

10 February 2014

CMP: Rs.11.98
Industry: BPO/KPO
BSE group: B

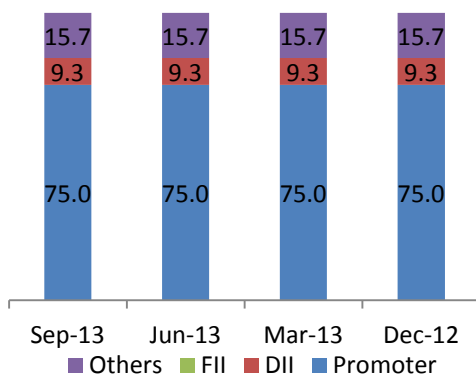
Promoters

Gautam Khandelwal and family

Key Data (as on 11 Nov' 13)

BSE	504810
ISIN	INE123E01014
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	49.9
Current P/E	3.0
Current P/BV	0.4
52 week low-high	8.32-16.00
30 days avg daily trading volume	339
Equity capital (Rs mn)	41.7
Net worth (Rs mn)	122.8

Shareholding Pattern (%)



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Company business

Informed Technologies India Ltd ('ITIL') (Formerly known as KFA Corporation) 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 developments

Stiff competition in BPO segment, relatively slower growth of Indian BPO Sector:

There is stiff competition from BPO service providers like Philippines, Ireland, Brazil, Canada and Poland. As per NASSCOM, the voice segment in India has lost about 10% market share to the rest of the world in BPO space. The \$13 billion Philippines BPO industry grew by 15.6% compared with 8.9% growth of India's \$20 billion BPO Space.

Financials

Particulars (Rs in mn)	Jul '13 to Sep '13	Jul '12 to Sep '12	% Change ¹	Apr'13 to Jun '13	% Change ²
Total income	10.8	9.4	14.9%	11.3	(4.4%)
Total operating expenditure	5.5	5.9	(6.8%)	4.2	31.0%
EBIDTA	5.3	3.5	51.4%	7.1	(25.4%)
EBIDTA margin	49.07%	37.23%	31.8%	62.83%	(21.9%)
PBT	4.8	3.1	54.8%	6.6	(27.3%)
PAT	4.8	3.1	54.8%	6.6	(27.3%)
PAT margin	44.44%	32.98%	34.8%	58.41%	(23.9%)
Cash accruals	5.2	3.5	48.6%	7.0	(25.7%)
EPS	1.2	0.7	56.8%	1.6	(26.6%)

¹ compared to corresponding quarter in the previous year

² sequential comparisons

Source: Moneycontrol, Company

Financial Performance

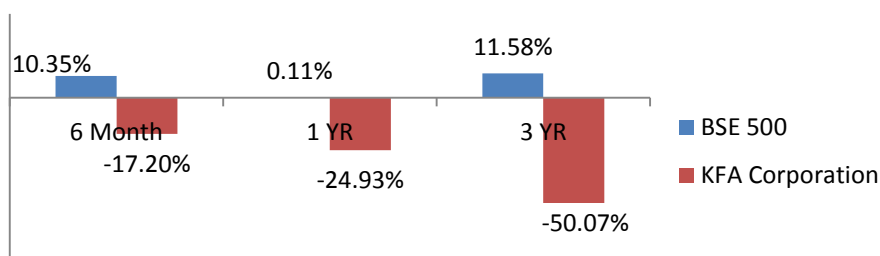
Quarter ended Sept 13

In the quarter ended September 2013, the total income of the company increased by 14.9% y-o-y to Rs. 10.8 mn from Rs.9.4 mn. PAT increased by 54.8% to Rs.4.8 mn from Rs.3.1mn over the corresponding period.

Year ended Mar 13

The total income for FY13 increased by 7.2% to Rs.40.0 mn from Rs.37.3 mn in FY12. EBIDTA increased by 9.5% to Rs.21.8 mn from Rs.19.9 mn. However PAT declined by 10% to Rs.15.2 mn from Rs.16.9 mn on account of increase in tax from Rs.1.5 mn to Rs.4.7 mn in FY13.

Share Price Performance



Financials

P&L (Rs. mn)	FY11	FY12	FY13
Total income	40.3	37.3	40.0
EBIDTA	25.6	19.9	21.8
EBIDTA margin	64%	53%	55%
Depreciation	1.4	1.3	1.6
EBIT	24.2	18.6	20.2
Interest	0.3	0.2	0.3
PBT	23.9	18.4	19.9
Tax	4.5	1.5	4.7
PAT	19.4	16.9	15.2
PAT Margin	48%	45%	38%
	-	-	-
Dividend Payout	25.3	29.0	32.2

Valuation ratios	FY11	FY12	FY13
P/E	5.2	5.9	3.4
P/BV	0.9	0.8	0.5

Balance Sheet (Rs. mn)	FY11	FY12	FY13
Share Capital	41.7	41.7	41.7
Share application money, warrants	0.0	0.0	0.0
Reserves & Surplus	58.7	70.7	81.1
Net worth	100.4	112.4	122.8
Borrowings	0.7	2.0	2.9
Current Liabilities and provisions	16.6	15.1	17.0
Net deferred tax Liabilities	0.0	0.0	0.0
Total liabilities	117.7	129.5	142.7
Fixed assets	31.2	32.8	34.6
Non-current Investments	77.8	82.5	96.9
Loans and Advances	2.7	9.3	5.2
Current Assets	6.0	4.9	6.0
Total assets	117.7	129.5	142.7

Cash Flow (Rs.mn)	FY11	FY12	FY13
PBT	23.9	18.4	19.9
CF from Operation	2.1	(7.4)	2.1
CF from Investment	5.3	9.8	2.3
CF from Financing	(5.5)	(3.8)	(4.1)
Inc/(dec) Cash	1.9	(1.4)	0.3
Closing Balance	3.6	2.2	2.5

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