

CMP: INR23.30

Stock data

BSE code	508905
BSE ID	SMIFS
Face value (INR)	10
No of shares (m)	5.6
Market cap (INRm)	130.1
3m avg. daily vol (No)	5,317.9
Free float (INRm)	67.0
Dividend yield FY14 (%)	3.9

S&P BSE Sensex	28,888.8
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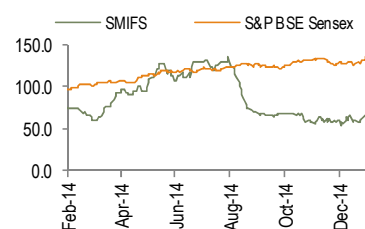
Stock performance (%)

52-week H/L	INR52.8/18.1		
	1M	3M	12M
Absolute (%)	5.7	-8.3	-36.7
Relative (%)	1.4	-16.1	-72.1

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

Q3FY15 performance

- Revenue decreased by 16.7% YoY from INR86.9m in Q3FY14 to INR72.4m in Q3FY15.
- Raw material cost decreased by 26.1% YoY from INR83.0m in Q3FY14 to INR61.3m in Q3FY15.
- Staff cost increased by 21.6% YoY from INR3.4 in Q3FY14 to INR4.1m in Q3FY15.
- Other expenses decreased by 42.5% YoY from INR5.9m in Q3FY14 to INR3.4m in Q3FY15.
- As a result, company reported operating profit of INR3.6m in Q3FY15 against operating loss of INR5.4m in Q3FY14.
- Depreciation decreased from INR0.8m in Q3FY14 to INR0.7m in Q3FY15.
- Interest expense decreased by 53.1% on YoY basis to negligible in Q3FY15.
- Non-operating income increased by 37.2% on YoY basis to INR0.3m in Q3FY15.
- Provision for tax was nil Q3FY15.
- Consequently, company reported net profit of INR3.1m in Q3FY15 compared to net loss of INR6.1m in Q3FY14.

Table 1: Q3FY15 snapshot

(INRm)	Q3FY15	Q3FY14	YoY %	Q2FY15	QoQ%	9MFY15	9MFY14	YoY %
Revenue	72.4	86.9	-16.7	80.2	-9.7	206.9	257.0	-19.5
EBITDA	3.6	-5.4	166.7	2.8	27.8	9.5	-6.5	247.1
PAT (Adjusted)	3.1	-6.1	151.7	2.2	43.2	8.0	-8.5	193.8
PAT (Reported)	3.1	-6.1	151.7	2.2	43.2	8.0	-8.5	193.8

Ratio

% of sales	Q3FY15	Q3FY14	YoY %	Q2FY15	QoQ%	9MFY15	9MFY14	YoY %
Stock-in-trade	84.7	95.5	-10.8	86.5	-1.9	83.5	91.8	-8.4
Staff Cost	5.7	3.9	1.8	3.8	1.9	5.0	3.6	1.3
Other Expenditure	4.7	6.8	-2.1	6.2	-1.5	7.0	7.0	-0.1
EBITDA	4.9	-6.2	11.1	3.5	1.4	4.6	-2.5	7.1
Tax Rate	0.0	-0.5	0.5	0.0	0.0	0.2	-1.0	1.1
NPM	4.3	-7.0	11.3	2.7	1.6	3.8	-3.3	7.1

Source: Company, Varhad Research

Jan 2015

Quarterly performance in charts and tables

Table 2: Detailed Q3FY15 Overview

	Q3FY15	Q3FY14	YoY %	Q2FY15	QoQ%	9MFY15	9MFY14	YoY %
Revenue	72.4	86.9	-16.7	80.2	-9.7	206.9	257.0	-19.5
Stock-in-trade	61.3	83.0	-26.1	69.4	-11.6	172.7	236.0	-26.8
Staff Cost	4.1	3.4	21.6	3.0	34.7	10.3	9.3	10.0
Other Expenditure	3.4	5.9	-42.5	4.9	-31.2	14.4	18.1	-20.2
Total Cost	68.8	92.2	-25.4	77.4	-11.1	197.4	263.4	-25.1
EBITDA	3.6	-5.4	166.7	2.8	27.8	9.5	-6.5	247.1
Depreciation	0.7	0.8	-13.8	0.7	8.7	2.0	2.5	-18.5
EBIT	2.9	-6.2	146.3	2.1	33.6	7.5	-8.9	183.9
Interest Expenses	0.0	0.1	-53.1	0.2	-84.5	0.3	0.2	31.4
Non-Operating Income	0.3	0.2	37.2	0.2	25.6	0.7	0.7	0.0
PBT	3.1	-6.0	151.9	2.2	43.2	8.0	-8.4	194.8
Provision for Tax	0.0	0.0	-100.0	0.0	*	0.0	0.1	-85.4
PAT (Adjusted)	3.1	-6.1	151.7	2.2	43.2	8.0	-8.5	193.8
Extra Ordinary	0.0	0.0	*	0.0	*	0.0	0.0	*
PAT (Reported)	3.1	-6.1	151.7	2.2	43.2	8.0	-8.5	193.8

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

Chart 1: Sales trend

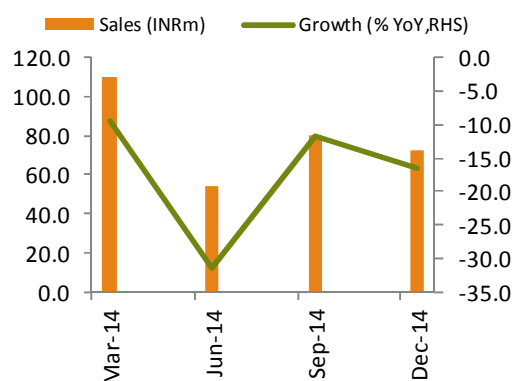


Chart 2: EBITDA trend#

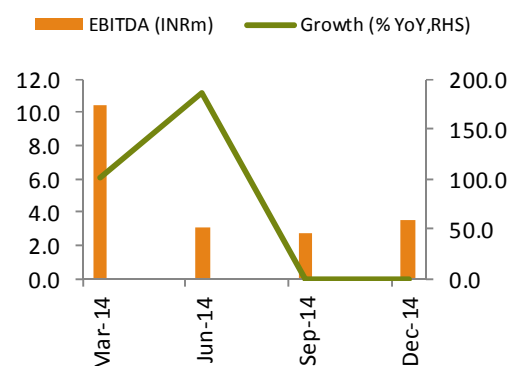


Chart 3: Margin trend

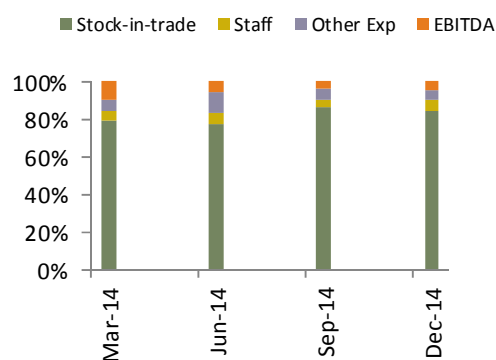
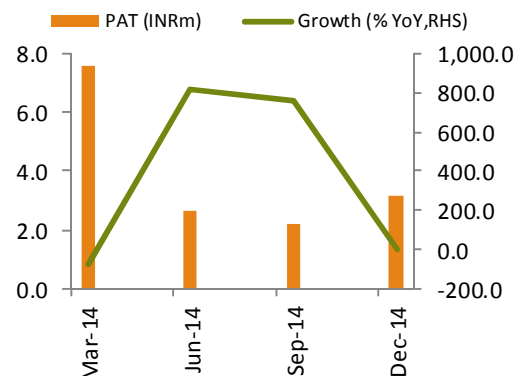


Chart 4: PAT trend#



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

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