

07 February 2013

CMP: Rs.15.2
Industry: BPO/KPO
BSE group: B

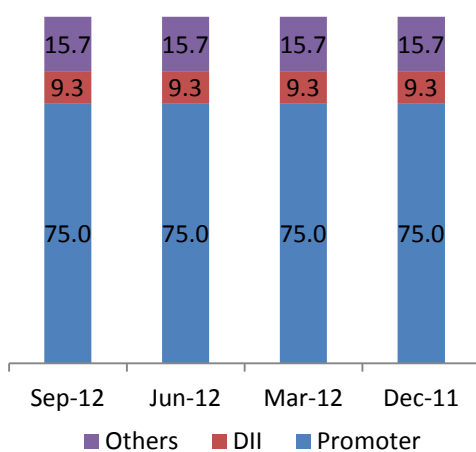
Promoters

Gautam Khandelwal

Key Data (as on 1 Feb' 13)

BSE	504810
ISIN	INE1123E01014
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	60.0
Current P/E	4.1
Current P/BV	0.53
52 week low-high	11.98-25.95
30 days avg. daily trading volume	276
Equity capital (Rs mn)	41.7
Net worth (Rs mn)	112.5

Shareholding Pattern (%)



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Company business

Informed Technologies India Ltd ('ITIL') is a subsidiary of Khandelwals Ltd, established in 1958. The company is based in Mumbai and engaged in the BPO and KPO business. The company collects and analyses data on financial fundamentals, corporate governance and capital market for the financial sector in United States. Its outsource services comprise financial databases and back office activities for research/advisory reports. ITIL has been promoted by Gautam Khandelwal, his family members and associates. Gautam Khandelwal is the non-executive chairman of the company.

Recent updates

Gradual shifting of Indian BPO industry to BPM: New entities like business process management (BPM) and SMAC – social, mobility, analytics and cloud are the emerging trends in the current business application. Indian BPO practice is moving away from voice based services and concentrating on the non-voice services for global clients. The industry is now calling it BPM and shifting in that direction.

Financials

Particulars (Rs in mn)	Jul '12 to Sep '12	Jul '11 to Sep '11	% Change ¹	Apr'12 to Jun '12	% Change ²
Total income	9.4	9.4	-	11.3	(16.8%)
Total expenditure	5.9	3.5	68.6%	3.2	84.4%
EBIDTA	3.5	5.9	(40.7%)	8.1	(56.8%)
EBIDTA margin	37.2%	62.8%	(40.7%)	71.7%	(48.1%)
PBT	3.1	5.6	(44.6%)	7.8	(60.3%)
PAT	3.1	5.7	(45.6%)	7.8	(60.3%)
PAT margin	33.0%	60.6%	(45.6%)	69.0%	(52.2%)
Cash accruals	3.5	6.0	(41.7%)	7.8	(55.1%)
EPS	0.7	1.4	(50.0%)	1.9	(63.2%)

¹ compared to corresponding quarter in the previous year

² sequential comparisons

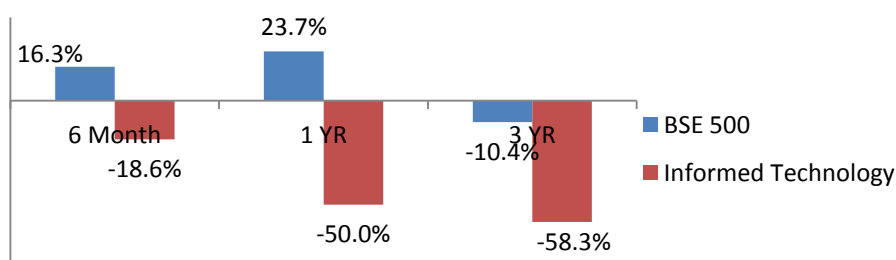
Source: Moneycontrol, Company

Financial Performance

For the quarter ended 30 Sept 2012, total income of the company was same as corresponding quarter of previous year at Rs.9.4 mn. Employee cost and traveling expenses increased from Rs.2.2 mn to Rs.4.7 mn Y-o-Y. Subsequently EBIDTA declined from Rs.5.9 mn to Rs.3.5 mn. EBIDTA margin contracted from 62.8% to 37.2%. PAT for the quarter stood at Rs.3.1 mn v/s Rs.5.7 mn in the corresponding quarter previous year. PAT margin declined from 60.6% to 33.0% in the Sept 12 ended quarter.

The company remained virtually debt free for the last five years.

Share Price Performance



Financials

P&L (Rs. mn)	FY10	FY11	FY12
Total income	48.5	40.1	37.1
EBIDTA	31.0	25.4	20.2
EBIDTA margin	63.9%	63.3%	54.4%
Depreciation	1.4	1.4	1.3
EBIT	29.6	24	18.9
Interest	0.1	0.3	0.2
PBT	29.5	23.7	18.7
Tax	6.2	4.4	1.8
PAT	23.3	19.3	16.9
PAT margin	48.0%	48.1%	45.6%
Dividend per share	1.0	1.0	1.0
Dividend paid (including tax)	4.8	4.8	4.8
Cash Accruals	24.7	20.7	18.2
Valuation ratios	FY10	FY11	FY12
P/E	3.6	4.5	5.3
P/BV	1.0	0.9	0.8

Balance Sheet (Rs. mn)	FY10	FY11	FY12
Share Capital	41.7	41.7	41.7
Reserves & Surplus	44.2	58.7	70.8
Net worth	85.9	100.4	112.5
Borrowings	1.1	0.4	1.3
other long term liabilities	-	0.5	7.0
Current Liabilities (excluding borrowing)	0.0	14.8	8.5
Total Liabilities	87.0	116.1	129.3
Net fixed assets	32.5	31.2	32.9
Investments	54.5	39.0	45.6
Current Assets	0.0	45.9	50.8
Total Assets	87.0	116.1	129.3
Cash Flow (Rs.mn)	FY10	FY11	FY12
PBT	29.5	23.7	18.7
CF from Operation	16.6	16.6	(7.3)
CF from Investment	(17.6)	(14.3)	9.7
CF from Financing	1.0	(0.4)	(3.9)
Inc/(dec) Cash	0.0	1.9	(1.5)
Closing Balance	1.7	3.6	2.2

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