

25 April 2013

**CMP:** Rs.16.0  
**Industry:** BPO/KPO  
**BSE group:** B

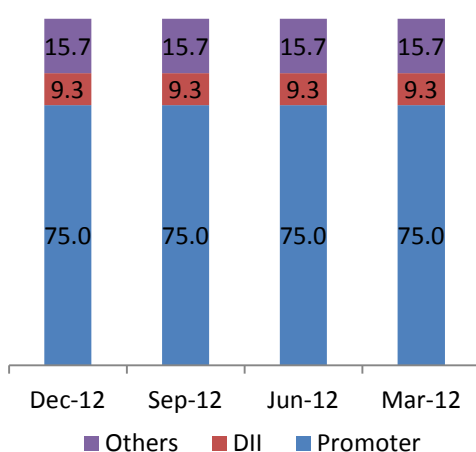
### Promoters

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 the 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)	Oct'12 to Dec'12	Oct'11 to Dec'11	% Change <sup>1</sup>	Jul'12 to Sep '12	% Change <sup>2</sup>
Total income	8.4	8.9	(5.6%)	9.4	(10.6%)
Total expenditure	3.7	4.8	(22.9%)	5.9	(37.3%)
EBIDTA	4.7	4.1	14.6%	3.5	34.3%
EBIDTA margin	55.9%	46.1%	21.5%	37.2%	50.3%
PBT	4.3	3.8	13.2%	3.1	38.7%
PAT	4.3	3.8	13.2%	3.1	38.7%
PAT margin	51.2%	42.7%	19.9%	33.0%	55.2%
Cash accruals	4.7	4.1	14.6%	3.4	38.2%
EPS	1.0	0.9	11.1%	0.7	42.9%

<sup>1</sup> compared to corresponding quarter in the previous year

<sup>2</sup> sequential comparisons

Source: Moneycontrol, Company

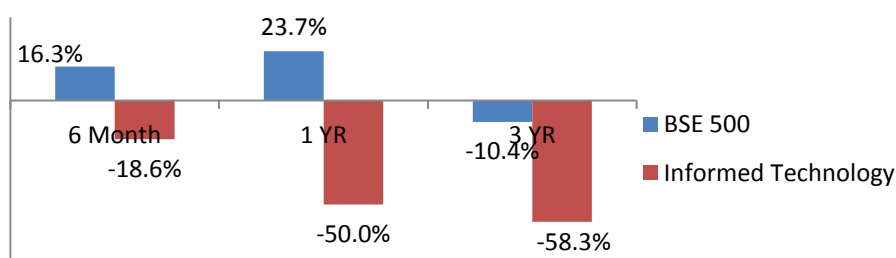
### Financial Performance

For the quarter ended 31 Dec 2012, total income of the company declined ~5% y-o-y to Rs.8.4 mn from Rs.8.9 mn. Other expenses decreased from Rs.2.9 mn to Rs.1.7 mn, which led EBIDTA to increase from Rs.4.1 mn to Rs.4.7 mn. PAT for the quarter stood at Rs.4.3 mn v/s Rs.3.8 mn in the corresponding quarter previous year. PAT margin increased from 43% to 51% y-o-y.

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

On a q-o-q basis, the TTM EPS marginally increased from 3.7 to 3.8. However market price declined from Rs.15.1 to Rs.12.6 over the corresponding period leading P/E to contract from 4.1 times to 3.3 times in the quarter.

### Share Price Performance



**Financials**

<b>P&amp;L (Rs. mn)</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
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
<b>Valuation ratios</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
P/E	3.6	4.5	5.3
P/BV	1.0	0.9	0.8

<b>Balance Sheet (Rs. mn)</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
Share Capital	41.7	41.7	41.7
Reserves & Surplus	44.2	58.7	70.8
<b>Net worth</b>	<b>85.9</b>	<b>100.4</b>	<b>112.5</b>
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
<b>Total Liabilities</b>	<b>87.0</b>	<b>116.1</b>	<b>129.3</b>
Net fixed assets	32.5	31.2	32.9
Investments	54.5	39.0	45.6
Current Assets	0.0	45.9	50.8
<b>Total Assets</b>	<b>87.0</b>	<b>116.1</b>	<b>129.3</b>
<b>Cash Flow (Rs.mn)</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
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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