



Glodyne Technoserve Limited

Instrument	Amount	Rating Action
	Rs. crore	
Commercial Programme	75	[ICRA]A1 assigned

ICRA has assigned [ICRA]A1 rating to Rs. 75 crore Commercial paper/Short term debt of Glodyne Technoserve Limited . ICRA also has a rating outstanding of [ICRA]A (pronounced as ICRA A) for Rs. 75 crore (revised from earlier Rs 150 crore) Non-Convertible Debentures programme of Glodyne Technoserve Limited . The long term rating carries a stable outlook.

The rating takes into account broad and diversified client base across sectors, presence in multiple geographies for technology Infrastructure managed services model, healthy profitability with moderate working capital intensity. The company has successfully undertaken Infrastructure Management Services on platform enabled - Managed Services and cloud computing models in sectors such as E-Government (Social Programs like NREGS,PDS,LMS), Education and Financial Inclusion services , though large up-front capex required for executing such projects leads to asset heavy business model. The company has also diversified its geographical presence by acquisition of DecisionOne, US which provides onsite IMS services to North American clients and will provide a platform for the future to create a mix of onsite and off-site IMS services to such clients.

The company's financial profile is however constrained by weak capital structure and moderately high gearing relative to peers in the Information Technology space. However, ICRA derives comfort from the management target of maintaining financial discipline by maintaining gearing levels of around 1x.

Company Profile

Glodyne operates in the Technology Infrastructure managed Services covering the entire technology business processes, management services. Among the pure play IMS services provided by the company includes – Maintaining data centers, Networks and Communications, Service desk technical support via onsite or remote delivery. The company provides Technology Application Managed Services (Technology AMS) which is built on pay-by-use model. The capital expenditure is borne by the company and the services are offered on shared platform model thereby moving to Opex model of providing services. The company has acquired US based company DecisionOne during 2010-11, which provides onsite IMS services to clients based in US and Canada. This has led to scale and size advantage and presence in the largest IMS outsourcing market of the world.

Recent Results

During 9MFY12, Glodyne reported Operating Income of Rs. 1955.6 crores, y-o-y growth of 61.3% and profit after tax Rs. 164.3 crores.

March 2012

For further details please contact:

Analyst Contacts:

Mr. Subrata Ray (Tel. No. +91 22 3047 0027)
subrata@icraindia.com

Relationship Contacts:

Mr. L. Shivakumar (Tel. No. +91 22 3047 0005)
shivakumar@icraindia.com



© Copyright, 2012, ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. The ICRA ratings are subject to a process of surveillance which may lead to a revision in ratings. Please visit our website (www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents

**Registered Office****ICRA Limited**

1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110001
Tel: +91-11-23357940-50, Fax: +91-11-23357014

Corporate Office**Mr. Vivek Mathur**Mobile: **9871221122**Email: vivek@icraindia.com

Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122002
Ph: +91-124-4545310 (D), 4545300 / 4545800 (B) Fax; +91-124-4545350

Mumbai**Mr. L. Shivakumar**Mobile: **91-22-30470005/9821086490**Email: shivakumar@icraindia.com

3rd Floor, Electric Mansion, Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025
Ph : +91-22-2433 1046/ 1053/ 1062/ 1074/ 1086/ 1087
Fax : +91-22-2433 1390

Kolkata**Ms. Anuradha Ray**Mobile: **91-33-22813158/9831086462**Email: anuradha@icraindia.com

A-10 & 11, 3rd Floor, FMC Fortuna, 234/ 3A, A.J.C. Bose
Road, Kolkata-700020.
Tel: +91-33-2287 6617/ 8839/ 2280 0008
Fax: +91-33-2287 0728

Chennai**Mr. Jayanta Chatterjee**Mobile: **9845022459**Email: jayantac@icraindia.com

5th Floor, Karumuttu Centre, 498 Anna Salai, Nandanam,
Chennai-600035.
Tel: +91-44-2433 3293/ 94, 2434 0043/ 9659/ 8080, 2433
0724, Fax:91-44-24343663

Bangalore**Mr. Jayanta Chatterjee**Mobile: **9845022459**Email: jayantac@icraindia.com

2 nd Floor. ,Vayudhoot Chambers, Trinity Circle, 15-16
M.G.Road, Bangalore-560001.
Tel:91-80-25597401/ 4049 Fax:91-80-25594065

Ahmedabad**Mr. L. Shivakumar**Mobile: **9821086490**Email: shivakumar@icraindia.com

907 & 908 Sakar -II, Ellisbridge,
Ahmedabad- 380006
Tel: +91-79-26585494, 26582008,26585049, 26584924
TeleFax:+91-79- 2648 4924

Pune**Mr. L. Shivakumar**Mobile: **9821086490**Email: shivakumar@icraindia.com

5A, 5th Floor, Symphony, S.No. 210, CTS 3202, Range Hills
Road, Shivajinagar,Pune-411 020
Tel : (91 20) 2556 1194 -96; Fax : (91 20) 2556 1231

Hyderabad**Mr. M.S.K. Aditya**Mobile: **9963253777**Email: adityamsk@icraindia.com

301, CONCOURSE, 3rd Floor, No. 7-1-58, Ameerpet,
Hyderabad 500 016.
Tel: +91-40-2373 5061 /7251 Fax: +91-40- 2373 5152