

| IPO Details | |
|---------------------------|----------------------------|
| Opening Date | Jan 19, 2024 |
| Closing Date | Jan 23, 2024 |
| Stock Exchange | BSE SME |
| Lot Size | 1,200 Shares |
| Issue Price | ₹ 96 to ₹ 100 per share |
| Issue Size | Aggregating up to 9.60 Cr. |
| Fresh Issue | Aggregating up to 9.60 Cr. |
| Offer for Sale | - |
| Application Amount | ₹ 1,20,000 |

| IPO Objective | |
|--|--|
| Funding of working capital requirements. | |
| General corporate purposes. | |

| Pre-Issue Shareholding | | |
|---------------------------|---------------|-------------------|
| Category | No. of Shares | % of Total Shares |
| Promoter & Promoter Group | 18,46,860 | 95.11 % |
| Public | 95,000 | 4.89 % |

| Promoter of the Company | |
|-------------------------|---------------|
| 1 | Shamba Bhanja |
| 2 | Supriya Gupta |

| Competitive Strengths | |
|-----------------------|---|
| 1 | Experienced promoters and management team |
| 2 | Scalable Business Model |
| 3 | Agile engineering and delivery |
| 4 | Exclusive Agreement for certain domains with Webel Technologies Limited |
| 5 | Marque Clientele |

| Company Background | |
|--------------------|---|
| ○ | Euphoria Infotech (India) Limited was originally incorporated in the year 2001 and had its registered office in Kolkata, West Bengal, India. |
| ○ | The company is engaged in the business of customized web application development for industry and general citizens. |
| ○ | The company provide high-end IT and ITes solutions in the fields of Citizen-Centric Applications, Enterprise Resource Planning (ERP), E-Commerce, Application programming interface (API), Internet of Things (IoT), cloud-based tools and applications, data management etc. |
| ○ | As of 30 th November 2023, the Company had 48 employees on its payroll. |

| Market Capitalization (In Cr.) | |
|--------------------------------|------------|
| Pre-Issue | Post-Issue |
| ₹ 19 | ₹ 29 |

| Financial Summary (In Lacs) | | | | |
|-----------------------------|--------|--------|--------|--------|
| For the Period Ended | Mar-21 | Mar-22 | Mar-23 | Sep-23 |
| Total Assets | 709.58 | 626.71 | 832.64 | 966.21 |
| Net Assets | 260.56 | 280.46 | 410.15 | 470.64 |
| Total Borrowings | 119.69 | 123.06 | 155.09 | 213.22 |
| Total Revenue | 556.14 | 493.88 | 737.56 | 365.61 |
| Profit After Tax | 26.17 | 19.90 | 129.68 | 60.51 |

| Tentative Timeline | |
|----------------------------------|--------------|
| Opening Date | Jan 19, 2024 |
| Closing Date | Jan 23, 2024 |
| Basis of Allotment | Jan 24, 2024 |
| Initiation of Refunds | Jan 25, 2024 |
| Credit of Shares to Demat | Jan 25, 2024 |
| Listing Date | Jan 29, 2024 |

Company Background and Analysis

Euphoria Infotech India Limited was originally incorporated on May 28, 2001. The company is a full-stack IT and ITes solutions, based out in Kolkata, West Bengal. The company provides high-end IT and ITes solutions in the fields of Citizen Centric Applications, Enterprise Resource Planning (ERP), E-Commerce, Application programming interface (API), Internet of Things (IoT), cloud-based tools and applications, data management etc. using standard software practices or through customised software development model depending upon the requirement of the clients which is backed by advanced technology and efficient team of software developers who tend to keep themselves abreast by undergoing continuous R&D activity.

The company is engaged in the business of customized web application development for industry and general citizens. The applications range from Online Recruitment, Online Application, Urban Local Body services, University management systems, Online Ticket Booking Systems, E-commerce and IoT-based dashboards for sewage treatment plants (STP) and similar industry-specific requirements. The company is developing different products for the education domain and citizen-centric services. The company provides consultation to different clients from multiple spectrums to develop, implement and maintain different customized software to enhance the efficiency and growth of the company. The company has become a technology partner to different government and financial organizations including more than 100 municipalities in West Bengal.

The company's objective lies in the development and maintenance of software solutions for enterprises in various sectors such as e-commerce, Education, Fintech, Healthcare, IoT, and other industries to enable ease of doing business and customer-centric solutions.

The domains in which the company operates are as follows: -

- University & School Management - Students Life-Cycle Management, University & School Management System, Centralised Admission Programme.
- Recruitment Management - Government Recruitment and Exam Management.
- Enterprise Resource Planning (ERP).
- E-Commerce.
- Transport management - Online Ticketing System and Fleet Management System.
- Citizen-Centric Portal.
- Internet of Things (IoT).
- Artificial Intelligence and Machine Learning.
- Agent Banking.

(Amount in Lacs)

| Particulars | Mar-21 | | Mar-22 | | Mar-23 | | Sep-23 | |
|--------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | Amt | % | Amt | % | Amt | % | Amt | % |
| Citizen-Centric Services | 74.49 | 12.75 | 83.68 | 17.99 | 151.86 | 20.61 | 83.71 | 22.90 |
| Education | 90.36 | 15.47 | 76.65 | 16.48 | 179.23 | 24.33 | 110.02 | 30.10 |
| ERP | 10.99 | 1.88 | 10.46 | 2.25 | 8.34 | 1.13 | 4.76 | 1.30 |
| IOT/AI | 20.50 | 3.51 | 7.25 | 1.56 | 3.40 | 0.46 | 6.14 | 1.68 |
| Recruitment | 29.47 | 5.04 | 121.41 | 26.10 | 145.56 | 19.76 | 140.57 | 38.46 |
| Supply Chain / IOT | 218.69 | 37.43 | 20.37 | 4.38 | 3.68 | 0.50 | 5.22 | 1.43 |
| Transport | 100.09 | 17.13 | 114.87 | 24.70 | 38.19 | 5.18 | 10.81 | 2.96 |
| Other Service | 39.69 | 6.79 | 30.46 | 6.55 | 206.46 | 28.02 | 4.26 | 1.17 |
| Total | 584.28 | 100.00 | 465.15 | 100.00 | 736.72 | 100.00 | 365.49 | 100.00 |

To conclude, Euphoria Infotech India Limited was incorporated in 2001, and has good experience in the industry. Currently company derives most of its revenue from West Bengal. Company has started its journey in Bangladesh back in 2018 through its JV company namely Euphoria Infotech (Bangladesh) Private Limited.

Business Strategies

1. Acquire new clients and deepen key account relationships –

The company has a demonstrated track record of expanding work with customers after an initial engagement. The company aims to sustain the annual revenue contribution of a customer in subsequent years after the year of customer acquisition. Expansion of its relationships with existing active customers will remain a key strategy going forward as they continue to leverage the domain expertise and knowledge of emerging technology trends in order to drive incremental growth for business.

2. Diversify Business Portfolio –

Based on the continuous upward growth of technology and modulation of the needs of the clients, the company intends to expand further in different sectors with innovative ideas. The company has traditionally focused on enterprises that are technology- and information-centric, where it believed software development expertise is valued in the same verticals such as Custom Development, Indigenous Development and Artificial Intelligence. The company now intends to diversify its business activity by including new domains such as product development, training and capacity building, project management and fintech.

3. Enhancing existing technology and thriving to make people-centric policies and practices –

The company intends to come up with innovative techniques that enable to creation of innovative trends to retain the client by providing services that are user-friendly and developing systems according to the needs of the people in the changing world. Adopting people-centric policies and practices not only enables it to retain clients by creating efficiency in their business activities, but it also helps in creating a different software model which becomes beneficial to the business profile.

4. Increase in Productivity and Efficiency –

The company is into the development of reusable components with a motto to reduce the timeframe of delivery by at least 40%. This will lead to improving the productivity and efficiency of the software for the clients. Not only do these innovations help businesses assimilate into the digital ecosystem, but small businesses' willingness to invest in these capabilities and other IT-related services exposes them to better local market opportunities and profit margins.

5. Enhance customer base by entering new geographies –

The company intends to cater to the increasing demand of existing customers and also to increase its existing customer base by enhancing its geographical reach.

6. Focus on quality –

The company intends to focus on adhering to the quality of IT and ITes services. This is necessary to make sure that company maintains the high-quality standards for its offerings gets repeated projects from clients and can provide students with industry-specific training. This will also aid in enhancing the company's brand value and further increase the business.

Competitive Scenario and Peer Mapping

Competition

The company faces high competition in the industry. The industry in which the company operates in is highly fragmented. Decreasing transaction costs have also levelled the playing field by significantly lowering barriers to entry and allowing local and regional producers to operate on a global scale, which is critical to creating the sharing economy. The bargaining power with the customers is high in the sector in which the company operates. The bargaining power with the suppliers is also high in the sector in which the company operates.

Peer Analysis

The comparison of the key performance indicators of the listed peers as of Mar-23 is given below -

| Particulars | Euphoria Infotech India Limited | Infobeans Technologies Limited | Xchanging Solutions Limited |
|----------------------------|---------------------------------|--------------------------------|-----------------------------|
| | 31st Mar 2023 | 31st Mar 2023 | 31st Mar 2023 |
| Net Profit Margin | 18% | 9% | 26% |
| EBITDA Margin | 29% | 18% | 29% |
| Return on Capital Employed | 47% | 12% | 7% |
| Return on Equity | 32% | 13% | 7% |
| EPS (INR) | 30.51 | 14.83 | 4.03 |

The comparison of the key performance indicators of the listed peers as of Mar-22 is given below -

| Particulars | Euphoria Infotech India Limited | Infobeans Technologies Limited | Xchanging Solutions Limited |
|----------------------------|---------------------------------|--------------------------------|-----------------------------|
| | 31st Mar 2022 | 31st Mar 2022 | 31st Mar 2022 |
| Net Profit Margin | 4.28% | 20.30% | 30.46% |
| EBITDA Margin | 5% | 24% | 30% |
| Return on Capital Employed | 7% | 17% | 8% |
| Return on Equity | 7% | 24% | 9% |
| EPS (INR) | 154.73 | 22.75 | 4.72 |

The comparison of the key performance indicators of the listed peers as of Mar-21 is given below -

| Particulars | Euphoria Infotech India Limited | Infobeans Technologies Limited | Xchanging Solutions Limited |
|----------------------------|---------------------------------|--------------------------------|-----------------------------|
| | 31st Mar 2021 | 31st Mar 2021 | 31st Mar 2021 |
| Net Profit Margin | 4.72% | 20.6% | 31.6% |
| EBITDA Margin | 10.4% | 21.7% | 28.1% |
| Return on Capital Employed | 17.5% | 10.2% | 9.6% |
| Return on Equity | 10.0% | 20.4% | 11.2% |
| EPS (INR) | 203.49 | 15.34 | 5.60 |

Industry Overview

Exhibit 1: Indian IT & Business Service Industry (US\$ billion)

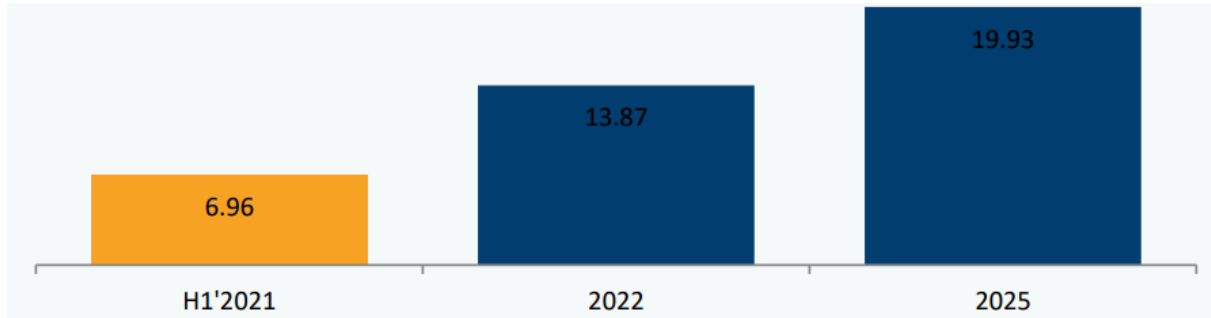
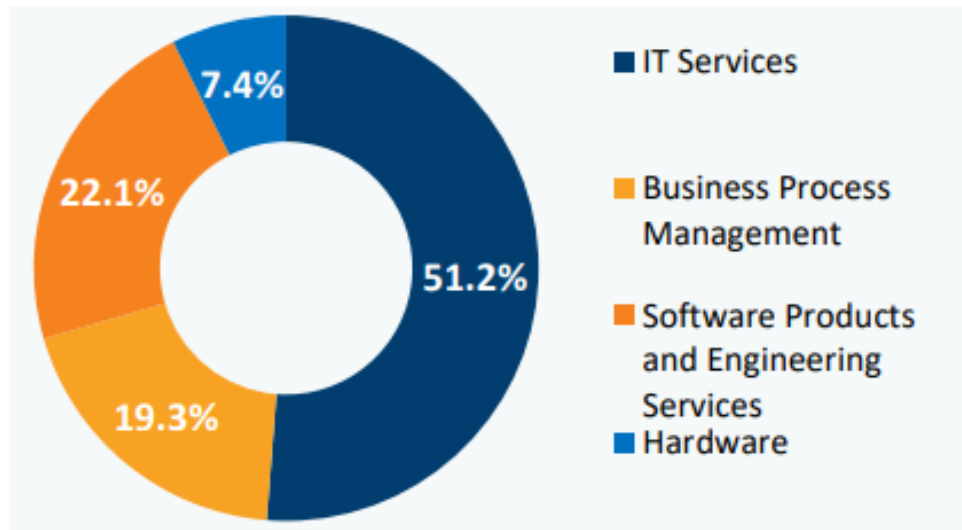


Exhibit 2: Sector-wise Break-up of the Indian IT market (US\$ billion) 2023E.



(Source: ibef.org)

Indian IT Industry -

The IT & BPM sector has become one of the most significant growth catalysts for the Indian economy, contributing significantly to the country's GDP and public welfare. The IT industry accounted for 7.4% of India's GDP in FY22, and it is expected to contribute 10% to India's GDP by 2025.

As innovative digital applications permeate sector after sector, India is now prepared for the next phase of growth in its IT revolution. India is viewed by the rest of the world as having one of the largest Internet user bases and the cheapest Internet rates, with 76 crore citizens now having access to the internet. The current emphasis is on the production of significant economic value and citizen empowerment, thanks to a solid foundation of digital infrastructure and enhanced digital access provided by the Digital India Programme.

India is one of the countries with the quickest pace of digital adoption. This was accomplished through a mix of government action, commercial innovation and investment, and new digital applications that are already improving and permeating a variety of activities and different forms of work, thus having a positive impact on the daily lives of citizens. India's rankings improved six places to the 40th position in the 2022 edition of the Global Innovation Index (GII).

According to National Association of Software and Service Companies (Nasscom), the Indian IT industry's revenue touched US\$ 227 billion in FY22, a 15.5% YoY growth. According to Gartner estimates, IT spending in India is expected to increase to US\$ 101.8 billion in 2022 from an estimated US\$ 81.89 billion in 2021. Indian software product industry is expected to reach US\$ 100 billion by 2025. Indian companies are focusing on investing internationally to expand their global footprint and enhance their global delivery centres. The data annotation market in India stood at US\$ 250 million in FY20, of which the US market contributed 60% to the overall value.

The market is expected to reach US\$ 7 billion by 2030 due to accelerated domestic demand for AI. Exports from the Indian IT industry stood at US\$ 149 billion in FY21. Export of IT services has been the major contributor, According to National Association of Software and Service Companies (Nasscom), the Indian IT industry's revenue touched US\$ 227 billion in FY22, a 15.5% YoY growth. According to Gartner estimates, IT spending in India is expected to increase to US\$ 101.8 billion in 2022 from an estimated US\$ 81.89 billion in 2021.

Indian software product industry is expected to reach US\$ 100 billion by 2025. Indian companies are focusing on investing internationally to expand their global footprint and enhance their global delivery centres. The data annotation market in India stood at US\$ 250 million in FY20, of which the US market contributed 60% to the overall value. The market is expected to reach US\$ 7 billion by 2030 due to accelerated domestic demand for AI. Exports from the Indian IT industry stood at US\$ 149 billion in FY21. Export of IT services has been the major contributor, accounting for more than 51% of total IT export (including hardware). BPM and engineering and R&D (ER&D) and software products export accounted for 20.78% each to total IT exports during FY21. The ER&D market is expected to grow to US\$ 42 billion by 2022. The IT industry added 4.45 lakhs new employees in FY22, bringing the total employment in the sector to 50 lakhs employees.

(Source: prospectus)

Key Managerial Personnel

Shamba Bhanja, aged 52 years, is one of the Promoters and Managing Director of the Company. He is the Founder of Euphoria Infotech (India) Private Limited. He holds a master's degree in science. He has expertise in the domains of telecom, education, government services, Internet of Things (IoT), Transport Management, Production and Supply Chain Management. He is responsible for overall strategic planning, growth initiatives and execution of projects at the Company.

Supriya Gupta, aged 75 years, is the Promoter of the Company. She holds a Graduate degree in history and philosophy. She has extensive knowledge and experience in the field of literature and education of more than 50 years. She has been actively involved in social activities for women's empowerment. She is not involved in the day-to-day operation of the Company.

Bappaditya Dasgupta, aged 48 years, is the Whole-Time Director of the Company. He holds a graduate degree in Physics. He has over two decades of experience in Software development, process delivery, quality control and data analytics. He plays a key role in the execution of projects and day-to-day operations of the Company.

Priyabrata Seal, aged 47 years, is the Whole-Time Director of the company. He holds a master's degree in Multimedia Development. He has about 20 years of experience in the areas of project management, system architecture and account management. He plays a key role in the execution of projects and day-to-day operations.

Soma Das, aged 54 years, is the Non-Executive Woman Director of the Company. She has done her Doctorate in Philosophy in Arts. She has about 25 years of experience in the field of education. She is a lecturer of political science at East Calcutta Girls College, Kolkata.

Avijit Mallick, aged 39 years, is the Non-Executive Independent Director of the Company. He holds a bachelor's degree and a Postgraduate Diploma in Quality Engineering and Management. He is having experience of more than 11 years in the field of Software and Information Technology.

Sriyans Lunia, aged 31 years, is the Independent Director of the Company. He is a B. Com (Hons) Graduate and has cleared the Intermediate Levels of Company Secretary. He has working Experience of around 8 years in the fields of accounting, finance, taxation and legal matters.

To conclude, the company has 2 promoters, out of which only one of them is involved in the operations of the business and he has vast experience in the industry in which the company operates. The Directors of the company have good experience in fields which help in the growth of the company.

Financial Snapshot

| Profit and Loss Statement | | | | (In Lacs) |
|---|---------------|---------------|---------------|------------------|
| Particulars | FY 21 | FY 22 | FY 23 | Sep-23 |
| Revenue from Operations | 554.81 | 465.16 | 736.73 | 365.48 |
| Other Income | 1.33 | 28.72 | 0.83 | 0.13 |
| Total Income | 556.14 | 493.88 | 737.56 | 365.61 |
| Expenses | | | | |
| Change in inventories of finished goods, work in progress and stock in trade. | 178.76 | 142.97 | 197.10 | 52.70 |
| Employee benefits expense | 178.92 | 161.37 | 209.49 | 131.03 |
| Finance costs | 17.81 | 17.89 | 31.55 | 12.65 |
| Depreciation and Amortization expense | 9.31 | 5.86 | 8.03 | 3.72 |
| Other expenses | 139.25 | 135.51 | 115.47 | 77.39 |
| Total Expenses | 524.05 | 463.60 | 561.64 | 277.49 |
| Earnings Before Interest, Taxes, Depreciation & Amortization | 57.88 | 25.31 | 214.67 | 104.36 |
| EBITDA Margin | 10% | 5% | 29% | 29% |
| Profit/(Loss) before tax | 32.09 | 30.28 | 175.92 | 88.12 |
| Tax Expense | | | | |
| Current Tax | 7.50 | 8.03 | 48.29 | 24.70 |
| Deferred Tax | 0.68 | 0.54 | -3.51 | 2.31 |
| Income tax for earlier years | - | - | 1.43 | - |
| Total Tax Expense | 8.18 | 8.57 | 46.21 | 27.01 |
| Share of profit/loss of joint ventures and associates (net) | 2.04 | -2.03 | 0.88 | -0.50 |
| Exchange differences in translating the financial statements of foreign joint venture | 0.22 | 0.22 | -0.91 | -0.10 |
| Profit/(Loss) for the year | 26.17 | 19.90 | 129.68 | 60.51 |
| Net Profit Margin | 5% | 4% | 18% | 17% |

| Balance Sheet | | | | (In Lacs) |
|--------------------------------------|---------------|---------------|---------------|------------------|
| Particulars | FY 21 | FY 22 | FY 23 | Sep-23 |
| EQUITY AND LIABILITIES | | | | |
| 1. Shareholders' funds | | | | |
| Share Capital | 1.29 | 1.29 | 194.19 | 194.19 |
| Reserve and Surplus | 259.27 | 279.17 | 215.96 | 276.45 |
| Total Equity | 260.56 | 280.46 | 410.15 | 470.64 |
| Minority Interest | | | | |
| Total Equity | 260.56 | 280.46 | 410.15 | 470.64 |
| 2. non-current liabilities | | | | |
| Long Term Borrowings | 14.69 | 5.90 | 15.73 | 28.68 |
| Deferred Tax Liabilities (Net) | 2.52 | 3.06 | - | 1.87 |
| Other NON-Current Liabilities | - | - | 14.62 | 21.93 |
| Total non-current liabilities | 17.21 | 8.96 | 30.35 | 52.48 |
| 3. Current liabilities | | | | |
| Financial Liabilities | | | | |
| Short-term borrowings | 105.00 | 117.16 | 139.36 | 184.54 |
| Trade payables | | | | |
| Due to MSME | | | | |
| Due to Others | 66.08 | 60.98 | 65.38 | 81.29 |
| Other Current Liabilities | 249.00 | 147.81 | 147.24 | 118.74 |
| Short-term Provisions | 0.00 | - | 1.19 | 1.78 |
| Current tax liabilities (net) | 11.74 | 11.35 | 38.97 | 56.73 |
| Total Current liabilities | 431.82 | 337.30 | 392.14 | 443.08 |
| Total Liabilities | 449.03 | 346.26 | 422.49 | 495.56 |

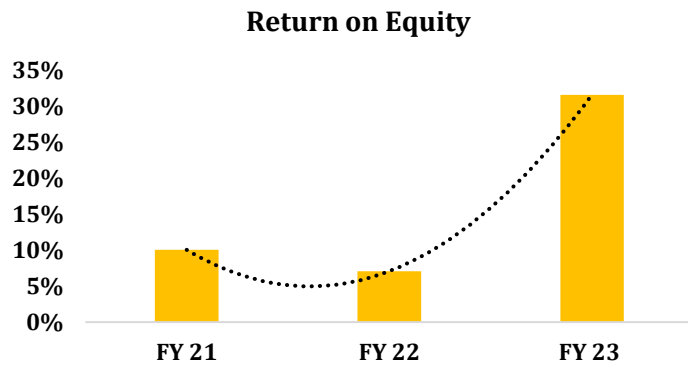
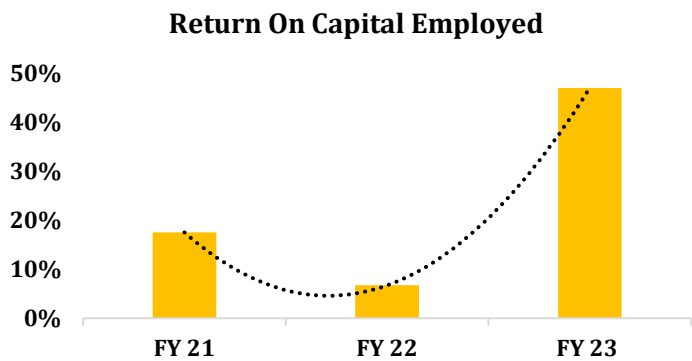
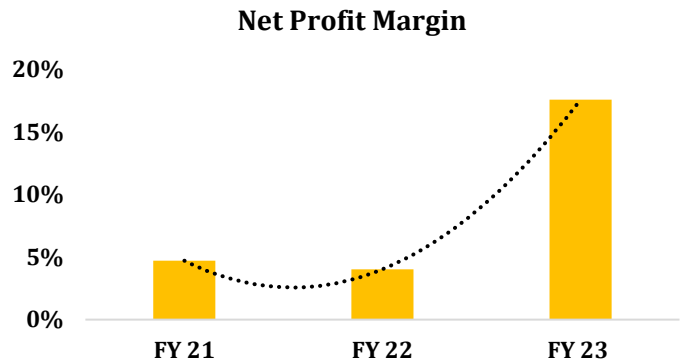
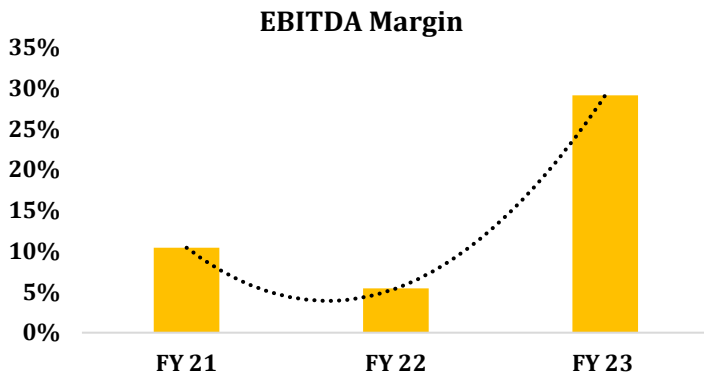
| Balance Sheet | | | | |
|-------------------------------------|---------------|---------------|---------------|------------------|
| | | | | (In Lacs) |
| Total Equity and Liabilities | 709.59 | 626.72 | 832.64 | 966.20 |
| ASSETS | | | | |
| 1. non-current assets | | | | |
| Property, Plant and Equipment | | | | |
| Tangible Assets | 65.64 | 62.21 | 57.68 | 80.24 |
| Other Intangible Assets | 2.92 | 2.00 | 1.07 | 0.61 |
| Investments | 10.21 | 8.40 | 8.37 | 7.77 |
| Deferred Tax Assets | - | - | 0.45 | - |
| Total non-current assets | 78.77 | 72.61 | 67.57 | 88.62 |
| 2. Current assets | | | | |
| Inventories | 183.47 | 241.07 | 209.73 | 246.92 |
| Trade receivables | 379.00 | 253.02 | 491.99 | 560.99 |
| Cash and Bank Balances | 13.06 | 8.61 | 26.97 | 27.98 |
| Short-term loans and advances | 25.03 | - | - | - |
| Others | 30.25 | 51.40 | 36.38 | 41.70 |
| Total Current assets | 630.81 | 554.10 | 765.07 | 877.59 |
| Total Assets | 709.58 | 626.71 | 832.64 | 966.21 |

| Cash Flow Statement | | | | |
|---|--------------|--------------|--------------|------------------|
| | | | | (In Lacs) |
| Particulars | FY 21 | FY 22 | FY 23 | Sep-23 |
| Net Cash Flow from Operating Activities | 26.45 | -13.66 | 7.15 | -23.76 |
| Net Cash Flow from Investing Activities | -3.54 | 23.72 | -1.74 | -25.69 |
| Net Cash Flow from Financing Activities | -21.54 | -14.52 | 12.95 | 50.46 |

| Ratio Sheet | | | | |
|-----------------------------|--------------|--------------|--------------|----------------|
| Particulars | FY 21 | FY 22 | FY 23 | Sep-23* |
| Per Share Data | | | | |
| Diluted EPS | 203.49 | 154.73 | 30.51 | 4.50 |
| BV per share | 8.98 | 9.66 | 14.13 | 51.72 |
| Operating Ratios | | | | |
| EBITDA Margins | 10.43% | 5.44% | 29.14% | 28.55% |
| PAT Margins | 4.71% | 4.03% | 17.58% | 17.87% |
| Inventory days | 120.70 | 189.16 | 103.91 | 123.64 |
| Debtor days | 249.34 | 198.54 | 243.75 | 280.89 |
| Return Ratios | | | | |
| RoCE | 17% | 7% | 47% | 13% |
| RoE | 10% | 7% | 32% | 9% |
| Valuation Ratios (x) | | | | |
| EV/EBITDA | 6.34 | 15.60 | 2.51 | 8.14 |
| Market Cap / Sales | 5.23 | 6.24 | 3.94 | 3.97 |
| P/E | 0.49 | 0.65 | 3.28 | 22.21 |
| Price to Book Value | 11.14 | 10.35 | 7.08 | 1.93 |
| Solvency Ratios | | | | |
| Debt / Equity | 0.46 | 0.44 | 0.38 | 0.45 |
| Current Ratio | 1.46 | 1.64 | 1.95 | 1.98 |
| Quick Ratio | 1.04 | 0.93 | 1.42 | 1.42 |
| Asset Turnover | 0.78 | 0.74 | 0.88 | 0.38 |
| Interest Coverage Ratio | 2.73 | 1.09 | 6.55 | 7.96 |

*Ratio sheet for Sep-23 is annualized.

Financial Charts



Key Risk Factors

1. The income tax department for the Assessment Year 2017-18 has made an addition of the entire turnover of ₹ 626.63 Lakhs and demanded an amount of ₹ 1,031.07 Lakhs which included tax of ₹ 484.07 Lakhs and ₹ 547.00 Lakhs as interest. To date, no hearing has been held in the matter.
2. The company's top 10 (Top) clients contributed approximately 99% of the revenue from operations based on Restated Financial Statements for the year ended March 31, 2022. If the company is unable to attract new clients or the existing clients do not renew their contracts, the growth of the business and cash flows will be adversely affected.
3. The company has had negative operating cash flow for the FY ended 2022, and the period ended September 2023 and may continue to do so in the future, which could have a material adverse effect on the business, prospects, financial condition, cash flows and results of operations.

Track Record of Lead Manager

The lead manager to the issue is Khandwala Securities Limited. A table has been set below highlighting the details of the IPO of the previous companies handled by the Lead Manager in recent times -

Khandwala Securities Limited -

| Sr. No. | Company Name | Issue Size in Cr. | Issue Price/Share (In INR) | Listing Date | CMP* (INR) |
|---------|--|-------------------|----------------------------|------------------|------------|
| 1. | Kaushalya Logistics Limited | 36.60 | 75.00 | January 08, 2024 | 115.00 |
| 2. | Vishnusurya Projects and Infra Limited | 49.98 | 68.00 | October 10, 2023 | 393.00 |

The company has had 2 mandates in the past three years including the current Year.

*CMP for the above-mentioned companies is taken as of 19th January 2024.

As per the offer document, from the above-mentioned mandates, the mandates have opened at a premium on the listing date.

Recommendation

The company has been in the industry since 2001 and has vast experience in the industry. The company's management overview is satisfactory. The company also faces significant competition in the industry.

The P/E on an annualized and post-IPO basis is 22.21 times which seems to be fully priced by looking at the performance of the company and the sector. The Sector P/E is 38.7 times.

The industry in which the company operates is highly fragmented. The company has seen an increase in the top line of its financials over the years but has seen a sudden increase in the bottom line. The margins have seen a sudden rise for the FY ended 2023 which is highly not sustainable. That sudden steep raises concerns about the future sustainability of the company. The financial outlook is also not satisfactory. Thus, keeping in mind the above-mentioned point we believe one can **AVOID** applying to this IPO.

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