

December 31, 2009

CARE ASSIGNS 'CARE IPO GRADE 3' TO INTRASOFT TECHNOLOGIES LTD.

CARE has assigned a '**CARE IPO Grade 3**' to the proposed Initial Public Offer (IPO) of Intrasoft Technologies Limited (ITL). CARE IPO Grade 3 indicates average fundamentals. CARE assigns IPO grades on a scale of Grade 5 to Grade 1, with Grade 5 indicating strong fundamentals and Grade 1 indicating poor fundamentals. CARE's IPO grading is an opinion on the relative assessment of the fundamentals of the issuer. ITL proposes an IPO of 37, 00,000 equity shares of face value of Rs.10 each.

Rating Rationale

The grading derives strength from ITL owning & operating a leading electronic greeting card website through its subsidiaries, long & established track record of successfully maintaining leadership position in e-cards, recognised brand name, experienced management, established relationship with advertisers, adequate technological infrastructure for the present scale of operations and good financial position characterised by comfortable gearing ratios and profitability parameters.

The grading is, however, constrained by the small size of business, undiversified revenue stream which is concentrated in US & India, lack of alliances with major websites or long term arrangements with advertisers, high technology risk, highly competitive and volatile industry, low entry barriers for new entrants, low acceptance of online advertising by advertisers in the Indian market and inbuilt seasonality of the business.

Company Profile

Originally incorporated in 1996 in Kolkata, ITL started its electronic greetings business in 1997 offering electronic greetings in India and worldwide.

The company operates through its three subsidiaries namely 123Greetings.com, Inc. based at New York, US, One Two Three Greetings (India) Private Limited (Mumbai) and 123 Greetings (Singapore) Pte Limited (Singapore). The company owns and operates www.123greetings.com, its flagship website, which is one of the most visited electronic greetings website worldwide. The domain name (www.123greetings.com) is owned by the company's subsidiary, 123Greetings.com, Inc but operated by ITL.

Net sales, on consolidated basis, increased by 8.91% to Rs. 21.39 crore in FY09 from Rs.19.64 crore in FY08, while the company earned a PAT of Rs.5.33 crore in FY09 (P.Y. Rs. 4.30 crore). In the H1FY10, total income and PAT of ITL were Rs.9.53 crore and Rs.3.14 crore respectively.

Analyst Contact

Name: Ms. Aarti Mhatre

Tel # 022 6754 3440

Email: aarti.dogra@careratings.com

CARE classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries /regulators or others are welcome to write to care@careratings.com for any clarifications

DISCLAIMER:

CARE's IPO grading is a one time assessment and the analysis draws heavily from the information provided by the issuer as well as information obtained from sources believed by CARE to be accurate and reliable. However, CARE, does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. CARE's IPO grading does not take cognizance of the price of the security and it is not a recommendation to buy, sell or hold shares/securities. It is also not a comment on the offer price or the listed price of the scrip. It does not imply that CARE performs an audit function or forensic exercise to detect fraud. It is also not a forecast of the future market performance and the earnings prospects of the issuer; also it does not indicate compliance/violation of various statutory requirements. CARE shall not be liable for any losses incurred by users from any use of the IPO grading.

CARE is headquartered in Mumbai, with Offices all over India. The office addresses and contact numbers are given below:

HEAD OFFICE: MUMBAI

Mr. D.R. Dogra

Managing Director

Cell : +91-98204 16002

E-mail : dr.dogra@careratings.com

Mr. Rajesh Mokashi

Dy. Managing Director

Cell : +91-98204 16001

E-mail: rajesh.mokashi@careratings.com

Mr. Ankur Sachdeva

Head - Business Development

Cell : +91-9819698985

E-mail: ankur.sachdeva@careratings.com

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway,
Sion (East), **Mumbai 400 022** Tel.: (022) 67543456 Fax: (022) 67543457

Website: www.careratings.com

OFFICES

Mr.Mehul Pandya Regional Manager 32 TITANIUM Praladnagar Corporate Road, Satellite, Ahmedabad - 380 015. Tel – 079 6631 1821/22 Mobile - 98242 56265 E-mail: mehul.pandya@careratings.com	Mr.Sundara Vathanan Regional Manager No.G1, Canopy Royal Manor, Near Manipal Hospital, Rustombagh, Off Airport Road, Bangalore - 560 017. Tel – 080 2520 5575 Mobile – 98803 60878 E-mail: sundara.vathanan@careratings.com
Mr.Ashwini Jani Regional Manager Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai 600 002 Tel: 2849 7812/2849 0811 Mobile – 91766 47599 E-mail :ashwini.jani@careratings.com	Mr. Rahul Patni Regional Manager 302, 'Priya Arcade' 8-3-826, Yellareddyguda, Srinagar Colony, Hyderabad - 500 073. Tel – 040 6675 8386 Mobile – 91600 04563 E-mail: rahul.patni@careratings.com
Mr. Sukanta Nag Regional Manager 3rd Floor, Prasad Chambers (Shagun Mall Building) 10A, Shakespeare Sarani Kolkata - 700 071. Tel – 033 2283 1800/1803 Mobile – 98311 70075 E- mail: sukanta.nag@careratings.com	Ms.Swati Agrawal Regional Manager 710 Surya Kiran, 19 K.G. Road, New Delhi - 110 001. Tel – 011 2331 8701/2371 6199 Mobile – 98117 45677 E-mail :swati.agrawal@careratings.com