

May 6, 2010, Thursday

NIIT Tech Q4 profit rises 57% on lower taxes, high margin deals

Our Bureau*New Delhi, May 5*

NIIT Technologies on Wednesday posted a 57 per cent increase in quarterly net profit at Rs 41.3 crore on the back of increase in high margin contracts, greater cost efficiency and lower taxes.

The company - which is mulling performance-linked wage hikes between 5-14 per cent - sees an improvement in the business environment driven by projects from markets such as Asia Pacific and India, and the Government space.

Its consolidated revenue for the fourth quarter ended March, 2010 increased five

per cent to Rs 239.2 crore against Rs 227 crore in the year-ago period.

NTL secured fresh orders worth \$124 million during the quarter and added five new global clients.

NIIT Technologies said it will focus on Government contracts in India and other countries and expects its contribution in overall revenue to increase this year from the current five per cent. "There will be pressure on margin because of Government contracts as these contracts require to provide complete solution for which one will have to purchase hardware," Mr Arvind Tha-

kur, CEO of NIIT Technologies, said.

The operating margin expanded by 432 basis points to 22 per cent in the quarter on account of cost management and higher non-linear revenue.

Commenting on the improved net profit, he said in the corresponding quarter previous year, NTL had paid a higher tax of Rs 4 crore, while there was no such tax outgo in the latest quarter. On the BSE, the company's scrip closed higher at Rs 188.50 on Wednesday.

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Eyeing Govt deals: (from right) The CEO of NIIT Technologies, Mr Arvind Thakur; the Chairman and Managing Director, Mr Rajendra S Pawar; and the CFO, Mr, K.T.S. Anand, at a press conference in the Capital on Wednesday. — Ramesh Sharma

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NIIT net up 57% to Rs 41 cr

Our Bureau

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MID-CAP IT player NIIT Technologies on Wednesday reported a 57% rise in its net profit to Rs 41.3 crore for the quarter ending March 31, over the same period last year. Yearly revenues for the company however declined 7% on account of a dip in earnings in Q1 of last year, the company's CEO Arvind Thakur

told ET. "We also incurred a 3% negative impact due to a weakened euro and pound in Europe against the dollar. Going forward we see stability in currency movements and better revenue contribution from emerging markets," he added.

BSE listed shares of the company jumped 0.4% to close at Rs 188.5, post announcement of the results. The company reported a 10% rise in annual net

profit to Rs 126 crore on the back of a 7% fall in revenues to Rs 913.7 crore, for the year ending March 31, 2010.

The company won a Rs 228-crore IT modernisation project from Border Security Force, in the period beating rivals Wipro and TCS. Domestic market contributed almost 11% to the company's revenues of Rs 239 reported in the January-March quarter.

NIIT Tech net up 57% at Rs 41 crore

MUMBAI: IT solution provider NIIT Technologies' consolidated net profit reported a growth of 57% at Rs 41.3 crore for the fourth quarter ended March 31, 2010, over the same period year-ago. Revenues of the company rose to Rs 239.2 crore for the quarter ended March 31, from Rs 227 crore in the same quarter last year, NIIT Technologies said. "A strong quarter with growth on all business parameters demonstrated the company's successful navigation through the challenges posed by the economic crisis of the past," NIIT Technologies CEO Arvind Thakur said. The board of directors have proposed a dividend of Rs 7 per equity share to the shareholders of the company.

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NIIT Tech profit zooms 57% in Q4

PTI
MUMBAI

IT SOLUTION provider NIIT Technologies' consolidated net profit grew 57% to Rs 41.3 crore during the fourth quarter ended March 31, 2010, over the same period year-ago. Revenues of the company rose to Rs 239.2 crore for the quarter from Rs 227 crore in the same period last year, NIIT Technologies said. "A strong quarter with growth on all business parameters demonstrated the company's successful navigation through the challenges posed by the economic crisis of the past," NIIT Technologies CFO Arvind Thakur said.

The board has proposed a dividend of Rs 7 per share. For the full year, the company reported a growth of 10% in net profit at Rs 126.4 crore, over the same year-ago period. "Fresh orders worth \$124 million secured in the quarter created a healthy order position with \$147 million executable over the next 12 months," Thakur added.

NIIT Tech logs in 57% rise in Q4

PTI
MUMBAI

IT solutions provider NIIT Technologies' on Wednesday reported that its consolidated net profit has jumped 57% to Rs 41.3 crore for the fourth quarter ended March 31, 2010, over the same period a year ago. The company's revenue rose to Rs 239.2 crore for the quarter ended March 31 from Rs 227 crore in the same quarter last year, NIIT Technologies said in a filing to the Bombay Stock Exchange.

"A strong quarter with growth on all business parameters demonstrated the company's successful navigation through the challenges posed by the economic crisis of the past," CEO Arvind Thakur said.

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NIIT Tech Q4 net up 57%

NIIT Technologies on Wednesday posted a 57 per cent rise in net profit for the fourth quarter ended March 31, at Rs 41.3 crore, due to lower incidence of taxation and depreciation. Net profit was Rs 26.3 crore in the corresponding quarter a year earlier. Consolidated revenues at Rs 239.2 crore were up five per cent from the Rs 227 crore posted in the corresponding quarter a year earlier. **BS REPORTER**

NIIT Tech Q4 net up 57%

BS REPORTER
New Delhi, 5 May

Leading IT solutions provider NIIT Technologies today posted a 57 per cent rise in net profit for the fourth quarter ended March 31 at Rs 41.3 crore due to lower incidence of taxation and depreciation. Net profit stood at Rs 26.3 crore in the year ago period.

Consolidated revenues at Rs 239.2 crore, were up five per cent from Rs 227 crore posted in the corresponding quarter a year ago.

The US contributed 33 per cent to the company's revenue, while APAC and India contributed 29 per cent. The company derives 11 per cent of its revenues from India with the government vertical offering eight per cent to the revenue.

Sequentially, NIIT Technologies' net profit rose 16.3 per cent from Rs 35.5 crore in the trailing quarter while revenues increased 3.9 per cent from Rs 230.1 crore in the quarter ended December 31, 2009. The company added 362 people in the quarter taking the total headcount to 4,476 at the end of the period.

For the full year ended March 31, 2010, NIIT Technologies' net profit was Rs 126.4 crore, up 10 per cent from Rs 114.8 crore in the previous year. Full year consolidated revenues were Rs 913.7 crore, down seven per cent from Rs 979.9 crore last year.

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NIIT Technologies' posted a consolidated net profit of Rs 41.3 crore for the fourth quarter ended March 31, 2010. A growth of 57% over the same period year-ago. Revenues of the company rose to Rs 239.2 cr for the quarter.

 **THE FINANCIAL EXPRESS**

**NIIT Tech Q4 net
increases 57%**

NIIT Technologies on Wednesday reported a 57% rise in consolidated net profit at Rs 41.3 crore for the fourth quarter ended March 31, 2010, over the same period year-ago. Revenues rose to Rs 239.2 crore for the quarter under review from Rs 227 crore in the same quarter last year, NIIT Technologies said in a filing with the BSE.

May 6, 2010, Thursday

NIIT Tech's Q4 net profit at Rs 41 crore

S RONENDRA SINGH

New Delhi

NIIT Technologies on Wednesday reported a 57 per cent jump in March quarter net profit at Rs 41.30 crore compared with Rs 26.30 crore in the same quarter of previous financial year. The board has proposed a dividend of Rs 7 per equity share for the quarter. The company's revenue rose during the quarter with a big boost coming in from Indian government's fresh intakes, CEO Arvind Thakur said.

During the quarter, NIIT Technologies incurred forex losses to the tune of Rs 12.50 crore. However, it still managed to gain in revenues, up five per cent at Rs 239.20 crore compared with Rs 227 crore in the corresponding quarter previous year.

"The euro zone volatility and currency losses impacted revenues by 3 per cent. But, fresh orders worth \$124 million secured during the quarter created a healthy order position with \$147 million executable over the next 12 months," he said.

The company said it was looking at acquisition op-



EARNINGS UP: Despite forex losses, company managed to gain in revenues, up 5% at Rs 239.20 cr from Rs 227 cr in previous year

portunities across geographies. "We are exploring fresh opportunities and looking at geographies in the emerging markets such as the Asia Pacific (APAC) region," Thakur said.

For the year ended on March 31, the company reported 10 per cent growth in net profit at Rs 126.40 crore compared with Rs 114 crore in the previous financial year. He said lower taxes also increased company's profit by over 50 per cent. Last year, the tax inci-

dence in the same quarter was Rs 4 crore, compared to nil during the last quarter.

During the quarter, the company bagged Rs 228 crore contract from the Border Security Force. In addition, five more significant clients were added.

Thakur said the company has Rs 189.50 crore cash in reserve, out of which Rs 25 crore will be used for expanding its campus. The rest will be used for acquisitions.

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May 6, 2010, Thursday

NIIT Technologies nets 57% more

Orderbook swells 39% to Rs 690 crore

Sreejiraj Eluvangal, New Delhi

NIIT Technologies, the IT services arm of education major NIIT, reported a 39% jump in its 12-month orderbook even as it posted average results for the March quarter. Orders to be carried out in 12 months jumped from \$106 million at the end of the last quarter to \$147 million (Rs 690 crore) thanks to a Rs 228-crore network construction award from the Border Security

Force (BSF) in February. The company has typically had a 12-month orderbook in the range of \$100-105 million in the past.

Quarterly revenues increased 5% to Rs 239 crore even as full-year revenues declined by 7% to Rs 914 crore due to the economic downturn. Net profit increased 57% to Rs 41 crore for the quarter due to an improvement in the topline and the improving share of fixed price based IT contracts.

Fixed price IT contracts, where the company is free to use any number of workers and technology, accounted for 38%



of the total revenues against just 32% for the same quarter last year.

The company, which gets around 38% of its revenues from Europe, Middle East and

Africa, was circumspect about the region due to the possibility of a national-debt crisis in European countries such as Greece and Spain. The strongest growth came from the domestic market, which contributes around 11%, while the United States, which accounts for a third of the company's revenues, remained stable, the company said.

"Going forward, we expect the share of the domestic market and government revenues to rise by a few percentage points over the next 12 months," said Arvind Thakur, CEO of NIIT

Technologies said.

The company, which was seen a strong contender for many of the IT services contracts associated with the roll-out of the unique-id (UID) project, said it is unlikely to bid for any of the core IT contracts such as running the central database and issuing smart cards.

Its parent firm, training major NIIT, will tie up with other software and services companies for training the agents and users of these systems, NIIT group chairman Rajendra Pawar said.

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