

CMP: INR 42.40

## Stock data

BSE code	508905
BSE ID	SMIFS
Face value (INR)	10
No of shares (m)	5.6
Market cap (INRm)	236.8
3m avg. daily vol (No)	157
Free float (INRm)	122.0
Dividend yield FY13 (%)	3.3

S&P BSE Sensex	19,379.8
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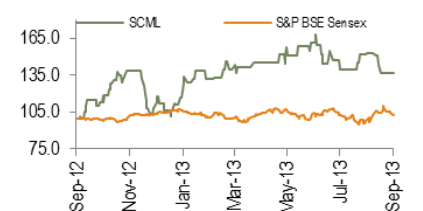
## Stock performance (%)

52-week H/L	INR52.0/30.4		
	1M	3M	12M
Absolute (%)	-10.7	-15.2	36.8
Relative (%)	-14.8	-15.1	33.8

## Shareholding pattern (%)

Promoters	FIIs	DIIs	Others
48.47%	9.85%	1.81%	39.87%

## Relative stock movement



Source: BSE

## Company Overview

Incorporated in the early eighties, SMIFS Capital Markets is engaged in financial services. The Company is also registered under SEBI as merchant banker and underwriter. The company has expertise in areas of corporate finance, merchant banking, corporate advisory services, treasury management and project finance. The company has associates in all the major metros of the country viz., Kolkata, Chennai, New Delhi, Bangalore & Hyderabad and Mumbai. The key clients are Mukta Arts Ltd., Pritish Nandy Communications Ltd., and Moving Picture Company Ltd.

## Q1FY14 performance

- The Company earned INR35.0m from capital market operations, INR8.4m from investment banking operations and INR40.3m from real estate business. Net revenue increased by 173.4% YoY from INR29.0m in Q1FY13 to INR79.2m in Q1FY14. However, it decreased by 34.9% QoQ.
- Stock-in-trade cost increased by 236.9% YoY from INR20.6m in Q1FY13 to INR69.3m in Q1FY14. However, it decreased by 33.5% QoQ. Staff cost decreased by 9.3% YoY, 41.4% QoQ to INR2.9m in Q1FY14.
- Other expenditure increased by 101.5% YoY from INR2.9m in Q1FY13 to INR5.8m in Q1FY14. However, it decreased by 18.7% QoQ.
- Operating profit decreased by 52.1% YoY, 78.9% QoQ to INR1.1m in Q1FY14.
- Depreciation decreased by 7.9% QoQ from INR0.9m in Q4FY13 to INR0.8m in Q1FY14. Interest expense increased by 28.6% YoY from INR0.07m in Q1FY13 to INR0.09m in Q1FY14. However, it decreased by 9.1% QoQ.
- Non-operating income decreased by 70.6% YoY, 86.8% QoQ to INR0.2m in Q1FY14.
- Adjusted net profit decreased by 6.5% YoY, 2.9% QoQ to INR1.4m in Q1FY14.
- In the 30<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2013, the Company declared a dividend of INR1.4 per share for FY13. Mr. Utsav Parekh and Mr. Santosh Kumar Mukherjee were re-appointed as Director of the Company. M/s J. S. Vanzara & Associates was appointed as Statutory Auditor of the Company.

Table 1: Q1FY14 snapshot

(INRm)	Q1FY14	Q1FY13	YoY %	Q4FY13	QoQ%	FY13	FY12	YoY %
Revenue	79.2	29.0	173.4	121.5	-34.9	310.1	281.3	10.2
EBITDA	1.1	2.3	-52.1	5.2	-78.9	7.6	45.5	-83.3
PAT (Adjusted)	1.4	7.9	-6.5	4.3	-2.9	2.4	16.2	-13.7
PAT (Reported)	0.3	-25.1	-101.1	26.6	-99.0	9.8	39.4	-75.1

## Ratio

% of sales	Q1FY14	Q1FY13	YoY %	Q4FY13	QoQ%	FY13	FY12	YoY %
Stock-in-trade	87.6	71.1	16.5	85.8	1.8	86.0	72.0	14.0
Staff Cost	3.7	11.1	-7.4	4.1	-0.4	5.0	5.4	-0.5
Other Expenditure	7.4	10.0	-2.6	5.9	1.5	6.6	6.4	0.2
EBITDA	1.4	7.9	-6.5	4.3	-2.9	2.4	16.2	-13.7
Tax Rate	18.2	1388.9	-1370.7	-400.5	418.7	26.2	25.0	1.2
NPM	0.3	-86.9	87.2	21.9	-21.6	3.2	14.0	-10.9

Source: Company, Varhad Research

October 2013

## Quarterly performance in charts and tables

Table 2: Detailed Q1FY14 Overview

	Q1FY14	Q1FY13	YoY %	Q4FY13	QoQ%	FY13**	FY12**	YoY %
<b>Revenue</b>	79.2	29.0	173.4	121.5	-34.9	310.1	281.3	10.2
Stock-in-trade Cost	69.3	20.6	236.9	104.2	-33.5	266.7	202.5	31.7
Staff Cost	2.9	3.2	-9.3	4.9	-41.4	15.4	15.3	0.7
Other Expenditure	5.8	2.9	101.5	7.2	-18.7	20.5	18.0	13.8
Total Cost	78.1	26.7	192.7	116.4	-32.9	302.5	235.8	28.3
<b>EBITDA</b>	1.1	2.3	-52.1	5.2	-78.9	7.6	45.5	-83.3
Depreciation	0.8	0.8	7.5	0.9	-7.9	3.6	3.9	-6.8
<b>EBIT</b>	0.3	1.5	-82.1	4.3	-93.7	3.9	41.6	-90.5
Interest Expenses	0.1	0.1	28.6	0.1	-9.1	0.4	0.4	-16.7
Non-Operating Income	0.2	0.5	-70.6	1.1	-86.8	9.7	11.4	-15.0
<b>PBT</b>	0.3	2.0	-83.1	5.3	-93.8	13.3	52.6	-74.7
Provision for Tax	0.1	27.1	-99.8	-21.3	-100.3	3.5	13.2	-73.5
<b>PAT (Adjusted)</b>	0.3	-25.1	-101.1	26.6	-99.0	9.8	39.4	-75.1
Extra Ordinary	0.0	0.0	*	0.0	*	0.0	0.0	*
<b>PAT (Reported)</b>	0.3	-25.1	-101.1	26.6	-99.0	9.8	39.4	-75.1

Note: (\*) Not Applicable, (\*\*) FY12 &amp; FY13 numbers are consolidated, Source: BSE, Varhad Research

Chart 1: Sales trend



Chart 2: EBITDA trend#

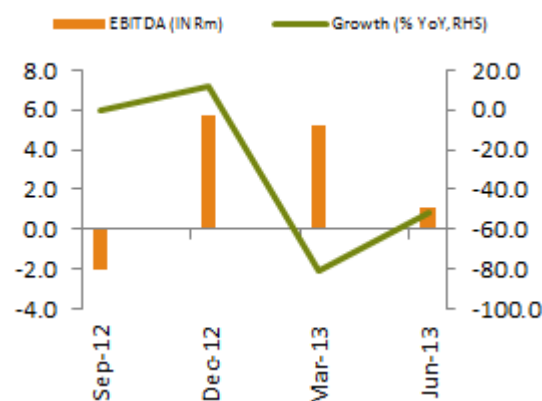
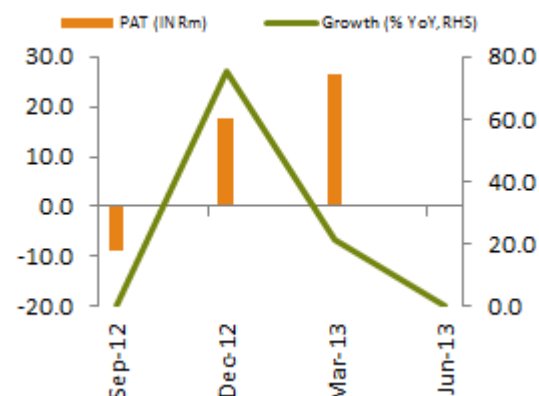


Chart 3: Margin trend



Chart 4: PAT trend#



Note: (#) EBITDA/PAT growth could not be calculated for certain quarters due to losses, Source: Company, Varhad Research

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