

Engro Foods reports 9% increase in first half of calendar year 2013

EngroFoods posted its results for the first half of calendar year 2013, registering a profit of Rs 1.1 billion, up 9% from Rs1 billion in the corresponding period last year. However profits for the quarter ended June 30 2013 were at Rs460 million, down from Rs531 million for the corresponding period last year.

EngroFoods, currently a major player in the dairy sector, is the cash-cow for Engro Corp ever since its fertiliser operations fell into disarray. The company has seen aggressive growth since its creation in 2006, however increased market saturation and rising inflation has crowded out the market.

Net sales fell to Rs 18.9 billion for the half year period, down 4% from Rs19.7 billion for the corresponding period last year, due to problems in the distribution network. Despite a fall in sales, distribution and marketing expenses rose to Rs 2.6 billion from Rs 2.4 billion last year while administrative expenses rose to Rs 550 million from Rs 473 million. However, EngroFoods was able to raise profit margins by 3.5 percentage points to 28% due to higher prices in the dairy and ice-cream segment.

"Improvement in earnings is mainly on account of 3.5ppt improvement in gross margins and lower taxation. Further, a 9% uptick in selling expenses to Rs2.6bn also affected the bottom line," said Zeeshan Afzal of Topline Securities.

Lowered interest rates brought finance costs down to Rs397 million for the half year period, down from Rs440 million previously while a reduced effective tax rate lowered tax costs to Rs454 million from Rs518 million, aiding bottom line growth.

Despite improved half yearly results, the company showed declining income on a quarterly basis as profits in the quarter ended June 30 2013 fell to Rs 460 million from Rs 531 million last year, a 13% drop, driven mostly by a 7% drop in sales to Rs 9.3 billion, while other income fell a massive 92% to Rs 8 million from Rs106 million in the previous year. As a result the company posted Earnings per Share of Rs 0.60 for the quarter ended June 30 2013, down 29% compared to the previous quarter and 13% compared to the corresponding quarter last year. In comparison Earnings per Share for the half year period ended June 30 2013 were Rs 1.45, up 9% from Rs1.33 in the corresponding period last year. The company is currently in the process of constructing a powdered milk plant to further expand its product line. The plant is expected to come online in 2014. ♦



Free Chlorine Sensors for Water Treatment and Disinfection

Real-time free chlorine measurement FCL500 series sensors from Sensorex

Sensorex's FCL500 series free chlorine sensors use advanced amperometric measurement technology to provide highly accurate monitoring of free chlorine in process applications. With three models covering the 0-2ppm, 0-5ppm and 0-10ppm ranges, FCL500 sensors can be used in new installations or as a field replacement for existing sensors in drinking water disinfection and distribution applications, food and beverage production, cooling water, and other industrial water treatment systems.

The new device has an upgraded temperature correction curve for improved performance. Its new membrane design features a mesh reinforcement clamp for increased stability and added durability. The 4-20mA isolated signal output is enhanced to eliminate ground loop errors, reduce noise, and block high voltage transient surges.

For real-time free chlorine monitoring, the FCL500 series sensors interface with PLC, SCADA and other process control systems via the 4-20mA output. A large electrolyte reservoir with an easily replaced membrane cap and solution reduce maintenance intervals and maximize sensor life. ♦



Sensorex's free chlorine sensors provide real time measurement.