

CMP: INR 11.51

Stock data

BSE code	501421
BSE ID	TECHNVISN
Face value (INR)	10
No of shares (m)	6.2
Market cap (INRm)	72.3
3m avg. daily vol (No)	43.2
Free float (INRm)	18.8
Dividend yield FY13 (%)	0

S&P BSE Sensex	21,251.1
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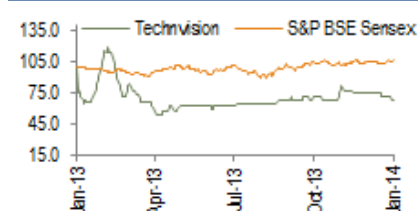
Stock performance (%)

52-week H/L	INR20.7/9.2		
	1M	3M	12M
Absolute (%)	-8.7	-3.9	-32.3
Relative (%)	-9.4	-5.6	-38.0

Shareholding pattern (%)

Promoters	FIIs	DIIs	Others
74.32%	0.00%	0.00%	25.68%

Relative stock movement



Source: BSE

Company Overview

TechNvision Ventures Ltd (TVL), formerly Solix Technologies Limited, was incorporated in 1980 as a public limited company. TNV offers Enterprise Data Management, automated cash flow process and talent management solutions through its subsidiary companies i.e. Solix Technologies Inc, Emagia Corporation and SITI Corporation respectively. TVL is also building capabilities for cloud computing services. The company is located in Secunderabad, Andhra Pradesh.

Q3FY14 performance

- Revenue increased by 206.1% YoY from INR50.6m in Q3FY13 to INR155.0m in Q3FY14. It also increased by 81.1% YoY from INR171.2m in Q3FY13 to INRQ3FY14.
- Staff cost increased from INR21.6m in Q3FY13 to INR 34.2m Q3FY14. It increased by 7.9% YoY from INR90.5m in 9mFY13 to INR97.7m in 9mFY14. Other expense increased by 351.7% from INR25.6m in Q3FY13 to INR115.8m in Q3FY14. It increased from INR77.6m in 9mFY13 to INR167.5m in 9mFY14.
- As a result, EBIDTA increased by 70.0% YoY from INR2.3m in Q3FY13 INR3.8m in Q3FY13. The Company reported EBIDTA of INR41.3m in 9mFY14 compared to operating loss of INR0.5m in 9mFY13.
- Interest expense turned to, negative INR3.2m in Q3FY14 compared to INR1.1m in Q3FY13. It declined from INR1.8m in 9mFY13 to INR1.0m in 9mFY14.
- Provision for tax also turned to, negative INR0.8m in Q3FY14 compared to nil in Q3FY13. However it increased from INR0.4m in 9mFY13 to INR2.2m in 9mFY14.
- Minority interest increased from INR0.8m in Q3FY13 to INR2.0m in Q3FY14. It increased from INR1.2m in 9mFY13 to INR9.9m in 9mFY14.
- As a result, reported PAT increased by 387.7% from INR0.3m in Q3FY13 to INR5.0m in Q3FY14. It increased from INR1.7m in 9mFY13 to INR28.1m in 9mFY14.

Table 1: Q3FY14 snapshot

(INRm)	Q3FY14	Q3FY13	YoY %	Q2FY14	QoQ%	9mFY14	9mFY13	YoY %
Revenue	155.0	50.6	206.1	61.3	153.0	310.1	171.2	81.1
EBITDA	3.8	2.3	70.0	15.1	-74.6	41.3	-0.5	-8049.0
PAT (Adjusted)	7.0	1.1	552.6	12.9	-45.7	37.9	-2.9	-1407.3
PAT (Reported)	5.0	0.3	387.7	8.5	8.3	28.1	-1.7	-492.7
Ratio								
% of sales	Q3FY14	Q3FY13	YoY %	Q2FY14	QoQ%	9mFY14	9mFY13	YoY %
Direct Cost	0.8	2.4	-1.6	1.9	-1.2	1.2	2.1	-0.9
Staff Cost	22.0	42.6	-20.5	50.5	-28.5	31.5	52.9	-21.4
Other Expenditure	74.7	50.6	24.1	22.9	51.8	54.0	45.3	8.7
EBITDA	2.5	4.4	-2.0	24.6	-22.1	13.3	-0.3	13.6
Tax Rate	-13.6	0.0	-13.6	5.1	-18.7	5.4	-16.5	21.9
NPM	4.5	2.1	2.4	21.0	-16.5	12.2	-1.7	13.9

Source: Company, Varhad Research

January 2014

Quarterly performance in charts and tables

Table 2: Detailed Q3FY14 Overview

	Q3FY14	Q3FY13	YoY %	Q2FY14	QoQ%	9mFY14	9mFY13	YoY %
Revenue	155.0	50.6	206.1	61.3	153.0	310.1	171.2	81.1
Direct Cost	1.2	1.2	0.3	1.2	0.3	3.6	3.6	0.4
Staff Cost	34.2	21.6	58.5	31.0	10.3	97.7	90.5	7.9
Other Expenditure	115.8	25.6	351.7	14.0	725.4	167.5	77.6	115.8
Total Cost	151.2	48.4	212.4	46.2	227.3	268.7	171.7	56.5
EBITDA	3.8	2.3	70.0	15.1	-74.6	41.3	-0.5	-8049.0
Depreciation	0.1	0.1	60.0	0.1	60.0	0.2	0.2	27.1
EBIT	3.7	2.2	70.3	15.0	-75.2	41.1	-0.7	-6059.3
Interest Expenses	-2.4	1.1	-315.2	1.5	-262.8	1.0	1.8	-42.2
Non-Operating Income	0.0	0.0	n.a.	0.0	n.a.	0.0	0.0	n.a.
PBT	6.1	1.1	474.6	13.5	-54.6	40.1	-2.5	-1710.4
Provision for Tax	-0.8	0.0	n.a.	0.7	-221.0	2.2	0.4	432.9
PAT (Adjusted)	7.0	1.1	552.6	12.9	-45.7	37.9	-2.9	-1407.3
Minority Interest (MI)	2.0	0.8	164.9	4.3	-54.0	9.9	-1.2	-914.6
PAT (Reported)	5.0	0.3	387.7	8.5	8.3	28.1	-1.7	-492.7

Source: BSE, Varhad Research

Chart 1: Sales trend

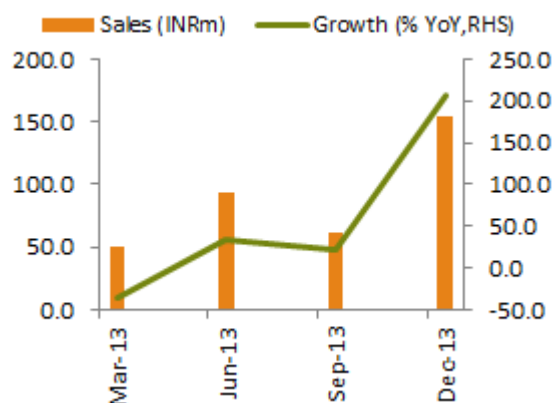


Chart 2: EBIDTA trend #

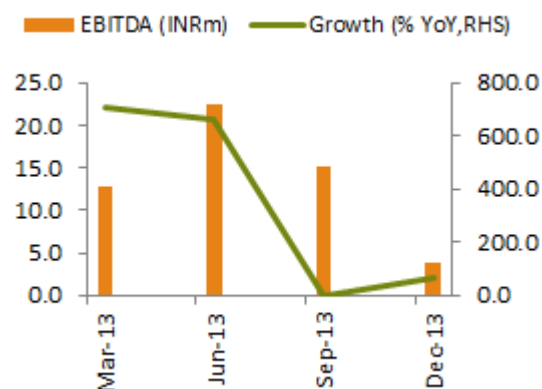


Chart 3: Margin trend

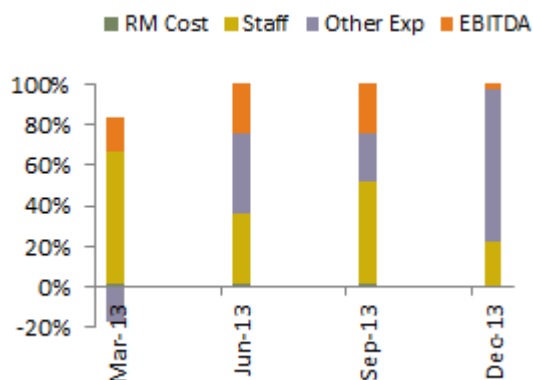
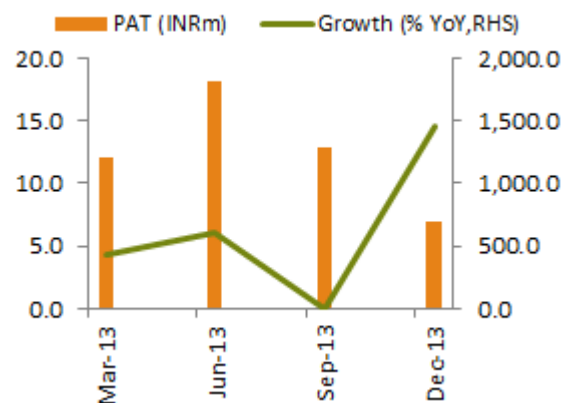


Chart 4: PAT trend #



Note: # EBIDTA and PAT growth could not be calculated in certain quarters due to losses; Source: Company, Varhad Research

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