

CMP: INR48.15

Stock data

BSE code	508905
BSE ID	SMIFS
Face value (INR)	10
No of shares (m)	5.6
Market cap (INRm)	268.9
3m avg. daily vol (No)	146.0
Free float (INRm)	138.0
Dividend yield FY14 (%)	2.1

S&P BSE Sensex	26,126.8
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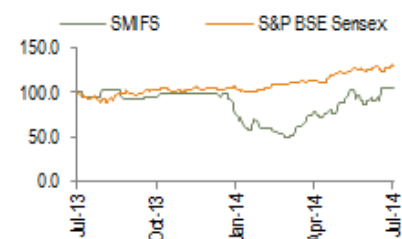
Stock performance (%)

52-week H/L	INR50.4/22.3		
	1M	3M	12M
Absolute (%)	16.3	34.5	5.5
Relative (%)	13.1	19.3	-24.6

Shareholding pattern (%)

Promoters	FIIs	DIIs	Others
48.68%	9.85%	1.81%	39.66%

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., Prithvi Nandy Communications Ltd. and Moving Picture Company Ltd.

Q1FY15 performance

- Revenue decreased by 31.4% YoY from INR79.2m in Q1FY14 to INR54.3m in Q1FY15.
- Raw material cost decreased by 39.5% YoY from INR69.3m in Q1FY14 to INR42.0m in Q1FY15. Staff cost increased from INR2.9m in Q1FY14 to INR3.1m in Q1FY15. Other expenses increased from INR5.8m in Q1FY14 to INR6.1m in Q1FY15.
- As a result, EBITDA increased from INR1.1m in Q1FY14 to INR3.1m in Q1FY15.
- Depreciation decreased from INR0.8m in Q1FY14 to INR0.6m in Q1FY15. Interest expenses decreased from INR0.1m in Q1FY14 to negligible in Q1FY15. Non-operating income increased by 32.7% YoY to INR0.2m in Q1FY15. Provision for taxes decreased from INR0.1m in Q1FY14 to negligible in Q1FY15.
- As a result, PAT increased by 819.2% YoY from INR0.3m in Q1FY14 to INR2.6m in Q1FY15.
- The company has informed BSE that, it has appointed Mr. Shreemanta Banerjee, Chartered Accountant, as Chief Financial Officer (CFO) of the Company with effect from August 13, 2014. Mr. Shreemanta Banerjee will be designated as CFO-cum-Assistant Vice President (Finance and Taxation).
- Further, Mr. Anil Singhania, has been freed from the responsibility of CFO, with effect from the close of business hours on August 12, 2014 and would allocate his full time into Investment Banking division. He has been promoted and designated as Senior Vice President- Investment Banking w.e.f. August 13, 2014.

Table 1: Q1FY15 snapshot**

(INRm)	Q1FY15	Q1FY14	YoY %	Q4FY14	QoQ%	FY14	FY13	YoY %
Revenue	54.3	79.2	-31.4	109.9	-50.6	366.8	312.4	17.4
EBITDA	3.1	1.1	185.3	10.4	-69.9	4.0	11.1	-64.4
PAT (Adjusted)	2.6	0.3	819.2	7.6	-65.5	2.1	10.2	-79.5
PAT (Reported)	2.6	0.3	819.2	7.6	-65.5	2.1	10.2	-79.5
Ratio								
% of sales	Q1FY15	Q1FY14	YoY %	Q4FY14	QoQ%	FY14	FY13	YoY %
Stock-in-trade	77.3	87.6	-10.3	79.7	-2.4	88.2	85.4	2.8
Staff Cost	5.7	3.7	2.1	4.7	1.0	4.0	4.6	-0.7
Other Expenditure	11.2	7.4	3.9	6.1	5.1	6.8	6.5	0.3
EBITDA	5.8	1.4	4.4	9.5	-3.7	1.1	3.6	-2.5
Tax Rate	0.5	16.1	-15.7	24.4	-24.0	54.8	25.4	29.4
NPM	4.8	0.4	4.5	6.9	-2.1	0.6	3.3	-2.7

**Standalone figures. Source: Company, Varhad Research

July 2014

Quarterly performance in charts and tables

Table 2: Detailed Q1FY15 Overview**

	Q1FY15	Q1FY14	YoY %	Q4FY14	QoQ%	FY14	FY13	YoY %
Revenue	54.3	79.2	-31.4	109.9	-50.6	366.8	312.4	17.4
Stock-in-trade	42.0	69.3	-39.5	87.5	-52.1	323.5	266.7	21.3
Staff Cost	3.1	2.9	7.3	5.2	-40.2	14.5	14.4	0.6
Other Expenditure	6.1	5.8	4.5	6.7	-9.7	24.8	20.2	23.1
Total Cost	51.2	78.1	-34.5	99.5	-48.6	362.9	301.3	20.5
EBITDA	3.1	1.1	185.3	10.4	-69.9	4.0	11.1	-64.4
Depreciation	0.6	0.8	-21.2	0.8	-20.4	3.3	3.6	-8.5
EBIT	2.5	0.3	802.5	9.6	-74.1	0.7	7.5	-91.0
Interest Expenses	0.0	0.1	-49.4	0.1	-15.4	0.3	0.3	-18.2
Non-Operating Income	0.2	0.2	32.7	0.5	-61.0	4.2	6.5	-34.6
PBT	2.6	0.3	674.5	10.1	-73.8	4.6	13.7	-66.1
Provision for Tax	0.0	0.1	-78.2	2.5	-99.5	2.5	3.5	-26.9
PAT (Adjusted)	2.6	0.3	819.2	7.6	-65.5	2.1	10.2	-79.5
Extra Ordinary	0.0	0.0	n.a.	0.0	n.a.	0.0	0.0	n.a.
PAT (Reported)	2.6	0.3	819.2	7.6	-65.5	2.1	10.2	-79.5

Note: (n.a.) Not Applicable, **Standalone figures. Source: BSE, Varhad Research

Chart 1: Sales trend

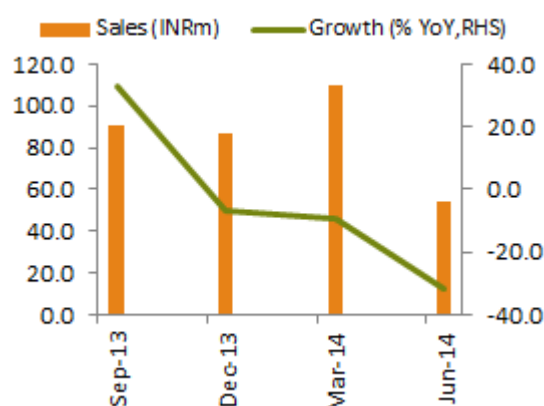


Chart 2: EBITDA trend#

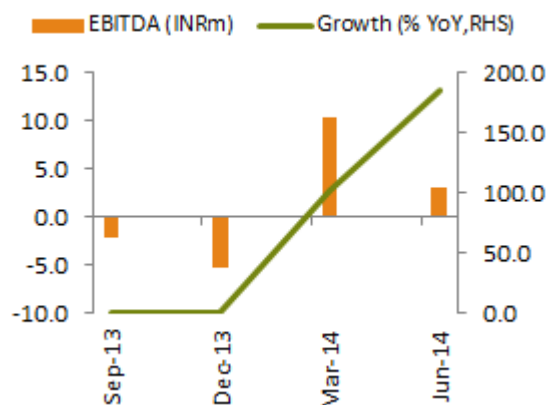


Chart 3: Margin trend

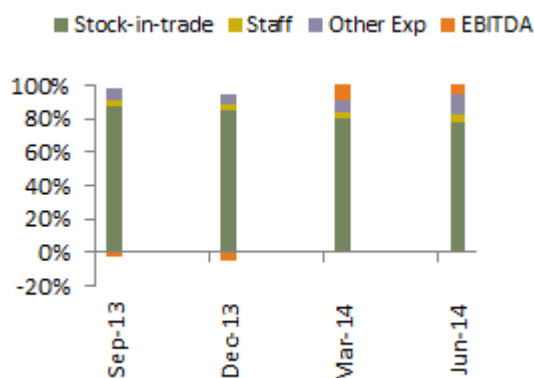
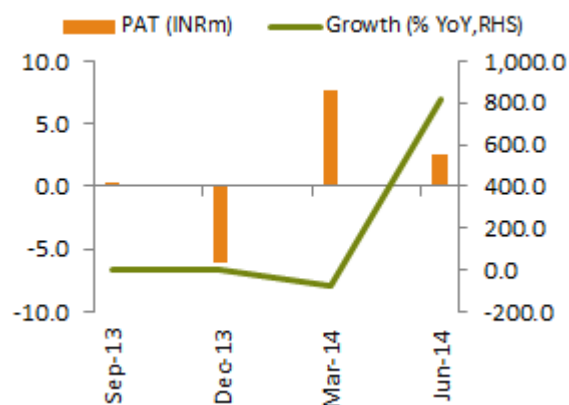


Chart 4: PAT trend#



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

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