

CMP: INR38.65

## Stock data

BSE code	508905
BSE ID	SMIFS
Face value (INR)	10
No of shares (m)	5.6
Market cap (INRm)	215.9
3m avg. daily vol (No)	0.1
Free float (INRm)	111.2
Dividend yield FY13 (%)	3.6

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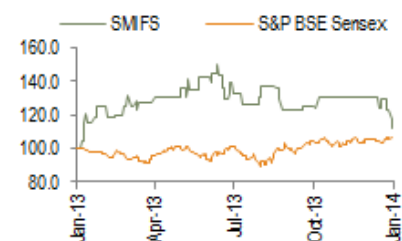
## Stock performance (%)

52-week H/L	INR52.0/34.5		
	1M	3M	12M
Absolute (%)	-14.4	-10.2	12.0
Relative (%)	-15.1	-12.1	5.7

## 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 (SCML) 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.

## Q3FY14 performance

- The Company earned INR66.1m from capital market operations, INR2.5m from investment banking operations and INR20.1m from real estate business.
- Net revenue decreased by 6.9% YoY and 4.4% QoQ to INR86.9m in Q3FY14. However, it increased by 34.6% YoY to INR257.0m in 9mFY14.
- Stock-in-trade increased by 6.2% YoY to INR83.0m in Q3FY14. However it decreased by 0.9% QoQ from INR83.7m in Q2FY14. It increased by 45.3% YoY to INR236.0m in 9mFY14.
- Other expenditure decreased by 3.7% YoY and 6.9% QoQ to INR5.9m in Q3FY14. It increased by 39.2% YoY to INR18.1m in 9mFY14.
- The Company reported an operating loss of INR5.4m in Q3FY14 and INR6.5m in 9mFY14 compared to an operating profit of INR5.7m in Q3FY13 and INR5.9m in 9mFY13.
- Non-operating income decreased by INR4.3m YoY and INR3.2m QoQ to INR0.2m in Q3FY14. It decreased by INR1.7m YoY to INR3.7m in 9mFY14.
- The Company reported a net loss of INR6.1m in Q3FY14 compared to a net profit of INR17.7m in Q3FY13 and INR0.3m in Q2FY14. Net loss decreased by 66.4% YoY to INR5.5m in 9mFY14.

Table 1: Q3FY14 snapshot

(INRm)	Q3FY14	Q3FY13	YoY %	Q2FY14	QoQ%	9mFY14	9mFY13	YoY %
Revenue	86.9	93.3	-6.9	90.9	-4.4	257.0	190.8	34.6
EBITDA	-5.4	5.7	-193.7	-2.2	-144.9	-6.5	5.9	-208.7
PAT (Adjusted)	-6.1	17.7	-134.2	0.3	-2,432.3	-5.5	-16.4	66.4
PAT (Reported)	-6.1	17.7	-134.2	0.3	-2,432.3	-5.5	-16.4	66.4

## Ratio

% of sales	Q3FY14	Q3FY13	YoY %	Q2FY14	QoQ%	9mFY14	9mFY13	YoY %
Stock-in-trade	95.5	83.7	11.8	92.1	3.4	91.8	85.1	6.7
Staff Cost	3.9	3.6	0.3	3.4	0.5	3.6	5.0	-1.3
Other Expenditure	6.8	6.6	0.2	7.0	-0.2	7.0	6.8	0.2
EBITDA	-6.2	6.1	-12.3	-2.4	-3.8	-2.5	3.1	-5.6
Tax Rate	-0.5	-93.2	92.8	0.0	-0.5	-1.5	296.9	-298.5
NPM	-7.0	19.0	-26.0	0.3	-7.3	-2.1	-8.6	6.5

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 %
<b>Revenue</b>	86.9	93.3	-6.9	90.9	-4.4	257.0	190.8	34.6
Stock-in-trade	83.0	78.1	6.2	83.7	-0.9	236.0	162.4	45.3
Staff Cost	3.4	3.3	1.8	3.1	10.7	9.3	9.5	-1.7
Other Expenditure	5.9	6.1	-3.7	6.4	-6.9	18.1	13.0	39.2
Total Cost	92.2	87.6	5.3	93.1	-0.9	263.4	184.9	42.5
<b>EBITDA</b>	-5.4	5.7	-193.7	-2.2	-144.9	-6.5	5.9	-208.7
Depreciation	0.8	0.9	-8.8	0.8	0.6	2.5	2.7	-8.4
<b>EBIT</b>	-6.2	4.8	-228.4	-3.0	-105.6	-8.9	3.2	-375.1
Interest Expenses	0.1	0.1	-41.3	0.1	-20.0	0.2	0.2	-6.5
Non-Operating Income	0.2	4.5	-95.1	3.4	-93.5	3.7	5.4	-30.5
<b>PBT</b>	-6.0	9.2	-165.9	0.3	-2,421.2	-5.4	8.3	-165.1
Provision for Tax	0.0	-8.5	100.3	0.0	*	0.1	24.8	-99.7
<b>PAT (Adjusted)</b>	-6.1	17.7	-134.2	0.3	-2,432.3	-5.5	-16.4	66.4
Extra Ordinary	0.0	0.0	*	0.0	*	0.0	0.0	*
<b>PAT (Reported)</b>	-6.1	17.7	-134.2	0.3	-2,432.3	-5.5	-16.4	66.4

Note: (\*) Not Applicable, Source: BSE, Varhad Research

Chart 1: Sales trend

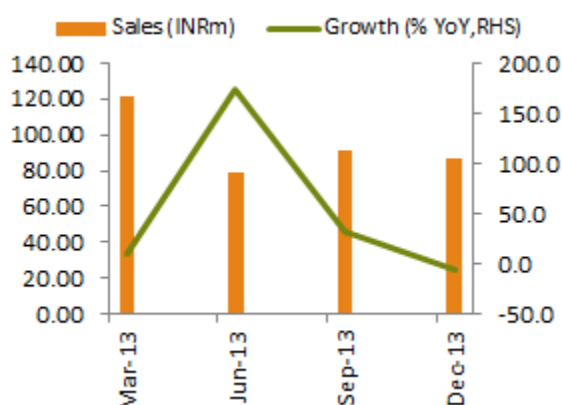


Chart 2: EBITDA trend#

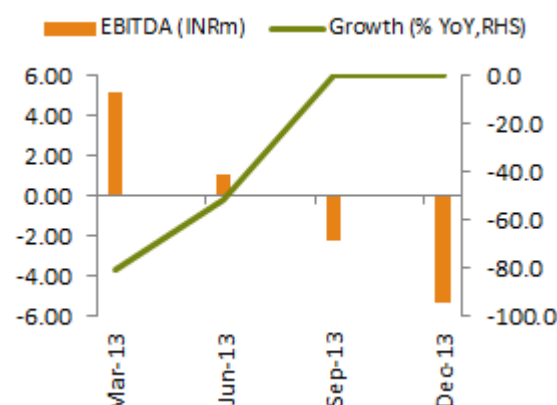


Chart 3: Margin trend

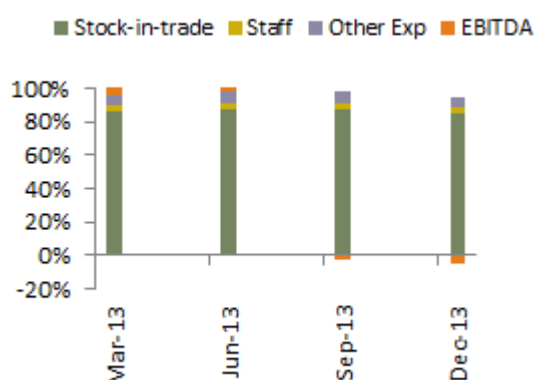
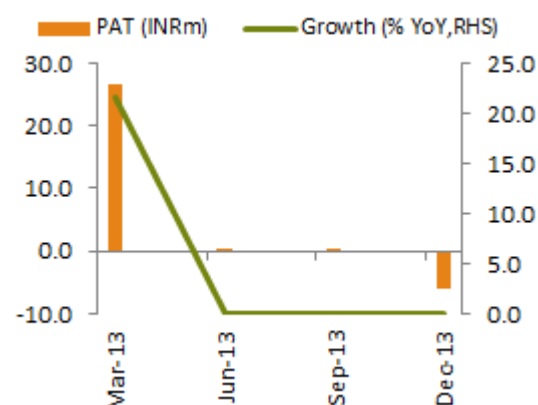


Chart 4: PAT trend#



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

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