest	0.4	-	0.3
PBT	27.1	25.4	33.4
Tax	6.0	6.8	7.2
PAT	21.2	18.6	26.2
PAT margin	19.1%	15.7%	18.1%
Dividend (including tax)	11.8	13.6	13.6
Dividend (per share)	3.0	3.5	3.5
Valuation ratios	FY10	FY11	FY12
P/E	8.1	11.0	9.0
P/BV	1.5	1.7	1.8

Balance Sheet (Rs. mn)	FY10	FY11	FY12
Equity share capital	33.5	33.5	33.5
Reserves & Surplus	83.6	88.5	101.2
Net worth	117.1	122.0	134.7
Borrowings	-	-	14.7
Deferred tax liability/(asset)	(0.7)	(1.0)	(1.3)
Current Liabilities & Provisions	56.3	15.2	16.0
Total liabilities	172.7	136.2	164.0
Net fixed assets	46.2	42.7	43.7
Loans and Advances	56.3	12.1	13.1
Current Assets	1.3	2.8	27.4
Investments	68.9	78.6	79.8
Total assets	172.7	136.2	164.0
Cash Flow (Rs.mn)	FY10	FY11	FY12
PBT	27.1	25.4	33.4
CF from Operation	16.3	20.3	21.3
CF from Investment	(5.7)	(7.0)	2.7
CF from Financing	(11.3)	(11.7)	1.1
Inc/(dec) in Cash	(0.8)	1.6	25.1
Closing Balance	(5.8)	(4.2)	20.9

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